(Please use this QR Code to view this Draft Red Herring Prospectus)

DRAFT RED HERRING PROSPECTUS
Dated: June 27, 2025
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

TWISTEX

SHREE RAM TWISTEX LIMITED

Corporate Identity Number: U17120GJ2013PLC078074

REGISTERED OFFICE AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
566P1, Umwada Road, Near Bajrang Cotspin, Gondal, Rajkot – 360 311, Gujarat, India	Sejal Tapan Gajjar *Company Secretary and Compliance Officer*	**E-mail**: cs@shreeramtwistex.com **Telephone**: +91 75100 12200	www.shreeramtwistex.com

OUR PROMOTERS: BHAVESHBHAI BHIKHUBHAI RAMANI, JAY ATULBHAI TILALA, AND NIDHI BHAVESHBHAI KOTHARI

DETAILS OF THE PUBLIC ISSUE

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE*	ELIGIBILITY
Fresh Issue	Fresh Issue of up to 1,06,00,000* Equity Shares of face value ₹10 each aggregating up to ₹ [●] lakh	Not Applicable	Up to 1,06,00,000 Equity Shares aggregating up to ₹[●] lakh	This Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For details, see "***Other Regulatory and Statutory Disclosures – Eligibility for the Issue***" on page 328. For details in relation to share reservation amongst QIBs, RIBs and NIBs,see "***Issue Structure***" on page 345.

RISKS IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10 each. This being the first public issue of Equity Shares of face value of ₹10 each of our Company, there has been no formal market for the Equity Shares. The Floor Price, Cap Price and Issue Price (as determined by our Company, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "***Basis for the Issue Price***" on page 129) should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 36.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"). For the purpose of the Issue, [●] shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

Name of Book Running Lead Manager and Logo	Contact Person	Telephone and Email
Interactive Financial Services Limited	Jaini Jain	**Telephone**: +91 79 4908 8019/ +91 98980 55647 **E-mail**: mbd@ifinservices.in

REGISTRAR TO THE ISSUE

Name of Registrar	Contact Person	Telephone and Email
Bigshare Services Private Limited	Vinayak Morbale	**Telephone**: +91 22-6263 8200 **E-mail**: ipo@bigshareonline.com

BID/ ISSUE PERIOD

ANCHOR INVESTOR BID/ ISSUE PERIOD	[●](1)	BID/ ISSUE OPENS ON	[●](2)	BID/ ISSUE CLOSES ON	[●](2)(3)

**Subject to finalization of basis of allotment*

(1)Our Company may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

(3)The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

DRAFT RED HERRING PROSPECTUS
Dated: June 27, 2025
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

TWISTEX

SHREE RAM TWISTEX LIMITED

Our Company was originally incorporated as a limited company in the name of 'Shree Ram Twistex Private Limited' vide certificate of incorporation dated December 31, 2013, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Upon the conversion of our Company to a public limited company, pursuant to a resolution passed by our Board dated July 1, 2024 and a special resolution passed by our Shareholders dated July 26, 2024, the name of our Company was changed from 'Shree Ram Twistex Private Limited' to 'Shree Ram Twistex Limited' and a fresh certificate of incorporation dated September 18, 2024, was issued by the Registrar of Companies, Central Processing Centre. For details of change in the name and registered office of our Company, see "***History and Certain Corporate Matters***" on page 216.

Corporate Identity Number: U17120GJ2013PLC078074
Registered Office and Corporate Office: 566P1, Umwada Road, Near Bajrang Cotspin, Gondal, Rajkot – 360 311, Gujarat, India
Contact Person: Sejal Tapan Gajjar, Company Secretary and Compliance Officer; **Telephone**: +91 75100 12200
E-mail: cs@shreeramtwistex.com; **Website**: www.shreeramtwistex.com

OUR PROMOTERS: BHAVESHBHAI BHIKHUBHAI RAMANI, JAY ATULBHAI TILALA, AND NIDHI BHAVESHBHAI KOTHARI

INITIAL PUBLIC OFFERING OF UP TO 1,06,00,000* OF ₹10 EACH ("EQUITY SHARES") OF SHREE RAM TWISTEX LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹[●] LAKH ("THE ISSUE"). THE ISSUE WILL CONSTITUTE [●]% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED GUJARATI DAILY NEWSPAPER) GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE, AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/ Issue Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of 1 (one) Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process in terms of Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"), provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary-basis (the "**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors ("**Anchor Investor Allocation Price**") in accordance with the SEBI ICDR Regulations. In the event of undersubscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (excluding the Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Issue Price and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders ("**NIBs**") of which (a) one-third portion shall be reserved for applicants with application size of more than ₹2.00 Lakhs and up to ₹10.00 Lakhs; and (b) two-thirds portion shall be reserved for applicants with application size of more than ₹10.00 Lakhs, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further not more than 10% of the Net Issue shall be available for allocation to Retail Individual Bidders ("**RIBs**") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All Bidders (except Anchor Investors) are mandatorily required to utilise the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter), as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA Process. For further details, see "***Issue Procedure***" on page 349.

RISKS IN RELATION TO THE FIRST ISSUE

The face value of Equity Shares is ₹10 each. This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The Issue Price, Floor Price, Cap Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager in accordance with SEBI ICDR Regulations by way of the Book Building Process, as stated in ''***Basis for Issue Price***" on page 129) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issuer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 36.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares that will be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date, see "***Material Contracts and Documents for Inspection***" on page 405.

BOOK RUNNING LEAD MANAGER	**REGISTRAR TO THE ISSUE**
Interactive Financial Services Limited Office No. 508, Fifth Floor, Priviera Nehru Nagar, Ahmedabad – 380 015 Gujarat, India **Telephone:** +079 4908 8019/ +91 98980 55647 **Contact Person:** Jaini Jain **E-mail:** mbd@ifinservices.in **Website:** www.ifinservices.in **Investor Grievance E-mail:** info@ifinservices.in **SEBI Registration No.:** INM000012856	**Bigshare Services Private Limited** Office No. S6-2, 6th Floor Pinnacle Business Park Next to Ahura Center Mahakali Caves Road, Andheri East Mumbai – 400 093 Maharashtra, India **Telephone:** +91 22-6263 8200 **Contact Person:** Vinayak Morbale **E-mail:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Investor Graiviance Email:** investor@bigshareonline.com **SEBI Registration No.:** INR000001385

ANCHOR INVESTOR BID/ ISSUE PERIOD	[●][(1)*]	**BID/ ISSUE OPENS ON**	[●][(2)]	**BID/ ISSUE CLOSES ON**	[●][(2)(3)]

**Subject to finalization of basis of allotment*
[(1)]Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.
[(2)]Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
[(3)]The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

TABLE OF CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, Act or regulation, as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Further, the Issue related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined below). In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

*Notwithstanding the foregoing, terms used in "**Basis for Issue Price**", "**Statement of Possible Special Tax Benefits**", "**Industry Overview**", "**Our Business**", "**Key Regulations and Policies in India**", "**Restated Financial Statement**", "**Outstanding Litigations and Material Developments**" and "**Description of Equity Shares and Terms of Articles of Association**" on pages 129*, 137, 139, 179, 206, 239, 320 and 371 *respectively, shall have the meaning ascribed to such terms in those respective sections.*

General Terms

Term	Description
"Company" or "our Company" or "the Company" or "the Issuer" or "we" or "us" or "our"	Unless the context otherwise indicates or implies, refers to Shree Ram Twistex Limited, a public limited company incorporated under the provision of Companies Act, 2013, having its registered office at 566 P1, Umwada Road, Near Bajrang Cotspin, Gondal, Rajkot – 360 311, Gujarat, India.
"you", "your" or "yours"	Prospective Investors/Bidder in this Issue.

Company Related Terms

Term	Description
"Articles of Association" or "AoA" or "Articles"	Articles of association of our Company, as amended from time to time.
"Audit Committee"	The Audit Committee of our Board, as described in "***Our Management – Board Committees – Audit Committee***" on page 227.
"Auditors" or "Statutory Auditors"	Statutory auditors of our Company, namely, M/s Doshi Doshi & Co, Chartered Accountants
"Board" or "Board of Directors" or "our Board"	The Board of Directors of our Company unless otherwise specified or any committee constituted thereof.
"Chairman" or "Chairman and Managing Director" or "Managing Director"	The chairman and managing director of our Company, Bhaveshbhai Bhikhubhai Ramani. For further information, see "***Our Management – Brief profiles of our Directors***" on page 222.
"Company Secretary and Compliance Officer"	The company secretary and compliance officer of our Company, Sejal Tapan Gajjar. For further details see, "***Our Management – Key Managerial Personnel and Senior Management Personnel***" on page 230.
"Corporate Social Responsibility Committee" or "CSR Committee"	Corporate social responsibility committee of our Board, as described in "***Our Management – Board Committees – Corporate Social Responsibility Committee***" on page 229.
"Director(s)"	The directors on our Board. For details see, "***Our Management***" on page 220.

Term	Description
"Executive Director and Chief Financial Officer" or "CFO"	The executive director and chief financial officer of our Company, being Jay Atulbhai Tilala. For further details see, "***Our Management"*** on page 220.
"Equity Shares"	The equity shares of our Company of face value of ₹10 each, unless otherwise specified in the context thereof.
"Independent Chartered Engineer"	The independent chartered engineer appointed by our Company, June 25, 2025.
"Independent Director(s) / Non-Executive Independent Director(s)"	The independent directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "***Our Management***" on page 220.
"Key Managerial Personnel" or "KMP"	The key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in "***Our Management – Key Managerial Personnel and Senior Management Personnel***" on page 230.
"Manufacturing Facility"	Our manufacturing facility located at Survey No 566 Paiki 1, Village Gondal, Tal. Gondal, Dist Rajkot
"Materiality Policy"	The policy adopted by our Board pursuant to its resolution dated May 9, 2025 for identification of: (a) material outstanding litigations; (b) material creditors; and (c) identification of group companies, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
"MOA" or "Memorandum" or "Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended from time to time.
"Nomination and Remuneration Committee"	The nomination and remuneration committee of our Board, as described in "***Our Management – Board Committees***" on page 227.
"Non-executive Director"	The non-executive non-independent director of our Company, Rameshchandra Mohanlal Hirani.
"Promoter(s)"	The Promoters of our Company, Bhaveshbhai Bhikhubhai Ramani, Jay Atulbhai Tilala, and Nidhi Bhaveshbhai Kothari.
"Promoter Group"	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "***Our Promoters and Promoter Group***" on page 233.
"Registered Office" or "Registered and Corporate Office"	The registered office of our Company, situated at 566P1, Umwada Road, Near Bajrang Cotspin, Gondal, Rajkot – 360 311, Gujarat, India.
"Registrar of Companies" or "RoC"	Registrar of Companies, Gujarat at Ahmedabad. For further details, see "***General Information***" on page 80.
"Restated Financial Statements" or "Restated Financial Information	The restated financial statements of our Company comprising the Restated Statement of Assets and Liabilities as at December 31, 2024 and as at March 31, 2024, March 31, 2023, March 31, 2022, the restated statements of Profit and Loss (including other comprehensive income), the restated statement of changes in Equity, the Restated Cash Flow Statement for the nine-month period ended December 31, 2024 and years ended March 31, 2024, March 31, 2023, March 31, 2022, and the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of sub-Section (1) of Section 26 of Part I of Chapter III of the Act; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time. For details, see "***Restated Financial Statements***" on page 239.
"Senior Management Personnel" or "SMPs"	Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "***Our***

Term	Description
	Management – Key Managerial Personnel and Senior Management Personnel" on page 230.
"Shareholders" or "Members"	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
"Stakeholders' Relationship Committee"	The stakeholders' relationship committee of our Board, as described in "***Our Management – Board Committees***" on page 227.

Issue Related Terms

Term	Description
"Abridged Prospectus"	A memorandum containing salient features of a prospectus as may be specified by the SEBI in this behalf.
"Acknowledgement Slip"	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Bidders.
"Allotment Advice"	A note or advice or intimation of Allotment, sent to each of the successful Bidders who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
"Allottee"	A successful Bidder to whom the Equity Shares are Allotted.
"Anchor Investor"	A Qualified Institutional Buyer, applying under the Anchor Investor Portion with a minimum Bid of ₹1,000.00 lakh in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus.
"Anchor Escrow Account(s)" or "Escrow Account(s)"	Account opened with Anchor Escrow Bank for the Issue and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
"Anchor Investor Allocation Price"	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date.
"Anchor Investor Application Form"	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
"Anchor Investor Bid/Issue Period" or "Anchor Investor Bidding Date"	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
"Anchor Investor Issue Price"	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
"Anchor Investor Pay-in Date"	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, a date not later than 2 (two) Working Days after the Bid/ Issue Closing Date.
"Anchor Investor Portion"	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above

Term	Description
	the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid by authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
"ASBA Account"	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked upon acceptance of a UPI Mandate Request made by UPI Bidders using the UPI Mechanism.
"ASBA Bid"	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
"ASBA Bidders"	All Bidders except Anchor Investors.
"ASBA Form"	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
"Banker(s) to the Issue"	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Issue Account Bank(s) and Sponsor Bank.
"Basis of Allotment"	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue, as described in "***Issue Procedure***" on page 349.
"Bid"	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "Bidding" shall be construed accordingly.
"Bid Amount"	The highest value of the optional Bids as indicated in the Bid cum Application Form and in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIB and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid. in the Issue. However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut off Price and the Bid Amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form.
"Bid cum Application Form"	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus, including ASBA Form.
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
"Bid/Issue Period"	Except in relation to Bids by Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.

Term	Description
	In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of one Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days
"Bid/Issue Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●] which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, and [●] editions of [●] (a widely circulated Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located). In case of any revisions, the extended Bid/Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank. Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
"Bid/Issue Opening Date"	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●] which shall be notified in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, and [●] editions of [●] (a widely circulated Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located). In case of any revision, the extended Bid/Issue Opening Date will also be widely disseminated by notification the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).
"Bid/Issue Period"	Except in relation to the Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of 3 (three) Working Days. The Bid/Issue Period will comprise of Working Days only. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of 1 (one) Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Our Company, in consultation with the BRLM, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.
"Bidder" or "Investor" or "Applicant"	Any prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied and includes an Anchor Investor.
"Bidding Centers"	Centers at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered

Term	Description
	Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
"Book Building Process"	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
"Book Running Lead Manager" or "BRLM"	The book running lead manager to the Issue, being Choice Capital Advisors Private Limited, a SEBI registered Category-I Merchant Banker.
"Broker Centers"	Broker centers of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Broker centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period.
"Cap Price"	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
"Cash Escrow and Sponsor Bank Agreement"	Agreement dated [●] entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, and the Bankers to the Issue for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof, in accordance with the UPI Circulars.
"Client ID"	Client identification number maintained with one of the Depositories in relation to dematerialised account.
"Collecting Depository Participant" or "CDP"	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of SEBI circular no. CIR /CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars and as per the list available on the websites of BSE and NSE.
"Collecting Registrar and Share Transfer Agents" or "CRTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time
"Controlling Branches"	Such branches of SCSBs which coordinate Bids under the Issue with the BRLM, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at www.sebi.gov.in.
"Cut-off Price"	Issue Price, authorized by our Company, in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
"D&B India"	Dun & Bradstreet Information Services India Private Limited
"D&B Report"	Report titled "Industry Report on Cotton Yarn" dated June 19, 2025, exclusively prepared by D&B India and, commissioned and paid for by our Company specifically in connection with the Issue, pursuant to an engagement letter dated March 6, 2025
"Demographic Details"	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI

Term	Description
	ID, wherever applicable.
"Depository(ies)"	A depository registered with SEBI under the SEBI (Depositories and Participants') Regulations, 1996.
"Depository Participant" or "DP"	A depository participant as defined under the Depositories Act.
"Designated CDP Locations"	Such locations of the CDPs where Bidders submitted the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
"Designated Date"	The date on which the Escrow Collection Banks transfer funds from the Escrow Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, where made available, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
"Designated Intermediary(ies)"	In relation to ASBA Forms submitted by RIIs and NIIs with an application size of up to ₹5.00 lakh (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs, Eligible Employees and Non-Institutional Bidders Bidding with an application size of up to ₹5.00 lakh (not using the UPI Mechanism) by authorising SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and CRTAs.
"Designated RTA Locations"	Such locations of the CRTAs/RTAs where Bidders can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
"Designated SCSB Branches"	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
"Designated Stock Exchange"	[●]
"DP ID"	Depository Participant's identity number.
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated June 27, 2025, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the

Term	Description
	size of the Issue, including any addenda or corrigenda thereto.
"Eligible FPIs"	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
"Eligible NRI(s)"	A non-resident Indian, under Schedule 3 and Schedule 4 of the FEMA Non-Debt Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
"Escrow Account(s)"	Account opened with the Escrow Collection Bank and in whose favor the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
"Escrow and Sponsor Bank(s) Agreement"	The agreement to be entered into amongst our Company, the Registrar to the Issue, the BRLM, the Syndicate Members and Banker(s) to the Issue in accordance with the UPI Circulars, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof
"Escrow Collection Bank(s)" or "Anchor Escrow Bank"	Banks which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Accounts will be opened, in this case being [●].
"First or Sole Bidder"	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
"Floor Price"	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares.
"Fresh Issue"	The initial public offering of up to 1,06,00,000* Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakh. For information, see "***The Issue***" on page 74. **Subject to finalization of basis of Allotment*
"Fraudulent Borrower"	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"Fugitive Economic Offender"	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
"General Information Document"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
"Gross Proceeds"	The gross proceeds of the Issue
"Issue"	The initial public offering of up to 1,06,00,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakh.
"Issue Agreement"	Agreement dated April 01, 2025 entered between our Company and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Issue.
"Issue Price"	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of this Draft Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the

Term	Description
	Book Building Process and in terms of this Draft Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.
"Issue Proceeds"	The proceeds of the Issue, which shall be available to our Company. For details about use of the Issue Proceeds, see "***Objects of the Issue***" on page 107.
"June 2021 Circular"	SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021
"Maximum RIB Allottees"	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
"Minimum Promoters' Contribution"	Aggregate of 20% of the fully diluted post-Issue equity share capital of our Company that are eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters that shall be locked-in for a period of 3 years from the date of Allotment. For details regarding the Minimum Promoters' Contribution, see "***Capital Structure – Details of lock-in***" on page 104.
"Monitoring Agency"	Monitoring agency appointed pursuant to the Monitoring Agency Agreement
"Monitoring Agency Agreement"	The agreement to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus
"Mobile Applications"	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmI d=43 or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
"Mutual Fund Portion"	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
"Mutual Funds"	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
"Net Proceeds"	Proceeds of the Issue less the Issue related expenses. For further details about use of the Issuer Proceeds and the Issue related expenses, see "***Objects of the Issue***" on page 107.
"Net QIB Portion"	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
"Non-Institutional Portion"	The portion of the Net Issue being not more than 15% of the Net Issue consisting of [●]* Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹2.00 lakh subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹2.00 lakh and up to ₹10.00 lakh; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹10.00 lakh, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. **Subject to finalization of Basis of Allotment*
"Non-Institutional Investors" or "Non-Institutional Bidders" or	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor

Term	Description
“NIIs” or “NIBs”	Investors), Retail Individual Investors who have Bid for Equity Shares for an amount of more than ₹2.00 lakh (but not including NRIs other than Eligible NRIs).
“Non-Resident Indians” or “NRI(s)”	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
“OCB” or “Overseas Corporate Body(ies)”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
“Person(s)”	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
“Price Band”	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/Issue Opening Date, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Gujarati regional daily newspaper (Gujarati also being the regional language of Gujarat, India, where our Registered Office is located), and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
“Pricing Date”	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
“Prospectus”	Prospectus dated [●] to be filed with the RoC for this Issue on or after the Pricing Date in accordance with Sections 26 and 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
“Public Issue Account”	Bank account opened with the Public Issue Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.
“Public Issue Account Bank(s)”	Bank(s) which are a clearing member and registered with SEBI as a banker to an issue and with whom the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].
“QIB Category” or “QIB Portion”	The portion of the Net Issue (including the Anchor Investor Portion) being not less than 75% of the Net Issue consisting of [●]* Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors). **Subject to finalization of Basis of Allotment*
“Qualified Institutional Buyers” or “QIBs” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
“Red Herring Prospectus” or “RHP”	The Red Herring Prospectus dated [●] issued in accordance with Section 32 of the Companies Act, 2013 and the SEBI ICDR Regulations, which did not

Term	Description
	have complete particulars of the price at which the Equity Shares shall be Allotted and which was filed with the RoC at least 3 (three) Working Days before the Bid /Issue Opening Date and became the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
"Refund Account"	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
"Refund Bank"	The Banker to the Issue with whom the Refund Account has been opened, in this case being [●].
"Registered Brokers"	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and with the stock exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of circular number CIR / CFD / 14 / 2012 dated October 14, 2012, and other applicable circulars issued by SEBI.
"Registrar Agreement"	The agreement dated April 01, 2025 entered between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI circular, as per the lists available on the websites of BSE and NSE
"Registrar to the Issue" or "Registrar"	Bigshare Services Private Limited
"Resident Indian"	A person resident in India, as defined under FEMA
"Retail Portion"	The portion of the Net Issue being not less than 10% of the Net Issue comprising of [●]* Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price. **Subject to finalization of Basis of Allotment.*
"Retail Individual Investors" or "RIIs" or "Retail Individual Bidders" or "RIBs"	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Issue was not more than ₹2.00 lakh in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
"Revision Form"	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB Category and Non-Institutional Investors bidding in the Non-Institutional Portion are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs, Eligible Employees bidding in the Employee Reservation Portion (subject to the Bid Amount being up to ₹2.00 lakh) can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/Issue Closing Date.
"SEBI ICDR Master Circular"	SEBI master circular bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024, as amended
"SEBI RTA Master Circular"	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
"Self-Certified Syndicate Bank(s)" or "SCSB(s)"	(i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognise

Term	Description
	dFpi=yes&intmId=34) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time. (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. Applications through UPI in the Issue can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
"Specified Locations"	Bidding centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form.
"Specified Securities"	Specified securities in terms of Regulation 2(1)(eee) of the SEBI ICDR Regulations.
"Sponsor Bank"	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [●].
"Stock Exchanges"	BSE Limited and National Stock Exchange of India Limited.
"Sub-Syndicate Members"	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
"Syndicate Agreement"	Agreement to be entered into among our Company, the Registrar to the Issue, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate.
"Syndicate Members"	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case [●].
"Syndicate or members of the Syndicate"	Together, the BRLM and the Syndicate Members.
"Systemically Important Non-Banking Financial Company"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
"Underwriters"	The BRLM and the Syndicate Members
"Underwriting Agreement"	The agreement to be entered between the Underwriters and our Company to be entered into on or after the Pricing Date but prior to filing of Prospectus.
"UPI"	Unified payments interface, which is an instant payment mechanism, developed by NPCI.
"UPI Bidders"	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; and (ii) Non-Institutional Bidders with an application size of up to ₹5.00 lakh in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues

Term	Description
	where the application amount is up to ₹5.00 lakh shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
"UPI Circulars"	The SEBI ICDR Master Circular, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024 (to the extent that such circulars pertain to the UPI Mechanism), NSE circulars (23/2022) dated July 22, 2022 and (25/2022) dated August 3, 2022, the BSE notices (20220722-30) dated July 22, 2022 and (20220803-40) dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard as updated from time to time
"UPI ID"	ID created on the UPI for single-window mobile payment system developed by the NPCI.
"UPI Mandate Request"	A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
"UPI Mechanism"	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Issue in accordance with the UPI Circulars to make as ABA bid in the Issue.
"Wilful Defaulter"	A wilful defaulter as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"UPI PIN"	Password to authenticate UPI transaction.
"Working Day"	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Gujarat, India are open for business and the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars

Technical / Industry / Business related terms

Term	Description
"AD"	Accelerated Depreciation
"ASM"	Additional Surveillance Measures
"ATUFS"	Amended Technology Upgradation Fund Scheme
"Bale"	A unit of measurement for a bundle of raw cotton. In the U.S., a bale weighs approximately 500 pounds (227 kilograms)
"BT cotton"	BT cotton is a genetically modified pest-resistant plant cotton variety, modified by the insertion of one or more genes from Bacillus thuringiensis (common soil bacteria) which produces an insecticide to combat bollworms
"CAGR"	Compound Annual Growth Rate
"Cotton Bales"	A standard-sized and weighted pack of compressed cotton lint, typically

Term	Description
	weighing between 180-220 kilograms (400-500 pounds). These bales are created after the cotton fibers are ginned, which removes the seeds and debris
"Combed Yarn"	Made from the long-staple cotton fibers, combed yarn undergoes an additional combing process to remove short fibers and impurities, resulting in smoother, stronger, and softer yarn.
"Carded Yarn"	Processed without the additional combing step, carded yarn offers a natural, slightly textured finish. It is ideal for denim, casual wear, home textiles, and general-purpose fabrics
"CPI"	Consumer Price Index
"DGFT"	Directorate General of Foreign Trade
"DISCOM"	Distribution company
"EBITDA"	Earnings Before Interest, Taxes, Depreciation and Amortization Expense
"EHS Policy"	Environmental, Health and Safety Management Policy
"Eli Twist"	A double-twisted, compact yarn that significantly enhances fabric quality by reducing hairiness, increasing durability, and improving abrasion resistance
"ERP Systems"	Enterprise resource planning (ERP) is a software system that helps organisations streamline their core business processes
"EPC"	Engineering, Procurement and Construction
"ESG"	Environmental, Social, and Governance
"Est., Adv. Est"	Estimated, Advance Estimates
"FDI"	Foreign Direct Investment
"FP Bales"	Factory Pressed Bales
"GDP"	Gross Domestic Product
"GETCO"	Gujarat Energy Transmission Corporation Limited
"GFCF"	Gross fixed capital formation
"GOTS"	Global Organic Textile Standard
"GRS"	Global Recycled Standard
"GSM"	Graded Surveillance Measures
"GVA"	Gross Value Added
"GW"	Gigawatts
"IIP"	Index of Industrial Production
"IMF"	International Monetary Fund
"INR"	Indian Rupee
"Man-Made Fibres"	man-made fibre, fibre whose chemical composition, structure, and properties are significantly modified during the manufacturing process. MMF can be organic or inorganic. Organic MMF can be made from natural materials like wood or are made from synthetic polymers
"MT/Annum"	Metric tons per annum, or Million tonnes per annum (MTPA), which is a unit used to express the production capacity or output of a facility
"Mercerization"	A chemical treatment applied to cotton fibres or fabrics to permanently impart a greater affinity for dyes and various chemical finishes. This technique also gives cotton cloth increased tensile strength, greater absorptive properties, and, usually, a high degree of lustre, depending on the method used
"Minimum Support Price (MSP)"	It is a government-set price at which it purchases crops from farmers, ensuring they do not suffer losses due to market fluctuations
"MMF"	Man-Made Fibres
"MMT"	Million Metric Tonnes
"Mn, Bn, Tn, Cr"	Million, Billion, Trillion, Crore

Term	Description
“MNRE”	Ministry of New and Renewable Energy
“m-o-m”	Month on Month
“MOSPI”	The Ministry of Statistics and Programme Implementation
“MSP”	Minimum Support Prices
“MSP”	Minimum Support Prices
“MW”	Megawatt Capacity
"Ne"	English Cotton Count System, a standard way to measure the fineness or thickness of yarn
“Ne 40/2 counts”	Means two-ply yarn made by twisting together two single yarns of Ne 40 count
“Nacelle”	The housing on top of the tower that contains the key components for converting wind energy into electricity
“NSM”	National Solar Mission
“O&M”	Operation and Maintenance
“OCS”	Organic Content Standard
“OEM standards”	OEM (Original Equipment Manufacturer) standards are a set of requirements that manufacturers must meet when producing components or products that are used in another company's final product
“Open-End Yarn”	A type of yarn produced through a spinning process that doesn't involve a spindle, unlike traditional ring spinning
“P, F”	Projected, Forecast
“PFCE”	Private Final Consumption Expenditure
“PGVCL”	Paschim Gujarat Vij Company Limited
“PLI”	Production Linked Incentive
“PM MITRA”	PM Mega Integrated Textile Regions and Apparel
“PM-KUSUM”	7Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan
“Promulgation”	The formal announcement or declaration of a new law, decree, or regulation, often accompanied by putting it into effect. It's the process of making something known to the public, especially through official channels. In essence, it's the public declaration and official putting into force of a new rule or policy.
“RBI”	Reserve Bank of India
“RCS”	Recycled Claim Standards
“Renewable energy”	Renewable energy is energy derived from natural sources that are replenished at a higher rate than they are consumed
“Repatriating”	The transfer of funds from an Indian account to a foreign bank account
“REC”	Renewable Energy Certificates
“Roving”	A roving is a long and narrow bundle of fiber. Rovings are produced during the process of making spun yarn from wool fleece, raw cotton, or other fibres. Their main use is as fibre prepared for spinning, but they may also be used for specialised kinds of knitting or other textile arts
“RPOs”	Renewable Purchase Obligations
“Sanforization”	It is a mechanical finishing process for woven fabrics, particularly cotton, in which the fabric is stretched, fixed, and stabilized so that it does not shrink significantly after washing. It is also called anti-shrinkage finishing process
“SCADA-based system”	A computer-based system used to monitor and control industrial processes. It gathers real-time data from various sensors and devices, analyzes it, and enables remote control of equipment, enhancing efficiency, safety, and decision-making
“SEC”	Specific Energy Consumption

Term	Description
"SEDEX"	Supplier Ethical Data Exchange
"SITP"	Scheme for Integrated Textile Parks
"SIDBI"	Small Industries Development Bank of India
"Slub Yarns"	A type of yarn that has been intentionally spun with irregular thickness and length to create a textured, knobbly effect in fabrics
"SPC"	Statistical Process Control
"SSI"	Small-Scale Industries
"USD"	US Dollar
"Viscose-Cotton Mix Yarn"	A textile yarn created by blending viscose and cotton fibers
"WPI"	Wholesale Price Index
"WTGs"	Wind Turbine Generation System, a system that uses wind energy to generate electricity
"y-o-y"	Year on Year

Conventional and General Terms / Abbreviations

Term	Description
"AAEC"	Appreciable Adverse Effect on Competition
"A.Y." or "AY"	Assessment Year
"ABRY"	Aatmanirbhar Bharat Rojgar Yojana
"A/C"	Account
"AGM"	Annual General Meeting
"AIF(s)"	An alternative investment fund as defined in, and registered with SEBI under, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
"AS" or "Accounting Standard"	Accounting Standards as issued by the Institute of Chartered Accountants of India
"Associate"	A person who is an associate of the issuer and as defined under the Companies Act, 2013
"Authorized Dealers"	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
"Bn" or "bn"	Billion
"BSE"	BSE Limited
"CAGR"	Compound Annual Growth Rate
"Category I FPI"	FPIs registered as "Category I foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
"Category II FPI"	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
"CCI"	Competition Commission of India.
"CDSL"	Central Depository Services (India) Limited.
"CIN"	Corporate Identity Number.
"CMP"	Current Market Price
"Companies Act, 1956"	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
"Companies Act, 2013" or "Companies Act"	Companies Act 2013, as amended read with rules, regulations, clarifications and modifications thereunder.
"Competition Act"	Competition Act, 2002, as amended and the rules and regulations made thereunder.

Term	Description
"COVID-19"	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
"Consolidated FDI Policy"	The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time.
"Control"	Control as defined under the Takeover Regulations, and the term "Controlled" shall be construed accordingly.
"Copyright Act"	Copyright Act, 1957.
"CPC"	Code of Civil Procedure, 1908.
"CrPC"	Code of Criminal Procedure, 1973.
"CSR"	Corporate Social Responsibility.
"CY"	Calendar year.
"Debt to Equity Ratio"	Debt equity ratio is calculated as total borrowings divided by total equity.
"Depositories Act"	The Depositories Act, 1996.
"Depository"	A depository registered with under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
"DIN"	Director Identification Number.
"DPIIT"	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry *(formerly Department of Industrial Policy and Promotion),* GoI.
"DP ID"	Depository Participant's identity number.
"EBITDA"	Earnings before interest, taxes, depreciation and Amortization excluding other income.
"EBITDA Margin"	EBITDA Margin is the percentage of EBITDA divided by revenue from operations.
"EGM"	Extraordinary General Meeting.
"EMI"	Equated Monthly Installment
"EPS"	Earnings per share.
"ERP"	Enterprise Resource Planning.
"ESIS"	Employees' State Insurance Scheme.
"Euro" or "EUR"	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community.
"FCNR"	Foreign currency non-resident account.
"FDI"	Foreign Direct Investment.
"FDI Circular"	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
"FEMA"	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
"FEMA Non-Debt Rules"	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended.
"Financial Year" or "Fiscals" or "fiscal year"	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
"FPIs"	A foreign portfolio investor who has been registered pursuant to the SEB1 FPI Regulations.
"FVCI"	Foreign Venture Capital Investors (as defined under the Securities and

Term	Description
	Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI.
"GDP"	Gross Domestic Product.
"GoI" or "Government"	Government of India.
"GST"	Goods and Services Tax.
"HUF(s)"	Hindu Undivided Family(ies).
"ICAI"	Institute of Chartered Accountants of India, New Delhi.
"ICRA"	ICRA Limited.
"IFRS"	International Financial Reporting Standards of the International Accounting Standards Board.
"IMF"	International Monetary Fund.
"Income Tax Act"	Income-tax Act, 1961, read with the rules framed thereunder.
"Income Tax Rules"	Income-tax Rules, 1962, as amended.
"Ind AS"	The Indian Accounting Standards referred to in the Companies Act 2013 and Companies (Indian Accounting Standard) Rules, 2015, as amended.
"Indian GAAP"	Generally Accepted Accounting Principles in India.
"INR" or "Rupee" or "₹" or "Rs."	Indian Rupee, the official currency of the Republic of India.
"Ind AS 24"	Indian Accounting Standard 24 issued by the ICAI.
"IPC"	Indian Penal Code, 1860, as amended.
"IQF"	Individual Quick Freezing.
"IRDAI"	Insurance Regulatory and Development Authority of India.
"ISO"	International Organization for Standardization.
"IST"	Indian Standard Time.
"IT"	Information Technology.
"KPIs"	Key Performance Indicators.
"KVA"	Kilovolt Ampere.
"MCA"	The Ministry of Corporate Affairs, Government of India.
"Mn"	Million.
"Mutual Funds"	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
"N.A." or "NA"	Not Applicable.
"NACH"	National Automated Clearing House.
"NAV"	Net Asset Value.
"NEFT"	National Electronic Fund Transfer.
"NPCI"	National Payments Corporation of India.
"NRE accounts"	NRI Non-Resident External account.
"NRI" or "Non-resident Indian"	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an "Overseas Citizen of India" cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955.
"NRO accounts"	Non-Resident Ordinary accounts.
"NSDL"	National Securities Depository Limited.
"NSE"	National Stock Exchange of India Limited.
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management

Term	Description
	(Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
"P/E Ratio"	Price/Earnings Ratio.
"p.a."	Per annum.
"PAN"	Permanent account number.
"PAT"	Profit after tax.
"PCB(s)"	Pollution Control Board(s).
"PPE"	Property Plant Equipment.
"Provident Fund"	Provident fund for employees managed by the Employee's Provident Fund Organisation in India.
"RBI"	Reserve Bank of India.
"Regulation S"	Regulation S under the U.S. Securities Act.
"RoNW"	Return on Net Worth.
"RTGS"	Real Time Gross Settlement.
"SCRA"	Securities Contract (Regulation) Act, 1956.
"SCRR"	The Securities Contracts (Regulation) Rules, 1957.
"SCSB"	Self-Certified Syndicate Bank.
"SCORES"	Securities and Exchange Board of India Complaints Redress System.
"SEBI"	Securities and Exchange Board of India established under Section 3 of the SEBI Act, as amended.
"SEBI Act"	Securities and Exchange Board of India Act, 1992, as amended.
"SEBI AIF Regulations"	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
"SEBI SBEB Regulations"	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
"SEBI FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
"SEBI FVCI Regulations"	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
"SEBI ICDR Regulations"	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
"SEBI Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
"SEBI Merchant Bankers Regulations"	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended.
"Sq. Ft." or "sq. ft."	Square Feet.
"Sq. mtr." or "sq. mtrs."	Square Meter.
"State Government"	The government of a state in India.
"STT"	Securities transaction tax.
"Takeover Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
"TAN"	Tax deduction account number.
"TDS"	Tax deducted at source.
TreDS	Trade Receivables Discounting System.
"U.S." or "United States"	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia.
"U.S. Securities Act"	United States Securities Act of 1933, as amended.
"VAT"	Value added tax.

Term	Description
"VCFs"	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be.

Key Performance Indicators (as defined in the Basis for Offer Price section)

Term	Description
Financial Indicators	
Total income	Total income includes revenue from operation and other income
Total revenue from operations (in ₹)	Revenue from operations represents the sale of products manufactured by the Company as recognized in the Restated financial information
Current Ratio	Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
EBIDTA	EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.
EBIDTA Margin (in %)	EBITDA margin is calculated as EBITDA as a percentage of total income
Net Profit	Net Profit for the year represents the restated profits of our Company after deducting all expenses
Net Profit Margin (in %)	Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income.
Return on Net Worth (in %)	Return on net worth is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by Average Net worth (average total equity). Average total equity means the average of the aggregate value of the paid-up share capital and other equity of the current and previous fiscals.
Return on Capital Employed (in %)	Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt of the current and previous fiscals).
Debt-Equity Ratio	Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity.
Debt Service Coverage Ratio	Debt Service Coverage Ratio is calculated by dividing the sum of Profit after Tax and interest amount by sum of the repayment of loan and Interest
Fixed Asset Turnover Ratio	Fixed asset turnover ratio is calculated as revenue from operations divided by fixed assets at the end of the year.
Working Capital Days	Working Capital Days refers to trade receivables days plus inventory days less trade payable days.
Net Cash from/ (used in) Operating Activities	Cash flow from / (used in) Operating Activities is our Company's ability to generate cash flow from our business operations
Net Cash from/ (used in) Investing Activities	Cash flow from / (used in) Investing Activities is our Company's ability to deploy funds for long term use
Net Cash from/ (used in) Financing Activities	Cash flow from / (used in) Financing Activities is the net amount of funding financed by our company
Operational Indicators	
No of Customers	-No. of customers referes to Total no. of Customers of the company
Revenue From Top 10 Customers	Revenue from Top 10 customers referes to Reevenue Generated from Top 10 Customers.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Draft Red Herring Prospectus are to the Republic of India its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, for the purpose of restatement of financial information, the terms "we", "us", "our", "the Company", "our Company", "Issuer", "Issuer Company", unless the context otherwise indicates or implies, refers to "Shree Ram Twistex Limited".

Financial Data

Unless the context requires otherwise or as otherwise stated, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements, for the nine-month period ended December 31, 2024 and Fiscals 2024, 2023 and 2022, comprising the restated statement of assets and liabilities as at the nine-month period ended December 31, 2024 and as at Fiscals 2024, 2023 and 2022, the restated statement of profit and loss and other comprehensive income, the restated statement of cash flows and restated statement of changes in equity for the nine-month period ended December 31, 2024 and for the Fiscals 2024, 2023 and 2022, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI, as amended from time to time.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. Therefore, all references in this Draft Red Herring Prospectus to a particular Financial Year, Fiscal(s), Fiscal Year or FY, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of IFRS or any other accounting principles or standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see "***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards (“IFRS”), which investors may be more familiar with and consider material to their assessment of our financial condition*.**" on page 69. Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Red Herring Prospectus, including in the Sections titled "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 36, 179 and 304, respectively and elsewhere in this Draft Red Herring Prospectus, have been calculated on the basis of the Restated Financial Statements of our Company included in this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to "**Rupees**", "**Rs.**", "**INR**" or "**₹**" are to Indian Rupees, the official currency of the Republic of India. All references to "**£**" or "**GBP**" are to Great Britain Pound, the official currency of the United Kingdom. All references to "**$**", "**US$**", "**USD**", "**U.S. $**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America.

All figures in decimals (including percentages) have been rounded off to one or two decimals, or to the nearest whole number. Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "lakh" units or in whole numbers where the numbers have been too small to represent in such units. One lakh represents 1,00,000 and one crore represents 10,000,000. One million represents 10,00,000, one billion represents 1,00,00,00,000 and one trillion represents 10,00,00,00,00,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakh in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Non-GAAP Financial Measures

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Gross Profit, Gross Profit Margin, PAT Margin, CAGR Net Asset Value per Equity Share, Return on Net worth, Net worth, EBIT, Capital Employed, Return on Capital Employed and others ("**Non-GAAP Measures**"), have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP financial measures are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP financial measures should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies and hence have limited usefulness as a comparative measure. For details, see ***"Risk Factors – We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry in which we operate, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies"*** on page 67.

Industry and Market Data

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Cotton Yarn" dated June 19, 2025 prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**") (the "**D&B Report**"), which has been exclusively* *commissioned and paid for by our Company in connection with the Issue pursuant to a mandate letter dated March 06, 2025. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.shreeramtwistex.comuntil the Bid/Issue Closing Date.*

Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year, refers to such information for the relevant year. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. For risks in relation to the D&B Report, see "***Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks***" on page 61.

Exchange Rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

(in ₹)

Currency	Exchange rate as on			
	December 31, 2024*#	March 31, 2024*#	March 31, 2023*#	March 31, 2022*#
1 US$	85.62	83.37	82.22	75.81
1 GBP	107.46	105.29	101.87	99.55

**If the RBI reference rate is not available on a particular date due to a public holiday, exchange rate of the previous working day has been disclosed*
#Rounded off to two decimal places.
Source: www.fbil.org.in and www.fedai.org.in

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "***aim***", "***anticipate***", "***are likely***", "***believe***", "***expect***", "***estimate***", "***intend***", "***likely to***", "***objective***", "***plan***", "***project***", "***propose***", "***will***", "***seek to***", "***will continue***", "***will pursue***" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact constitute 'forward-looking statements'. All statements regarding our expected financial conditions and results of operations, business plans and objectives, strategies and goals and prospects are forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/ or violence, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. A major portion of our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
2. A major portion of our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
3. We are dependent on a limited number of suppliers for procurement of cotton bales, our principal raw material, and any disruption in supply or adverse movement in cotton prices may materially affect our business, results of operations, and financial condition.
4. We are subject to stringent quality requirements from our institutional buyers and end-use industries. Any failure to meet prescribed quality specifications may result in product rejections, loss of customer confidence, and reputational damage, which could adversely affect our business and results of operations.
5. If we are unable to accurately forecast customer demand and maintain optimal inventory levels of cotton bales and finished yarn, our business, results of operations, and financial condition may be adversely affected.
6. We rely significantly on brokers and agents for the sale of our yarn. Any disruption in our relationships with such intermediaries or failure to manage their performance may adversely affect our business, results of operations, and financial condition.
7. A significant portion of our revenue is derived from Carded Cotton Yarn, Combed Cotton Yarn, and ELI Twist Yarn. Any decline in demand, pricing pressures, or adverse developments in the spinning or textile industry could materially and adversely impact our business, financial condition, and results of operations.
8. Delays or defaults in payments by our customers could increase our working capital requirements, impact our cash flows, and adversely affect our financial performance and condition.
9. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and

results of operations.

10. We operate in a competitive industry and face growing competition not only from domestic and international yarn manufacturers, but also from increasing preference for synthetic textiles over cotton yarns. Our inability to adapt to these changing dynamics could adversely affect our business, profitability, and market position.

For details regarding factors that could cause actual results to differ from expectations, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on page 36, 179 and 304, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoter, our Directors, the BRLM, the Syndicate Members nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the BRLM will ensure that the Bidder in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Issue.

SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "***Risk Factors***", "***The Issue"***, "***Capital Structure***", "***Objects of the Issue"***, "***Industry Overview"***, "***Our Business***", "***Restated Financial Statements***", "***Outstanding Litigation and Material Developments***", "***Issue Procedure***", and " ***Description of Equity Shares and Terms of the Articles of Association***" on pages 36, 74 88, 107, 139, 179, 239, 320, 349 and 371 respectively.

Summary of Business

We are engaged in the manufacturing of Cotton Yarns, including Compact Ring Spun and Carded Yarns, both Combed and Carded. Our product range also includes value-added yarns such as Eli Twist (Combed and Carded), Compact Slub Yarns, and Lycra-Blended Yarns. Our Yarns are used in both knitting and weaving, serving a broad range of end-use segments such as denim, terry towels, shirting, sheeting, sweaters, socks, bottom wear, home textiles, and industrial fabrics.

We operate exclusively in the business-to-business (B2B) segment, supplying our products to institutional buyers such as textile manufacturers, garment exporters, bulk purchasers and fabric processors. Our exclusive B2B focus allows us to streamline our production and supply chain processes around the needs of large-scale buyers, ensuring consistent quality, delivery, and efficient order fulfilment. It also allows us to build long-term client relationships and offer customized yarn solutions tailored to specific technical parameters including count, twist, and strength.

Summary of Industry

India ranks as the 6^{th} largest exporter of textiles and apparel globbaly, with the sector, including handicrafts, accounting for a significant 8.21% of the country's total exports in 2023-24. India holds a 3.91% share in the global textile and apparel trade. The USE and the European Union are the primary export destinations, collectively making up approximately 47% of India's total textile and apparel exports.

India's textile industry is currently valued at $174 billion and is projected to reach $350 billion by 2030. Employing over 45 million people and producing approximately 22 billion garments annually, the sector holds 4.5% share in global textile trade and ranks fifth globally in production. While challenges such as demand fluctuations and competitive pressures persist, the industry's focus on sustainability, innovation, and government-backed initiatives presents a pathway for long-term growth and resilience.

Names of our Promoters

Bhaveshbhai Bhikhubhai Ramani, Jay Atulbhai Tilala, and Nidhi Bhaveshbhai Kothari are the Promoters of our Company. For further details, see "***Our Promoters and Promoter Group***" on page 233.

Issue Size

The Issue comprises issue of up to 1,06,00,000* Equity Shares aggregating up to ₹[●] lakh.
**Subject to finalization of basis of allotment*

The Issue shall constitute [●]% of the post-Issue paid-up Equity Share capital of our Company. For further details, see "**The Issue**" and "**Issue Structure**" on pages 74 and 345, respectively.

Objects of the Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(₹ in lakh)

No.	Objects	Estimated Amount
1.	Funding for setting up of 6.1 MW Solar Power Plant for captive use	784.55

No.	Objects	Estimated Amount
2.	Funding for setting up of 4.2 MW Wind Power Plant for captive use	3,900
3.	Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	1,489.00
4.	Funding the working capital requirements of our Company	4,400.00
5.	General corporate purposes*	[●]
Total utilization of net proceeds*		**[●]**

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.*

For further details, see "***Objects of the Issue***" beginning on page 107.

Aggregate pre-Issue shareholding of our Promoters and Promoter Group

The aggregate pre-Issue shareholding of our Promoters and Promoter Group as on the date of the Draft Red Herring Prospectus, as a percentage of the pre-Issue paid-up Equity Share capital of our Company is set out below:

No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)*	Percentage of the Post-Issue Equity Share capital (%)
Promoter				
1.	Bhaveshbhai Ramani	60,82,675	20.71	[●]
2.	Jaybhai Tilala	11,96,613	4.0	[●]
3.	Nidhiben Kothari	32,31,250	11.00	[●]
Sub-total (A)		**1,05,10,538**	**35.78**	**[●]**
Promoter Group				
4.	Bhavnaben Tilala	6,31,250	2.15	[●]
5.	Mohit Tilala	5,46,612	1.86	[●]
6.	Atulbhai Tilala	7,13,025	2.43	[●]
7.	Atulbhai Govindbhai Tilala (HUF)	7,31,250	2.49	[●]
8.	Ramani Bhaveshbhai Bhikhubhai (HUF)	6,93,750	2.36	[●]
Sub-total (B)		**33,15,887**	**11.29**	**[●]**
Total (A+B)		**2,09,18,338**	**47.07**	**[●]**

Shareholding of Promoters, Promoter Group and Additional top 10 Shareholders of our Company

Set out below is the shareholding of our Promoters, Promoter Group and additional top 10 Shareholders as of the date of this Draft Red Herring Prospectus.

Sr. No.	Pre-Issue shareholding as at the date of Allotment			Post-Issue shareholding as at Allotment(3)			
	Shareholders	Number of Equity Shares (2)	Share holding (in %) (2)	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
				Number of Equity Shares (2)	Share holding (in %)(2)	Number of Equity Shares(2)	Share holding (in %)(2)
1.	Bhaveshbhai Bhikhbhai Ramani	60,82,675	20.71	[●]	[●]%	[●]	[●]%
	Jaybhai Atulbhai Tilala	11,96,613	4.07	[●]	[●]%	[●]	[●]%
	Nidhiben Bhaveshbhai Kothari	32,31,250	11.00	[●]	[●]%	[●]	[●]%
2.	Promoter Group(1)	33,15,887	11.29	[●]	[●]%	[●]	[●]%
3.	Ramani Ramnikbhai Mohanbhai	11,82,525	4.03	[●]	[●]%	[●]	[●]%
4.	Ramesh Mohanbhai Hirani (HUF)	9,43,100	3.21	[●]	[●]%	[●]	[●]%
5.	Rajeshkumar Mohanbhai Hirani (HUF)	9,43,100	3.21				
6.	Hirani	15,05,000	5.12	[●]	[●]%	[●]	[●]%

Sr. No.	Pre-Issue shareholding as at the date of Allotment			Post-Issue shareholding as at Allotment[3]			
	Shareholders	Number of Equity Shares [2]	Share holding (in %) [2]	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
				Number of Equity Shares [2]	Share holding (in %)[2]	Number of Equity Shares[2]	Share holding (in %)[2]
	Rameshchandra Mohanlal						
7.	Vitthalbhai Mohanbhai Ramani	26,74,775	9.11	[●]	[●]%	[●]	[●]%
8.	Hirani Ranjanben Rajeshkumar	13,70,637	4.67	[●]	[●]%	[●]	[●]%
9.	Ramani Pravinchandra Mohanbhai	11,47,525	3.91	[●]	[●]%	[●]	[●]%
10.	Hirani Rajeshkumar Mohanlal	15,05,025	5.12	[●]	[●]%	[●]	[●]%
11.	Gajera Ashishkumar Mansukhlal	6,09,375	2.07	[●]	[●]%	[●]	[●]%
12.	Hirani Bhavna Rameshbhai	13,70,638	4.67	[●]	[●]%	[●]	[●]%

(1) The Promoter Group shareholders are Bhavnaben Tilala, Mohit Tilala, Atulbhai Tilala, Atulbhai Tilala, Atualbhai Govindbhai Tilala (HUF), Ramani Bhaveshbhai Bhikhubhai (HUF).
2) Includes all options, if any, that have been exercised until date of Prospectus and any transfers of Equity Shares by existing shareholders after the date of the pre-Issue and Price Band advertisement until the date of the Prospectus.
3) Based on the Issue price of ₹ [●] and subject to finalisation of the basis of allotment.

For further details, see "***Capital Structure***" beginning on page 88.

Summary of Restated Financial Information

A summary of the financial information of our Company as derived from the Restated Financial Statements as of and for the nine-month period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 are as follows:

(in ₹ lakhs unless indicated otherwise)

Particulars	For the nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Share Capital	6,991.84	7,071.33	7,781.32	7,640.52
Net worth	7,318.08	6,679.86	6,111.05	5,387.33
Revenue from Operations	15,259.91	23,159.12	21,310.25	21,797.20
Profit/(loss) after tax	696.37	655.25	205.08	363.76
Earnings per share (basic) (in ₹)	2.37	2.23	0.70	1.24
Earnings per share (diluted) (in ₹)	2.37	2.23	0.70	1.24
Net Asset Value per Equity Share	23.83	21.77	19.57	17.84
Total Borrowings	5,140.08	6,704.46	5,570.05	5,696.20

1. *Net Worth is calculated as the sum of equity share capital and other equity of the Company;*
2. *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year*
3. *Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year*
4. *The Equity shares and basic/diluted earnings per share has been presented to reflect the adjustments as per INDAS 33.*
5. *Net Asset Value per share = Net Worth at the end of the year divided by weighted average no. of equity shares outstanding during the year.*
6. *Total borrowings is the sum of long term borrowings, short term borrowings and lease liabilities.*

For further details, see "***Financial Information***" beginning on page 239.

Qualifications of the Auditors which have not been given effect to in the Restated Financial Statements

Our Statutory Auditor have not made any qualifications in the examination report that have not been given effect to in the Restated Financial Statements.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Directors, our Promoters and our KMPs and SMPs as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in lakhs)

Nature of Cases	Number of outstanding cases	Amount Involved*
Litigation involving our Company		
Criminal proceedings against our Company	Nil	Nil
Criminal proceedings by our Company	Nil	Nil
Material civil litigation against our Company	Nil	Nil
Material civil litigation by our Company	2	3.43
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	9	36.12
Litigation involving our Directors (other than Promoters)		
Criminal proceedings against our Directors (other than Promoters)	Nil	Nil
Criminal proceedings by our Directors (other than Promoters)	Nil	Nil
Material civil litigation against our Director (other than Promoters)	Nil	Nil
Material civil litigation by our Director (other than Promoters)	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters		
Criminal proceedings against our Promoters	Nil	Nil
Criminal proceedings by our Promoters	Nil	Nil
Material civil litigation against our Promoters	Nil	Nil
Material civil litigation by our Promoters	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litiagtion involving our KMP and SMP		
Criminal proceedings against our KMP and SMP	Nil	Nil
Criminal proceedings by our KMP and SMP	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil

**To the extent quantifiable.*

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" and "***Risk Factors***" beginning on page 320 and page 36, respectively.

Risk factors

Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. Details of our top 10 risk factors are set forth below.

1. A major portion of our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
2. A major portion of our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.

3. We are dependent on a limited number of suppliers for procurement of cotton bales, our principal raw material, and any disruption in supply or adverse movement in cotton prices may materially affect our business, results of operations, and financial condition.
4. We are subject to stringent quality requirements from our institutional buyers and end-use industries. Any failure to meet prescribed quality specifications may result in product rejections, loss of customer confidence, and reputational damage, which could adversely affect our business and results of operations.
5. If we are unable to accurately forecast customer demand and maintain optimal inventory levels of cotton bales and finished yarn, our business, results of operations, and financial condition may be adversely affected.
6. We rely significantly on brokers and agents for the sale of our yarn. Any disruption in our relationships with such intermediaries or failure to manage their performance may adversely affect our business, results of operations, and financial condition.
7. A significant portion of our revenue is derived from Carded Cotton Yarn, Combed Cotton Yarn, and ELI Twist Yarn. Any decline in demand, pricing pressures, or adverse developments in the spinning or textile industry could materially and adversely impact our business, financial condition, and results of operations.
8. Delays or defaults in payments by our customers could increase our working capital requirements, impact our cash flows, and adversely affect our financial performance and condition.
9. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.
10. We operate in a competitive industry and face growing competition not only from domestic and international yarn manufacturers, but also from increasing preference for synthetic textiles over cotton yarns. Our inability to adapt to these changing dynamics could adversely affect our business, profitability, and market position.

Investors are advised to carefully read "***Risk Factors***" on page 36, to have an informed view before making an investment decision in the Issue.

Summary of contingent liabilities

The following is a summary table of our contingent liabilities as on December 31, 2024 and Fiscals 2024, 2023, 2022.

(₹in lakhs)

Particulars	As at nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
a) Contingent Liabilities				
Litigations*	35.00	36.43	15.56	14.21

Notes:

**(1) As per information and explanation given to us by the management, Goods and service tax department noticed excess availment of Input tax credit for Financial Year 2017-18, for which order has been issue dated December 23, 2023 and demand has been raised of ₹20,87,473/- (including interest of ₹10,09,282 and penalty of ₹98,018) which has not been provided for in the accounts. The Company has preferred an appeal against the order to Appellate authority, however the Company has paid 10% amount ₹98,018/- as on March 14, 2024 under dispute against the demand. And Company also made voluntarily payment against the show cause notice amounting to CGST ₹4,90,087 and SGST ₹4,90,087, aggregating to ₹9,80,174 through DRC-3 as on March 13, 2024 and appeal withdrawal for F.Y 2017-18 for getting benefit of interest and penalty withdrawal schema as on January 18, 2025. So this order will drop in current year so we have no any liability to pay against same order*

**(2) GST Outstanding Demand bearing demand ID no. ZD240422002629P, dated April 04, 2022, amounting to ₹33,90,760*

**(3) As per information and explanation given to us by the management company received recovery Notice amount ₹1,09,711/- as on December 21, 2024 for ensuring payment of interest under section 50(1) of the CGST/GGST Act, 2017 in respect of self-assessed tax paid after the due date of furnishing of returns. For financial year 2017-18 to 2023-24 (7 years).*

For details, see "***Restated Financial Statements***" beginning on page 239.

Summary of Related Party Transactions

A summary of related party transactions entered into by our Company with related parties and as disclosed in the Restated Financial Information for nine-month period ended December 31, 2024 and for Fiscal 2024, 2023 and

2022 are as follows is set forth below:

(₹in lakhs)

S. No	Details of Transaction / Name of Transaction	Name	As at December 312024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
			Amount in Lacs	%	Amount in Lacs	%	Amount in Lacs	%	Amount in Lacs	%
1	Rent Expenses	Bhavnaben Rameshbhai Hirani	-	-	-	-	-	-	2.80	53.64%
		Shantaben Mohanbhai Hirani	-	-	-	-	-	-	1.50	28.74%
2	Salary & Bonus Expenses	Atulbhai Govindbhai Tilala	4.50	1.86%	6.00	1.90%	6.00	1.87%	4.80	1.58%
		Bhavnaben Atulbhai Tilala	3.60	1.49%	4.80	1.52%	4.80	1.50%	4.80	1.58%
		Bhavnaben Rameshbhai Hirani	3.60	1.49%	4.80	1.52%	-	0.00%	-	0.00%
		Bhikhubhai M Ramani	3.60	1.49%	4.80	1.52%	4.80	1.50%	4.80	1.58%
		Bina Jaybhai Tilala	3.60	1.49%	4.80	1.52%	4.80	1.50%	4.80	1.58%
		Dipmala Bhaveshbhai Ramani	3.60	1.49%	3.20	1.01%	-	0.00%	2.40	0.79%
		Jyotsanaben Bhikhubhai Ramani	3.60	1.49%	4.80	1.52%	4.80	1.50%	4.80	1.58%
		Krishi R. Hirani	-	0.00%	-	0.00%	-	0.00%	-	0.00%
		Mohit Atulbhai Tilala	4.50	1.86%	6.00	1.90%	6.00	1.87%	4.80	1.58%
		Rajeshbhai Mohanbhai Hirani	4.50	1.86%	6.00	1.90%	2.50	0.78%	3.00	0.98%
		Shrutiben Atulbhai Tilala	-	0.00%	-	0.00%	-	0.00%	4.80	1.58%
		Sejal Tapan Gajjar	1.62	0.67%	-	0.00%	-	0.00%	-	0.00%
3	Professional Expenses	Nidhiben Bhaveshbhai Kothari	13.37	29.29%	-	-	-	-	-	-
4	Director Remuneration	Bhaveshbhai Bhikhubhai Ramani	8.10	47.37%	10.80	40.91%	11.00	55.00%	12.00	58.82%
		Jaybhai Atulbhai Tilala	4.50	26.32%	6.00	22.73%	6.00	30.00%	5.40	26.47%
		Rameshbhai Mohanbhai Hirani	4.50	26.32%	6.00	22.73%	3.00	15.00%	3.00	14.71%
5	Loan Taken	Bhaveshbhai Bhikhubhai Ramani	17.34	100.00%	372.21	55.19%	62.40	38.59%	229.85	81.63%
		Atulbhai Govindbhai Tilala	-	0.00%	-	0.00%	8.50	5.26%	5.80	2.06%
		Bhavnaben Rameshbhai Hirani	-	0.00%	35.50	5.26%	-	0.00%	-	0.00%
		Bhikhubhai Mohanbhai Ramani	-	0.00%	-	0.00%	8.00	4.95%	-	0.00%

S. No	Details of Transaction	Name	As at December 312024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Name of Transaction		Amount in Lacs	%	Amount in Lacs	%	Amount in Lacs	%	Amount in Lacs	%
		Dipmalaben Bhaveshbhai Ramani	-	0.00%	40.00	5.93%	-	0.00%	-	0.00%
		Jaybhai Atulbhai Tilala	-	0.00%	178.76	26.50%	39.50	24.43%	10.50	3.73%
		Rameshbhai Mohanlal Hirani	-	0.00%	48.00	7.12%	-	0.00%	-	0.00%
6	Loan Repaid	Bhaveshbhai Bhikhubhai Ramani	33.00	100.00%	2.34	0.34%	30.36	39.17%	214.40	46.84%
		Atulbhai Govindbhai Tilala	-	0.00%	100.00	14.74%	-	0.00%	-	0.00%
		Bhaveshbhai B. Ramani [Huf]	-	0.00%	-	0.00%	-	0.00%	42.00	9.18%
		Bhavnaben Atulbhai Tilala	-	0.00%	78.76	11.61%	-	0.00%	-	0.00%
		Bhikhubhai Mohanbhai Ramani	-	0.00%	-	0.00%	2.00	2.58%	100.00	21.85%
		Dipmalaben Bhaveshbhai Ramani	-	0.00%	40.00	5.90%	-	0.00%	-	0.00%
		Jaybhai Atulbhai Tilala	-	0.00%	4.50	0.66%	-	0.00%	8.00	1.75%
		Shantaben Mohanbhai Hirani	-	0.00%	30.50	4.50%	-	0.00%	-	0.00%
		Shrutiben Atulbhai Tilala	-	0.00%	-	0.00%	39.50	50.97%	-	0.00%
BALANCE OUTSTANDING										
7	Unsecured Loan	Bhaveshbhai Bhikhubhai Ramani	401.80	26.01%	417.46	23.34%	47.59	3.03%	15.55	1.05%
		Atulbhai Govindbhai Tilala	0.05	0.00%	0.05	0.00%	100.05	6.37%	91.55	6.16%
		Atulbhai Govindbhai Tilala [HUF]	40.00	2.59%	40.00	2.24%	40.00	2.55%	40.00	2.69%
		Bhavnaben Atulbhai Tilala	-	0.00%	-	0.00%	78.76	5.01%	78.76	5.30%
		Bhavnaben Rameshbhai Hirani	99.50	6.44%	99.50	5.56%	64.00	4.07%	64.00	4.31%
		Bhikhubhai Mohanbhai Ramani	11.14	0.72%	11.14	0.62%	11.14	0.71%	5.14	0.35%
		Bina Jaybhai Tilala	88.00	5.70%	88.00	4.92%	88.00	5.60%	88.00	5.93%
		Jaybhai Atulbhai Tilala	244.44	15.82%	244.44	13.67%	70.18	4.47%	30.68	2.07%
		Krishi R. Hirani	60.00	3.88%	60.00	3.35%	60.00	3.82%	60.00	4.04%
		Mohitbhai Atulbhai Tilala	82.50	5.34%	82.50	4.61%	82.50	5.25%	82.50	5.55%
		Rameshbhai Mohanbhai	-	0.00%	-	0.00%	60.00	3.82%	60.00	4.04%

S. No	Details of Transaction Name of Transaction	Name	As at December 312024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
			Amount in Lacs	%	Amount in Lacs	%	Amount in Lacs	%	Amount in Lacs	%
		Hirani [HUF]								
		Rameshbhai Mohanbhai Hirani	48.00	3.11%	48.00	2.68%	-	0.00%	-	0.00%
		Shantaben Mohanbhai Hirani	60.00	3.88%	60.00	3.35%	90.50	5.76%	90.50	6.09%
		Shrutiben Atulbhai Tilala	-	0.00%	-	0.00%	-	0.00%	39.50	2.66%
8	Director Remuneration Payable	Bhaveshbhai B. Ramani	0.90	47.37%	0.90	47.37%	-	0.00%	1.00	80.00%
		Jaybhai Atulbhai Tilala	0.50	26.32%	0.50	26.32%	0.27	51.55%	-	0.00%
		Rameshbhai Mohanbhai Hirani	0.50	26.32%	0.50	26.32%	0.25	48.45%	0.25	20.00%
9	Salary & Bonus Payable	Atulbhai Govindbhai Tilala	0.50	1.69%	0.27	0.97%	0.00	0.00%	0.00	0.00%
		Bhavnaben Atulbhai Tilala	0.40	1.35%	0.40	1.47%	0.00	0.00%	0.00	0.00%
		Bhavnaben Rameshbhai Hirani	0.40	1.35%	0.40	1.47%	0.00	0.00%	0.00	0.00%
		Bhikhubhai Mohanbhai Ramani	0.40	1.35%	0.40	1.47%	0.00	0.00%	0.00	0.00%
		Bina Jaybhai Tilala	0.40	1.35%	0.40	1.47%	0.00	0.00%	0.00	0.00%
		Dipmalaben Bhaveshbhai Ramani	0.40	1.35%	0.40	1.47%	0.00	0.00%	0.00	0.00%
		Jyotsanaben Bhikhubhai Ramani	0.40	1.35%	0.40	1.47%	0.00	0.00%	0.00	0.00%
		Mohit Atulbhai Tilala	0.50	1.69%	0.27	0.97%	0.00	0.00%	0.00	0.00%
		Rajeshkumar Mohanbhai Hirani	0.50	1.69%	0.50	1.83%	0.00	0.00%	0.00	0.00%
		Sejal Tapan Gajjar	0.54	1.83%	0.00	0.00%	0.00	0.00%	0.00	0.00%
10	Professional Expenses Payable	Nidhiben Bhaveshbhai Kothari	0.99	2.13%	-	-	-	-	-	-

For further details of the related party transactions and as reported in the Restated Financial Statements, see "***Restated Financial Statements***" beginning on page 239.

Financing Arrangements

There have been no financing arrangements whereby our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the relevant financing entity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoters in the one year preceding the date of this Draft Red Herring Prospectus

Name of the Promoter	Number of equity shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (₹)*
Bhaveshbhai Bhikhbhai Ramani	60,82,675	Nil
Jaybhai Atulbhai Tilala	26,74,775	Nil
Nidhiben Bhaveshbhai Kothari	11,96,613	Nil

**As certified by Statutory Auditors pursuant to their certificate dated June 27,2025.*

Average Cost of Acquisition of Equity Shares by our Promoters

Name of the Promoter	Number of Equity Shares held as on the date of this DRHP	Average cost per Equity Share (₹)*
Bhaveshbhai Bhikhbhai Ramani	60,82,675	5.48
Jaybhai Atulbhai Tilala	11,96,613	6.22
Nidhiben Bhaveshbhai Kothari	32,31,250	3.33

**As certified by Statutory Auditors pursuant to their certificate dated June 27,2025.*

Weighted average cost of acquisition of all shares transacted in (i) last one (1) year; (ii) last eighteen (18) months and (iii) last three (3) years preceding the date of this Draft Red Herring Prospectus

Period	WACA (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (₹)**
Last one (1) year preceding the date of this Draft Red Herring Prospectus	Nil	[●]	[●]
Last eighteen (18) months preceding the date of this Draft Red Herring Prospectus	Nil	[●]	[●]
Last three (3) years preceding the date of this Draft Red Herring Prospectus	Nil	[●]	[●]

Note: All Equity Shares were acquired pursuant to bonus issue hence the cost of acqusion is NIL.
**As certified by Statutory Auditors pursuant to their certificate dated June 27,,2025.*
***To be updated once the price band information is available.*

Details of price at which equity shares were acquired by our Promoters, members of the Promoter Group and Shareholders with right to nominate directors or other rights in the last three years preceding the date of this Draft Red Herring Prospectus

There are no Shareholders with nominee director or other special rights.

Except as stated below, none of our Promoters, members of our Promoter Group have acquired any Equity Shares in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of Shareholder	Date of acquisition	Number of Equity Shares acquired	Face Value (₹)	Acquisition price per Equity Share (in ₹)	Nature of Transaction
Promoters					
Bhaveshbhai Bhikhbhai Ramani	March 12, 2024	36,49,605	10	-	Bonus Isssue
Bhaveshbhai Bhikhbhai Ramani	November 16, 2023	2,65,000	10	Nil	Gift
Jaybhai Atulbhai Tilala	March 12, 2024	7,17,968	10	-	Bonus Issue
Nidhiben Bhaveshbhai Kothari	March 12, 2024	19,38,750	10	-	Bonus Issue
Nidhiben	November 16,	7,56,250	10	Nil	Gift

Name of Shareholder	Date of acquisition	Number of Equity Shares acquired	Face Value (₹)	Acquisition price per Equity Share (in ₹)	Nature of Transaction
Bhaveshbhai Kothari	2023				
Promoter Group					
Bhavnaben Tilala	March 12, 2024	3,78,750	10	-	Bonus Isssue
Mohit Tilala	March 12, 2024	3,27,967	10	-	Bonus Isssue
Atulbhai Tilala	March 12, 2024	4,27,815	10	-	Bonus Isssue
Atulbhai Govindbhai Tilala (HUF)	March 12, 2024	4,38,750	10	-	Bonus Isssue
Ramani Bhaveshbhai Bhikhubhai (HUF)	March 12, 2024	4,16,250	10	-	Bonus Isssue

Details of Pre-IPO Placement

Our Company does not propose to undertake any pre-IPO Placement.

An Issue of equity shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the last one year preceding the date of this Draft Red Herring Prospectus.

Split / Consolidation of Equity Shares in the last one year

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year as on the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of this Draft Red Herring Prospectus.

(*The remainder of this page is intentionally left blank*)

SECTION II –RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this Section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or any other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our Restated Financial Statements prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this Section in conjunction with "**Our Business**" on page 179, "**Industry Overview**" on page 139 and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 304 as well as other financial information contained herein. For capitalized terms used but not defined herein, see "**Definitions and Abbreviation**" on page 1.*

Materiality:

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:

- *Some risks may not be material individually but may be material when considered collectively;*
- *Some risks may have an impact which is qualitative though not quantitative; and*
- *Some risks may not be material at present but may have a material impact in the future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this Section is derived from our financial statements under Ind AS, as restated in this Draft Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see "**Forward-Looking Statements**" on page 24.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled **Industry Report on Cotton Yarn**' dated June 19, 2025 prepared and issued by Dun & Bradstreet ("**D&B**"), which has been exclusively commissioned and paid for by our Company in connection with the Issue pursuant to an engagement letter dated March 6, 2025 (the "**D&B Report**"). D&B is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B is available on the website of our Company at http://shreeramtwistex.com/until the Bid/Issue*

Closing Date.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this Section. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

*Unless the context otherwise requires, in this section, references to "**we**", "**us**", "**our**", "**our Company**" or "**the Company**", refer to Shree Ram Twistex Limited.*

The risk factors are classified as under for the sake of better clarity and increased understanding:

INTERNAL RISK FACTORS:

BUSINESS RELATED RISKS

1. A major portion of our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.

A significant portion of our revenue is concentrated among few key customers. While our business relationships with our key customers have been built over time, we typically do not enter into long-term contracts with our customers and conduct our operations on a purchase order basis. The absence of long-term contracts with our customers exposes us to a significant risk of customer attrition and challenges in relation to production planning.

The table below outlines the revenue generated from our top five (5) and top ten (10) customers for the nine-month period ended December 31, 2024, Fiscal 2024, 2023 and 2022, including their respective percentage of total revenue from operations:

Particulars	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations
Top 5 customers	11,381.97	75.47%	15,271.96	66.63%	15,535.32	73.79%	15,394.71	71.64%
Top 10 customers	13,563.48	89.93%	19,010.50	82.94%	18,180.67	86.36%	18,020.65	83.86%
Total Sales	**15,081.45**	**100%**	**22,922.26**	**100%**	**21,048.90**	**100%**	**21,488.4**	**100%**

For details, see "***Our Business – Our Customers***" on page 195.

We are dependent on a limited number of key customers, and the loss of one or more of these customers could adversely affect our business, results of operations, cash flows and financial condition. We do not have long-term contracts with our customers and conduct our business primarily through individual purchase orders, which define the terms and volumes of sale. While we believe we have developed recurring relationships with certain key customers, there can be no assurance that these relationships will continue or that we will be able to maintain historical levels of business with them.

The loss of one or more key customers, or a significant reduction in orders from them, for any reason, including an inability to negotiate acceptable terms, failure to renew business arrangements, disputes, customer financial distress or insolvency, mergers or acquisitions involving our customers, changes in customer requirements, or work stoppages, could materially and adversely affect our revenues and profitability. Although our company has not suffered any loss of key customer in the nine months period ended December 31, 2024 and last three Fiscals, we cannot assure that the same will not happen in future.

Further, as we expand our customer base, the composition of our revenues may change. Adverse developments involving any of our key customers, including reduction or discontinuation of orders, disputes, or disqualifications, could have a material impact on our revenues, cash flows, and liquidity.

In addition, our key customers may choose to reduce their dependence on us, switch to our competitors, adopt alternative products not offered by us, or may not continue to place orders on favourable terms. We cannot assure you that we will be able to retain such customers or reduce our dependence on a limited number of them. Any such development could materially and adversely affect our business, results of operations, financial condition and cash flows.

2. ***Our Manufacturing Facility and Registered Office are located in Gujarat, and a significant portion of our revenue is also derived from this state. As a result, we are exposed to geographic concentration risks that may adversely affect our operations, financial condition, and results of operations.***

As on the date of this Draft Red Herring Prospectus, our Manufacturing Facility and Registered Office, are located in Gondal, Rajkot, in the state of Gujarat, India. In addition, Gujarat contributes a major share of our operational revenue. During the nine-month period ended December 31, 2024, revenue from sales in Gujarat amounted to ₹13,834.64 lakhs, representing approximately 91.73% of our total revenue from operations. For further details, see "***Our Business***" on page 179.

This operational and commercial concentration in Gujarat exposes us to significant geographic concentration risks. Any local or regional disruptions such as changes in state regulations, labour unrest, infrastructure bottlenecks, natural calamities such as floods, droughts, or earthquakes, industrial accidents, political or social unrest, or public health emergencies, could have a direct and adverse impact on both our production and sales functions.

While we have not experienced any material operational disruptions at our Manufacturing Facility during the nine-month period ended December 31, 2024 or the preceding three Fiscal years, except for temporary restrictions during the COVID-19 pandemic, there is no assurance that such disruptions will not occur in the future.

Any significant disruption at our Manufacturing Facility may delay production, result in inventory pile-up, impact our ability to meet customer orders in a timely manner, and create supply chain imbalances. This, in turn, may lead to order cancellations, penalties, customer attrition, and reputational harm, ultimately impacting our revenue and profitability.

Given the absence of geographic diversification in both our operations and customer base, any adverse event impacting the state of Gujarat may have a material and disproportionate effect on our overall business, financial condition, results of operations, and cash flows.

3. ***We are dependent on a limited number of suppliers for procurement of cotton bales, our principal raw material, and any disruption in supply or adverse movement in cotton prices may materially affect our business, results of operations, and financial condition.***

Cotton bales are the principal raw material used in our manufacturing operations and constitute the single largest component of our production costs. Our raw material costs account for more than half of the total cost of producing cotton yarn. Our ability to remain competitive and maintain cost efficiency is therefore closely linked to our ability to procure cotton bales in adequate quantities, at acceptable quality standards, and on commercially viable terms.

We source cotton bales through brokers/agents who help us to procure cotton bales from ginning mills located across Gujarat, Maharashtra, Madhya Pradesh, and other key cotton-growing regions. Set out below are the details of expense incurred toward procurement of raw materials during the nine-month period ended December 31, 2024 and Fiscal 2024, 2023 and 2022;

(₹ in lakhs)

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Expenses towards purchase of raw materials	11,746.47	17,631.29	15,571.01	17,864.88
Total Revenue	15,259.91	23,159.12	21,310.25	21,797.20
% of revenue from operation	76.98%	76.13%	73.07%	81.96%

As certified by our Statutory Auditor vide certificate dated June 16, 2025.

For details, see *"**Our Business – Raw Material and Our Suppliers**"* on page 194.

Our supplier base is relatively concentrated. The table below sets forth details of our top ten (10) and top five (5) supplier concentration (based on value of purchases) for the periods indicated:

(₹ in lakhs, except for percentage)

Particulars	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations
Top 5 suppliers	8,191.44	74.08%	10707.92	61.71%	8,097.62	47.59%	14,226.47	81.33%
Top 10 suppliers	9840.95	88.99%	14,198.66	81.84%	10,768.21	63.28%	11,832.08	67.64%
Total Purchase	11,058.38	100%	17,352.66	100%	17,018.13	100%	17,490.85	100%

As certified by our Statutory Auditor vide certificate dated June 16, 2025

Such concentration exposes us to procurement risks. Any disruption in the supply chain due to financial distress, insolvency, logistical issues, weather disruptions, or regulatory actions affecting our key suppliers could significantly impact our ability to maintain production schedules and meet customer demand.

We typically do not enter into long-term supply agreements and instead operate through spot purchases and short-term contracts . While this provides flexibility in sourcing, it limits visibility and stability in pricing and volumes. *As per D&B Report*, cotton prices are subject to high volatility, influenced by factors such as domestic agricultural yield, climatic conditions, Minimum Support Prices (MSP), government procurement and export-import policies, global commodity markets, and geopolitical factors. For instance, political unrest in Bangladesh, an important market for Indian yarn, has had repercussions on cotton demand and pricing across the region.

To mitigate supply volatility, we maintain buffer stock by procuring cotton during the harvest season (October to March), when availability is higher and prices are relatively low. These inventories are stored at our Manufacturing Facility and are pledged to lenders under working capital arrangements. As on the date of this Draft Red Herring Prospectus, we have a sanctioned pledge limit of ₹2,000 lakhs from Axis Bank Limited, secured against the cotton inventory. However, overstocking based on inaccurate demand forecasts could lead to increased carrying costs, inventory obsolescence, or material degradation during storage.

On the other hand, if customer demand exceeds forecasted levels, we may not be able to procure additional raw material on short notice, particularly during off-season periods when availability is low and prices are high. This may lead to lost sales opportunities, underutilization of installed capacity, or delays in fulfilling orders. Moreover, the quality of cotton directly affects the quality of yarn. Any deterioration in the cotton supplied may compromise our product quality, lead to customer dissatisfaction, returns, or loss of reputation.

Although we have not experienced any material raw material supply disruptions in the nine-month period ended December 31, 2024 or in Fiscal 2024, Fiscal 2023, and Fiscal 2022, we cannot assure that such events will not occur in the future.

Our ability to pass on cost increases to customers is limited by market competition and price sensitivity, which may result in margin compression. Any prolonged or significant supply-side challenges or price shocks could adversely affect our business operations, cash flows, and financial performance.

4. We are subject to stringent quality requirements from our institutional buyers and end-use industries. Any failure to meet prescribed quality specifications may result in product rejections, loss of customer confidence, and reputational damage, which could adversely affect our business and results of operations.

Our business involves the manufacturing and supply of ring-spun cotton yarn primarily used by institutional buyers engaged in textile and garment manufacturing. Our customers, including industrial consumers, often have specific quality expectations regarding parameters such as yarn strength, uniformity, twist per inch, etc. Compliance with these requirements is critical to ensuring sustained customer relationships and repeat business.

The spinning process involves multiple interdependent stages such as carding, drawing, spinning, and winding, each requiring precise control, skilled manpower, and continuous monitoring. Any deviation from process norms, equipment malfunction, operator error, or inconsistency in cotton quality may result in defects such as hairiness, unevenness, or low tensile strength in the final yarn which could lead to customer complaints, rejection of consignments, or even cancellation of orders.

Our reputation in the market is closely tied to our ability to deliver yarn that meets consistent quality benchmarks. Institutional buyers may conduct internal testing or engage third-party laboratories for quality verification before accepting shipments. In certain cases, we are required to provide samples for technical evaluation prior to final bulk orders. Failure to meet quality standards during such evaluations or post-delivery assessments may not only lead to immediate loss of sales but could also impair our standing with existing and prospective customers.

While we have not experienced any material instances of product rejections or quality-related order cancellations during the nine-month period ended December 31, 2024, or in Fiscal 2024, Fiscal 2023, and Fiscal 2022, there can be no assurance that such events will not occur in the future.

The loss of confidence among our institutional buyers or brokers could significantly affect our future order pipeline, customer retention, and financial performance. In addition, many of our buyers operate in export markets or serve international apparel brands, which in turn imposes high quality expectations on their suppliers, including yarn manufacturers like us. As such, lapses in quality even if infrequent could expose us to higher product scrutiny, tighter payment terms, or eventual delisting as an approved vendor. This could adversely affect our revenue, growth prospects, and overall market positioning.

We continuously invest in preventive maintenance, operator training, and quality control systems to uphold our manufacturing standards. However, if we fail to upgrade or maintain these systems in line with evolving industry requirements or customer expectations, it could impact our ability to sustain product quality and retain key clients, thereby negatively affecting our business and financial results.

5. If we are unable to accurately forecast customer demand and maintain optimal inventory levels of cotton bales and finished yarn, our business, results of operations, and financial condition may be adversely affected.

Our operations depend on our ability to assess demand accurately and align our procurement, production, and inventory management accordingly. We procure cotton bales, our primary raw material, seasonally, typically between October and March when availability is higher and prices are relatively lower. To ensure uninterrupted production throughout the year, we maintain a buffer stock . Additionally, we hold finished yarn inventory to meet customer requirements, many of whom operate on short lead times and fluctuating order volumes.

Any misjudgement in demand forecasting may lead to either over-stocking or under-stocking. In the event of under-stocking, we may not be able to meet customer orders in a timely manner, which could result in loss of business, damage to relationships with key buyers, or reduced utilization of manufacturing capacity. On the other hand, over-stocking of cotton or finished goods could result in increased storage and financing costs, working capital constraints, and potential quality degradation, particularly for raw cotton, which is sensitive to storage conditions.

For the nine months period ended December 31, 2024 and Fiscals 2024, 2023, and 2022, our inventory turnover ratio stood at 5.34 times, 7.80 times, 7.35 times, and 11.00 times, respectively, and inventory constituted 29.95%, 31.75%, 50.65% and 45.52% of our current assets for the respective periods. While there have been no material instances of inventory obsolescence or disposal during the periods referred to above, there is no assurance that we will not face such issues in the future.

Maintaining optimal inventory levels involves close coordination among our procurement, production and sales team. However, our estimates are based on internal assumptions, market intelligence, and historical demand patterns, which may not always accurately reflect actual market conditions. External disruptions such as policy changes, global price movements, or a shift in customer sourcing strategies may further aggravate the risk of inventory imbalance.

Any sustained mismatch between forecasted demand and actual inventory could impact our ability to manage costs, meet customer expectations, and maintain profitability. If we are unable to optimize inventory levels on an ongoing basis, it may adversely affect our cash flows, working capital cycle, and overall financial condition.

6. ***We rely significantly on brokers and agents for the sale of our yarn. Any disruption in our relationships with such intermediaries or failure to manage their performance may adversely affect our business, results of operations, and financial condition.***

A substantial portion of our yarn sales is conducted through a network of independent brokers and agents who act as intermediaries between us and our customers, particularly institutional buyers, bulk purchasers, and merchant exporters. While our goods are sold directly to our customers on the basis of purchase orders by our customers, such transactions are arranged through these agents, who assist in identifying potential buyers and securing orders.

These intermediaries play a crucial role in facilitating orders and enabling access to diverse customer segments. We do not enter into formal long-term contracts with most of our brokers and agents. Our relationships are largely based on informal, non-exclusive commercial understandings.

Consequently, these intermediaries may choose to discontinue their association with us at any time and without prior notice. As on December 31, 2024, we had relationships with approximately 8 active brokers and agents.. We expect such channels to continue contributing a significant portion of our revenues going forward.

In consideration of their services, we pay commissions to our brokers and agents. During the nine-month period ended December 31, 2024, and Fiscals 2024, 2023, and 2022, commissions paid aggregated ₹62.69 lakhs, ₹72.48 lakhs, ₹87.16 lakhs, and ₹213.05 lakhs, respectively, constituting 0.43%, 0.33%, 0.42% and 1.00% of our total expenses in those periods. For details, see "***Our Business – Distribution and Marketing***" on page 203.

While such costs are a normal part of business development in our industry, any increase in commission rates or dependence on a limited number of high-volume brokers could impact our margins.

Any loss of a key broker or agent, failure to replace them in a timely manner, or disruption in their ability to service customers could lead to a drop in order volumes, delayed collections, or erosion in market share. While there have been no material instances of abrupt discontinuation or discontinuance by any key brokers and agents in the nine-month period ended December 31, 2024 and in last three Fiscals, there can be no assurance that such events will not occur in the future.

Our continued growth and market penetration depend significantly on the performance and alignment of our broker and agent network. Any adverse developments in these relationships could materially and adversely affect our business prospects, financial condition, and results of operations.

7. ***A significant portion of our revenue is derived from Carded Cotton Yarn, Combed Cotton Yarn, and ELI Twist Yarn. Any decline in demand, pricing pressures, or adverse developments in the spinning or textile industry could materially and adversely impact our business, financial condition, and results of operations.***

We are engaged in the manufacturing of Cotton Yarns, including Compact Ring Spun and Carded Yarns, both Combed and Carded. Our product range also includes value-added yarns such as Eli Twist (Combed and Carded), Compact Slub Yarns, and Lycra-Blended Yarns. Our Yarns are used in both knitting and weaving. However, a significant portion of our revenue is generated from the sale of Carded Cotton Yarn, Combed Cotton Yarn, and ELI Twist Yarn.

Set out in the table below are the breakdown of our revenues from operations by product categories for the nine months period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(₹ in lakhs except for percentage)

Our operation	For Nine-month period ended December 31, 2024		For Fiscal 2024		For Fiscal 2023		For Fiscal 2022	
	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation
Sale of Products:								
Carded Yarn	7,526.99	49.68%	11,211.02	48.99%	10,594.14	50.37%	15,399.83	71.74%
Combed Yarn	1,531.06	10.11%	489.66	2.14%	26.24	0.12%	5,182.10	24.14%
ELI Twist Yarn	4,378.78	28.90%	8,401.84	36.72%	7,987.34	37.98%	0.00	0.00%
Total	**13,436.83**	**88.69%**	**20,102.52**	**87.85%**	**18,607.72**	**88.47%**	**20,581.93**	**95.88%**

Given this revenue concentration, any negative developments affecting these specific yarn segments could disproportionately impact our overall performance.

Our exposure is further heightened by several industry-wide and external risks. Factors such as shifting customer preferences (for instance, a move toward synthetic or blended yarns), excess production capacity in the yarn market, increasing competition from both domestic and global manufacturers, and a slowdown in downstream sectors like weaving or garmenting can significantly influence demand, sales volumes, and pricing power.

Moreover, external variables such as fluctuations in raw cotton prices, erratic climatic conditions affecting cotton yield, disruptions in the cotton or yarn supply chain, and changes in regulatory frameworks such as revisions to Minimum Support Prices (MSP) or restrictions on textile exports can adversely affect our input costs, inventory planning, and product competitiveness.

While we continue to focus on product quality and customer relationships to retain and grow our market share, our ability to mitigate adverse impacts from these macroeconomic, regulatory, and industry-specific factors is limited. Any significant deterioration in the performance of carded yarn, combed yarn, or lycra blended yarn, whether due to demand contraction, pricing pressure, or raw material constraints could have a material adverse effect on our revenue, margins, and financial stability.

8. ***Delays or defaults in payments by our customers could increase our working capital requirements, impact our cash flows, and adversely affect our financial performance and condition.***

We are exposed to the risk of delays and/or defaults in payments from our customers, which can directly impact our working capital cycle, profitability, and liquidity. Our ability to maintain a stable cash flow is largely dependent on the creditworthiness and timely payments of our customers. Any default or delay in payments, particularly where we have already deployed resources for fulfilling such orders, could lead to an increase in receivables, reduced liquidity, and strain on our operating cash flows.

Our trade receivables as on December 31, 2024, and Fiscals 2024, 2023, and 2022 stood at ₹4,831.31 lakhs, ₹4,450.13 lakhs, ₹2,080.68 lakhs, and ₹2,220.45 lakhs, respectively. The trade receivable turnover ratio (i.e., revenue from operations divided by average gross trade receivables) for the nine-month period ended December 31, 2024, and Fiscals 2024, 2023, and 2022 was 3.29 times, 7.09 times, 9.91 times, and 5.56 times, respectively, with trade receivable days at 79 days, 58 days, 29 days, and 31 days for the same periods. Factors such as customer financial stress, deterioration in market conditions, or global economic volatility may lead to increased payment cycles or defaults.

Although there are no our sundry balances written off during recent periods, any future increase in bad debts could result in impairment losses, directly affecting our earnings and financial health.

We currently do not follow a formal written credit policy, which may further expose us to credit risk and inconsistency in recovery practices. An increase in the debtor turnover cycle or defaults could lead to higher working capital requirements, impact our ability to fund operations or meet financial obligations, and may require external borrowing, thereby increasing our finance costs.

Any material adverse change in customer payment behaviour, a rise in bad debts, or concentration of credit exposure could negatively affect our financial performance, operating cash flows, and overall business operations.

9. ***Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.***

The cost and availability of capital, amongst other factors, is also dependent on our credit ratings. Set out below are the details of the credit rating obtained by us in past are as follows.

Agency	Instrument / Facility	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
Acuite Rating & Research	Long Term Borrowing	-	ACUITE BBB (August 6, 2024)	ACUITE BBB (September 8, 2023)	ACUITE BBB (June 24, 2022)	ACUITE BBB (April 1, 2021)
	Short Term Borrowing	-	ACUITE A3+ (August 6, 2024)	ACUITE A3+ (September 8, 2023)	ACUITE A3+ (June 24, 2022)	ACUITE A3+ (April 1, 2021)
CRISIL Rating	Long Term Borrowing	CRISIL B (Issuer Not Cooperating; Rating continues at the same level and Withdrawn) (January 14, 2025)	Crisil BB+ (Issuer Not Cooperating) (August 28, 2024)	Crisil BB+ (Issuer Not Cooperating) (June 20, 2023)	Crisil BB+ (Issuer Not Cooperating) (April 20, 2022)	Crisil BB+
	Short Term Borrowing	CRISIL A4 (Issuer Not Cooperating;	Crisil A4+ (Issuer Not Cooperating)	Crisil A4+ (Issuer Not Cooperating)	Crisil A4+ (Issuer Not Cooperating)	Crisil A4+

Agency	Instrument / Facility	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
		Rating continues at the same level and Withdrawn) (January 14, 2025)	(August 28, 2024)	(June 20, 2023)	(April 20, 2022)	

In past our credit rating has been altered or withdrawn/revised due to various reasons including the reason that 'Issuer not cooperating'. Any adverse change in credit ratings assigned to our Company or our borrowing limits in the future may impact our ability to raise additional funds and/or the interest cost at which we borrow additional funds and this could have an adverse effect on our business and results of operations.

10. ***We operate in a competitive industry and face growing competition not only from domestic and international yarn manufacturers, but also from increasing preference for synthetic textiles over cotton yarns. Our inability to adapt to these changing dynamics could adversely affect our business, profitability, and market position.***

The Indian spinning industry is fragmented, with a mix of large integrated manufacturers and smaller regional players. We primarily compete on the basis of product quality, yarn consistency, customer relationships, pricing, and timely delivery. Our key competitors include established domestic mills with larger capacities, vertically integrated textile groups, and international suppliers from low-cost manufacturing regions.

Many of our competitors have longer operating histories, greater brand recognition, access to cheaper raw materials or capital, and larger economies of scale. They may also be better positioned to absorb cost volatility or offer more attractive credit terms to customers. This may place pricing pressure on our offerings and restrict our ability to fully pass on raw material cost increases to our customers.

Furthermore, consolidation in the textile industry or the entry of global players with robust financial and operational capabilities may intensify competition. Some competitors may also invest more aggressively in technology, backward integration, or marketing, creating additional barriers to growth for us.

In parallel, the global and domestic textile industry is witnessing a gradual shift in consumer preference from cotton to synthetic textiles, driven by various functional and economic factors. Synthetic yarns such as polyester, nylon, and elastane offer advantages such as lower cost, greater durability, wrinkle resistance, faster drying time, and better suitability for the fast-fashion segment. These benefits are increasingly aligning with the expectations of both manufacturers and end consumers. Also, see "***Our Business – Competition***" and "***Industry Overview***" on pages 204 and 139, respectively, for further details on competitive conditions that we face across our various business segments

Moreover, aggressive competition may force us to lower our prices or increase credit terms to retain customers, which can negatively impact our margins. Any failure to compete effectively, upgrade our product mix, or match the pace of technological and material innovations in the industry may lead to loss of market share, lower capacity utilization, and weakened financial performance.

11. ***Any change in government policies relating to the textile or cotton sector, including Minimum Support Prices (MSPs) or subsidies, may adversely affect our cost structure, supply chain, or customer demand, thereby impacting our business, results of operations and financial condition.***

Our business performance is closely linked to agricultural and textile sector policies implemented by both central and state governments. Cotton, our principal raw material is an agriculturally derived commodity and is significantly influenced by government interventions such as MSPs, procurement programs, export restrictions, input subsidies to farmers, and import duties on raw or processed cotton. Any adverse change in such policies may affect the availability, pricing, or quality of cotton in the domestic market.

Additionally, schemes such as Textile PLI (Production Linked Incentive), TUFS (Technology Upgradation Fund Scheme), and other incentives are critical to maintaining competitiveness in the spinning and textile value chain. A rollback, reduction, or delay in implementation of these schemes could increase operating costs or lower profitability across the sector.
Further, any regulatory uncertainty, labour law reforms, environmental policy shifts affecting the textile sector, or disruptions due to political or social unrest especially in key cotton-growing or textile-manufacturing states could affect the supply chain and create volatility in input prices or demand patterns. For example, past disruptions due to changes in agricultural legislation or farmer protests have had cascading effects on rural consumption and raw material supply.

We cannot assure that government support and favourable policy frameworks will continue, or that future changes will not adversely impact our procurement planning, pricing flexibility, or customer base. Any such developments may materially and adversely affect our business operations, cash flows, and financial performance.

12. We have significant working capital requirements and our inability to meet such working capital requirements may have an adverse effect on our results of operations.

Our business demands significant working capital to fund the procurement of raw materials, facilitate manufacturing processes, and maintain adequate inventory of raw material and finished goods for timely customer deliveries. Furthermore, our working capital requirements is higher due to B2B customers, which requires offering extended credit terms. Increased working capital demands may also arise as we take on a larger volume of orders due to business growth.

Our working capital is funded through borrowings and internal accruals. For details, see "***Financial Indebtedness***" on page 297. The table below presents our working capital requirement and its funding pattern for the indicated years:

(in ₹ lakh)

Particulars	For the nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Working capital requirement	5,494.81	6,026.42	4,092.83	3,234.72
Short term borrowings from banks	1,531.35	2,455.09	1,300.76	516.25
Long term borrowings	1,545.08	1,788.53	1,571.40	1,485.16
Internal accruals and Capital	2,418.38	1,782.80	1,220.67	1,233.31

**As certified by Statutory Auditors pursuant to their certificate dated June 16, 2025.*

We typically rely on internal accruals, long term borrowings from the directors and relatives, as well as credit facilities with banks to provide for our working capital arrangements. During the nine-month period ended December 31, 2024 and in Fiscal 2024, Fiscal 2023, Fiscal 2022 our days working capital was up to 37 days and 52 days, 71 days, 69days respectively. As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our working capital requirements in the future. Any increase in debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company and could adversely impact our Equity Share price. There can be no assurance that we will generate sufficient cash flows or be able to borrow funds in a timely basis, or at all, to meet our working capital and other requirements, or to pay our debt, which could materially and adversely affect our business and results of operations.

Furthermore, the objects of the Issue include funding working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, see "***Objects of the Issue***" on page 107. Also see, "***Risk Factor – Our Company intends to utilize a portion of the Net Proceeds of the Issue towards the working capital requirements of our Company which are based on certain assumptions and estimates and has not been appraised by any bank or financial institution"*** on page 49**.**

13. ***We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, any failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations may adversely affect our operations.***

We are required to obtain and maintain various statutory and regulatory permits, approvals, licenses and registrations to operate our business. Many of these approvals are subject to periodical renewal. Any failure to renew the approvals that may expire, or to apply for the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. We believe that we have obtained all the material licenses required for running our business and operations.

While, we have not had any material instances of failure to obtain, maintain or renew approvals, licenses, and registrations required to conduct our businesses during the nine-month period ended December 31, 2024 and in the past three Fiscals, we cannot assure you that approvals, licenses and registrations will be successfully granted or renewed in a timely manner or at all in the future. We also cannot assure you that our approvals and consents will not be suspended or revoked in the future. Failure to obtain, maintain or renew the approvals, licenses and registrations required to operate our business could adversely affect our business, financial condition, cash flows and results of operations.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals which may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations. For more details relating to licenses and approvals relating to our business, see "***Government and Other Statutory Approvals***" on page 325.

14. ***We have commenced initiatives to transition toward solar energy, including a proposed 6.1 MW captive solar power project to be partly funded from the Net Proceeds, delays or cost overruns in implementation, or failure to achieve projected benefits for the solar power plant may adversely affect our results of operations.***

We are engaged in the manufacturing of cotton yarn, a process that is inherently energy-intensive and places a high reliance on uninterrupted electricity supply. As of Fiscal 2024, our electricity expenses amounted to ₹1,717.57 lakhs, forming approximately 6% to 7% of our revenue from operations over the past three Fiscal years. Currently, we procure power primarily from Paschim Gujarat Vij Company Limited (PGVCL), with a sanctioned load of 2.8 MW and an average utilization of 2.7 MW. This heavy dependence on external grid electricity and the critical nature of energy inputs to our production processes expose our business to several operational, financial, and strategic risks.

Grid Power Supply and Tariff Risks:

Our production costs are significantly influenced by grid electricity tariffs, which have shown a rising trend over the years. Any further upward revision in tariffs over which we have limited control will increase our cost of production and compress our margins, especially if we are unable to pass on these increases to customers. Additionally, being solely dependent on grid connectivity for a majority of our electricity needs makes us vulnerable to disruptions. Any breakdowns in power infrastructure, load shedding, regulatory shutdowns, or supply curtailments by PGVCL can directly affect our operational continuity. Power interruptions could lead to idle time on machines, wastage of raw materials, order backlogs, and a deterioration in customer relationships.

Solar Project Execution and Operational Risks:

To reduce our dependence on grid power and mitigate long-term cost pressures, we are implementing a

6.1 MW ground-mounted solar power project for captive use, targeted for completion by September 2025. However, this project is currently in the implementation stage, and is subject to execution risks. Technical and procedural delays could push back the project timeline and defer the intended cost savings. Moreover, the project cost of ₹2,223.55 lakhs is vulnerable to macroeconomic variables such as fluctuations in the USD-INR exchange rate, changes in customs duties (currently 40% on solar modules and 22% on inverters), and any revision in GST rates. These cost escalations may strain internal cash flows and negatively affect project returns.

Our reliance on Soleos Solar Energy Private Limited, a third-party EPC contractor, for complete project delivery introduces dependency risk. Any lapse in performance, project management, or engineering standards by the contractor could lead to construction defects, reduced system efficiency, or lower-than-expected generation undermining the viability of the solar investment.

Operational and Maintenance Risks:

Even after successful commissioning, the solar plant's ability to deliver projected cost savings depends on its long-term operational performance. Solar modules, though technically advanced (TopCon Bi-Facial Mono-Half Cut), are subject to annual degradation of 1% in the first year and 0.4% thereafter, gradually reducing output. Additionally, external factors such as cloud cover, dust accumulation, or seasonal variability in sunlight could reduce actual energy generation compared to projected benchmarks. The plant's upkeep will depend on the reliability of the operations and maintenance services provided by Soleos. Any deficiency in regular module cleaning, inverter maintenance, or system diagnostics could impair performance and reduce the financial returns from the investment.

Financial Exposure:

The total project funding includes ₹1,489 lakhs secured via a term loan from SIDBI and ₹784.55 lakhs proposed to be deployed from the Net Proceeds of the Issue. In the event of delays in the IPO process or cost overruns, we may be required to explore alternate financing, potentially at a higher cost.

Regulatory and Policy Risks:

Our solar project's financial viability is closely tied to Gujarat's green energy open access regulations, which currently allow for banking up to 30% of monthly electricity consumption. Any withdrawal, amendment, or dilution in these provisions such as restrictions on net metering, banking limits, or changes in grid charges could substantially erode the project's cost-efficiency and increase our dependence on grid power. Moreover, delays in obtaining or maintaining statutory clearances could also stall project commissioning or render the installation non-compliant, leading to fines, litigation, or even forced shutdowns.

Strategic and Competitive Risks:

The strategic intent behind the solar project is to ensure cost leadership and improve ESG metrics by reducing our carbon footprint. However, if the solar plant fails to generate the expected ~96 lakh kWh annually, or if regulatory incentives such as banking and wheeling are curtailed, the expected savings and return on investment may not materialize. Furthermore, as solar and battery technologies continue to evolve rapidly, our current solar infrastructure may face obsolescence risks, necessitating additional capital investments in the near future to maintain competitiveness and sustainability credentials.

In conclusion, while the solar power initiative is a step forward in building energy resilience and improving long-term profitability, it also introduces a range of operational, financial, technological, and regulatory uncertainties. Any failure to mitigate these risks or realize the anticipated project benefits may adversely affect our cost structure, liquidity, profitability, and long-term competitive position.

15. Our proposed investment in a 4.2 MW captive wind power project is subject to various execution, regulatory, financial, operational, and technology-related risks that could adversely affect our business, financial condition, and results of operations.

As part of our strategic shift towards energy sustainability and cost optimization, we intend to utilize a portion of the Net Proceeds of this Issue for establishing a 4.2 MW wind power plant for captive consumption, to be developed and executed on an EPC basis by Suzlon Energy Limited. While this project aims to supplement our current renewable energy initiatives including our 1.2 MW rooftop solar plant and the ongoing 6.1 MW solar ground-mounted project it also introduces several critical risks.

Execution and commissioning risks: The project is currently in the planning phase, with commissioning expected by December 2026. However, timely execution depends on various factors, such as finalization and acquisition of suitable land, obtaining necessary government approvals, timely procurement and installation of two Wind Turbine Generators (WTGs), grid connectivity, and overall project coordination by Suzlon Energy Limited. Any delay in the execution timeline or non-fulfillment of contract obligations by Suzlon may defer the intended benefits of reduced power costs and energy security. The plant and machinery required for the proposed 4.2 MW wind power project, including two Wind Turbine Generators (Model S120_140), will be sourced from Suzlon Energy Limited under a turnkey EPC arrangement. However, as on the date of this Draft Red Herring Prospectus, we have not yet placed the purchase order for the supply, installation, and commissioning of the said equipment. Any delay or inability in finalising the procurement agreement, or any subsequent delay in delivery, installation, or commissioning of the plant and machinery by Suzlon Energy Limited, may adversely affect the timely implementation of the project. This may, in turn, impact our ability to achieve the expected benefits from the project within the anticipated timeframe, and could have a material adverse effect on our business, results of operations, and financial condition.

Financial exposure and funding risk: The entire capital expenditure of ₹3,900 lakhs for the wind project is proposed to be funded from the Net Proceeds of this Issue. In the event of a shortfall in IPO proceeds or increase in project costs due to external variables such as fluctuations in exchange rates (above ₹82/USD), escalation in commodity prices (e.g., steel prices above ₹58,000/MT), or changes in applicable taxes or levies, the Company may need to rely on internal accruals or raise additional debt. This could stretch our liquidity, impact cash flows, or delay the project if adequate funds are not secured in time.

Regulatory and policy risks: The success of the wind project is closely tied to prevailing regulatory frameworks, such as the Gujarat Electricity Regulatory Commission (GERC) Green Energy Open Access Regulations, 2024. Any adverse amendment in these regulations, including caps or restrictions on energy banking, wheeling charges, or grid access mechanisms, could materially affect the commercial viability of the project. Delays in obtaining required permissions from GEDA, GETCO, SLDC, and other regulatory authorities could result in legal or operational bottlenecks.

Operational and performance risks: While the expected energy output of the 4.2 MW wind power project is approximately 136–140 lakh units annually, the actual generation will depend on site-specific wind availability and performance of installed turbines. Variability in wind conditions, turbine downtime, or equipment failure can significantly reduce generation and the associated cost savings. Furthermore, underperformance or technical issues in the SCADA-based monitoring system or evacuation infrastructure could compromise output efficiency.

Dependency on EPC and O&M contractor: Suzlon Energy Limited is solely responsible for the design, procurement, construction, and commissioning of the wind project, including land acquisition facilitation. Post-commissioning, Suzlon will also manage the operation and maintenance for five years. Any lapse in their performance, including equipment quality, installation precision, or maintenance efficiency, may affect generation, lead to downtime, or cause warranty disputes.

Technology obsolescence and long-term reliability risks: The WTGs proposed under Model S120_140, though industry-standard, may face technological obsolescence over the plant's projected 25-year lifespan. Future advancements in wind turbine technology may reduce the relative efficiency or competitiveness of our installation. Additionally, degradation of mechanical components, wear-and-tear, or rising maintenance costs could reduce long-term output and increase operating expenses.

In conclusion, while the proposed 4.2 MW wind power project is aligned with our strategic objective of energy diversification and cost rationalization, it also exposes us to multiple uncertainties financial, regulatory, operational, and strategic. Any delay or underperformance in the project may reduce the anticipated benefits, affect return on investment, and have an adverse impact on our overall financial position and future sustainability efforts.

16. ***Continued operations at our Manufacturing Facility is critical to our business and any disruption in our Manufacturing Facility would have a material adverse effect on our business, results of operations and financial condition.***

As on date of this Draft Red Herring Prospectus, we operate through our manufacturing facility located in Gondal, Rajkot, Gujarat, India. For details of our Manufacturing Facilities, see "***Our Business – Our Manufacturing Facility***" on page 197. Our Manufacturing Facility is subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government and regulatory authorities. Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business.

Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair the malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. Although we have not experienced any significant disruptions at our Manufacturing Facility during the nine-month period ended December 31, 2024 and in the past three Fiscals, we cannot assure you that there will not be any significant disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our Manufacturing Facility, which in turn may have an adverse effect on our business, results of operations, cash flows and financial condition.

17. ***Our Company intends to utilize a portion of the Net Proceeds of the Issue towards the working capital requirements of our Company which are based on certain assumptions and estimates and have not been appraised by any bank or financial institution.***

The objects of the Issue include funding working capital requirements which are based on management estimates and certain assumptions by our Company in relation to inter alia sales of the products by our Company, receivable days and the cost and holding periods of the inventories of the products of our Company. The requirements for funding working capital of our Company have not been appraised by any bank, financial institution or any other appraising authority.

Our business is working capital intensive and accordingly, the net working capital requirements of our Company during the nine-month period ended December 31, 2024 and for the Fiscals 2024, 2023 and 2022 was ₹5,494.81 lakhs, ₹6,026.42 lakhs, ₹4,092.83 lakhs, and ₹3,234.72 lakhs, and represents 36.01%, 26.02%, 19.21%, and 14.84% of our revenue from operations, respectively. We propose to utilize up to ₹2,945.00 lakhs and ₹1,455.00 lakhs in the Fiscals 2026 and 2027, respectively from the Net Proceeds to fund part of the working capital requirements of our Company. For details, see "***Objects of the Issue***" on page 107.

The future working capital requirements and deployment of funds by our Company may be subject to change due to factors beyond the control of our Company including force majeure conditions, an increase in defaults by our customers, unanticipated expenses, economic conditions, availability of funding from banks or financial institutions. Accordingly, such working capital requirements and deployment of proceeds may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Our Company's sources of additional financing, required to meet the working capital requirements of our Company may include availing debt or issue of further equity or debt securities or a combination of both. If our Company decides to raise additional funds by availing debt, the interest and debt repayment obligations of our Company will increase and could have a significant effect on our profitability and cash flows. Further, our Company may be subject to additional covenants, which could limit the ability of our Company to access cash flows from operations. Any issuance of further equity, on the other hand, could result in a dilution of your shareholding in our Company. Accordingly, continued increases in the working capital requirements by our Company may have an adverse effect on our business, results of operations, financial condition and cash flows.

18. ***Under-utilization of our manufacturing capacities and an inability to effectively utilize our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

The following table sets forth certain information relating to the capacity utilization of our Manufacturing Facility calculated on the basis of total installed production capacity and actual production, as of and for the years/periods indicated herein:

The following table sets forth the capacity utilization of the Company's products at our Manufacturing Facility for the specified periods:

Particulars	Unit of Measurement	Upto December 31, 2024*	FY 2023-24	FY 2022-23	FY 2021-22
Cotton Yarn					
Installed Capacity	MT per Annum	9,855	9,855	9,855	9,855
Actual Production	MT Per Annum	6,060.83	8,573.85	6,898.50	7,884
Capacity Utilized (in %)	-	61.50%	87.00%	70.00%	80.00%

**Not Annualized.*
As Certified by Independent Chartered engineer vide certificate dated June 25, 2025.

For details, see "***Our Business – Capacity Utilization***" on page 200.

Our capacity utilization is subject to fluctuations depending on various factors including market demand, seasonality, pricing dynamics, raw material availability, labour availability, order visibility, and operational downtime due to maintenance or external disruptions. Sustained low utilization rates can lead to sub-optimal asset usage, inefficiencies, and increased production costs per unit.

Although, we have maintained a consitantly near-optimal level of capacity utilization, if we are unable to operate our facility at near-optimal or optimal capacity levels in the future due to lower market demand, inability to secure raw materials at viable prices, or failure to execute sufficient sales orders, we may face challenges in absorbing fixed overheads, which could adversely affect our profit margins. Moreover, if capacity utilization declines substantially, we may be unable to recover our investments in plant and machinery, and our maintenance and holding costs may increase disproportionately.

While we intend to enhance utilization through customer expansion, product diversification, and process improvements, there can be no assurance that we will succeed in aligning demand growth with our installed capacity. Any continued under-utilization or mismatch between supply and demand may have a material adverse impact on our business, financial condition, and results of operations.

19. ***There may have been certain instances of non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties.***

As a Company, we are required to file different event-based e-forms with the Ministry of Corporate Affairs ("**MCA**") under the applicable provisions of the Companies Act, 2013. There were certain instances of secretarial non-compliances including delayed filing of different statutory e-forms inadvertently due to non-functionality of MCA or otherwise under the Companies Act, 2013 in our Company, such as

Sr No.	Particulars of delayed filing	Due Date	Date of actual filing	Number of days of delay in filing	Steps taken to rectify such delayed filing / Fines or Penalties imposed, if any
1.	Filing of Form PAS-3 for return of allotment	April 27, 2021	May 21, 2021	25 days	Form was filed with additional fees
2.	Filing of Form MGT-7 i.e. Annual Returns	November 29, 2022	October 7, 2023	311 days	Form was filed with additional fees
3.	Filing of Form DPT-3 for return of deposits	June 30, 2023	July 30, 2023	30 days	Form was filed with additional fees
4.	Filing of Form MGT-14 for filing of resolution passed on approval of borrowing limits	December 6, 2024	May 9, 2025	154 days	Form was filed with additional fees
5.	Filing of Form MR-1 for appointment of key mannegarial personnel	October 14, 2024	December 30, 2024	47 days	Form was filed with additional fees
6.	Filing of Form ADT-1 for notice to the Registrar of Companies upon appointment of the Statutory Auditor	October 14, 2024	November 6, 2024	24 days	Form was filed with additional fees
7.	Filing of Form ADT-1 for notice to the Registrar of Companies upon appointment of the Statutory Auditor	February 5, 2025	May 21, 2025	106 days	Form was filed with additional fees

In past, there has also been certain instances of non-compliances under Companies Act, where there was a delay in appointment of company secretary under section 203 of the Companies Act 2013 read with Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, under which our Company was required to appoint a whole time company secretary, since the paid-up capital of the Company exceeded ₹1,000 lakh. The paid-up share capital of our Company exceeded the statutory threshold in the Fiscal 2017, however our Company appointed the Company Secretary on March 30, 2024. Our Company has, therefore, suo moto filed separate adjudication applications before the Registrar of Companies, Ahemedabad, Gujarat for adjudicating the penalties for the aforesaid non-compliances under the Companies Act, 2013 and the same are pending as on date.

While we have not been subject to any penalties by regulatory authorities, there can be no assurance that we would not be subject to such penalties or fines in the future. Further, there can be no assurance that there will be no delays or non-compliances with the filing of certain documents in the future.

20. ***We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materializes.***

As of December 31, 2024, contingent liabilities disclosed in the notes to our audited and Restated

Financial Statements aggregated ₹35.00 lakhs. The following table sets forth our contingent liabilities for the nine-month period ended December 31, 2024 and as at Fiscal 2024, Fiscal 2023 and Fiscal 2022 as per the Restated Financial Information:

(₹in lakhs)

Particulars	As at nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
a) Contingent Liabilities				
Litigations*	35.00	36.43	15.56	14.21

Notes:

**(1) As per information and explanation given to us by the management, Goods and service tax department noticed excess availment of Input tax credit for Financial Year 2017-18, for which order has been issue dated December 23, 2023 and demand has been raised of ₹20,87,473/- (including interest of ₹10,09,282 and penalty of ₹98,018) which has not been provided for in the accounts. The Company has preferred an appeal against the order to Appellate authority, however the Company has paid 10% amount ₹98,018/- as on March 14, 2024 under dispute against the demand. And Company also made voluntarily payment against the show cause notice amounting to CGST ₹4,90,087 and SGST ₹4,90,087, aggregating to ₹9,80,174 through DRC-3 as on March 13, 2024 and appeal withdrawal for F.Y 2017-18 for getting benefit of interest and penalty withdrawal schema as on January 18, 2025. So this order will drop in current year so we have no any liability to pay against same order*

**(2) GST Outstanding Demand bearing demand ID no. ZD240422002629P, dated April 04, 2022, amounting to ₹33,90,760*

**(3) As per information and explanation given to us by the management company received recovery Notice amount ₹1,09,711/- as on December 21, 2024 for ensuring payment of interest under section 50(1) of the CGST/GGST Act, 2017 in respect of self-assessed tax paid after the due date of furnishing of returns. For financial year 2017-18 to 2023-24 (7 years).*

If any of these contingent liabilities materialize, our financial condition and results of operation may be adversely affected. For details, please see "***Restated Financial Statements - Note no. [●] - Contingent Liabilities***" on page 280.

21. ***Our Company is party to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company is party to certain legal proceedings. These legal proceedings are pending at different stages before various courts, tribunals and forums. The outcomes of these legal proceedings are uncertain and could lead to adverse orders against our Company. Legal expenses, regulatory challenges, and potential sanctions arising from these proceedings may put a strain on our financial resources and impact our profitability. In the event of adverse rulings in these proceedings or levy of penalties / fines by courts, tribunals and forums, our Company may need to make payments or make provisions for future payments.

A summary of the pending criminal and tax proceedings and other material litigations involving our Company, Directors, Promoters and Senior Management Personnel has been provided below:

Nature of Cases	Number of outstanding cases	Amount Involved*
Litigation involving our Company		
Criminal proceedings against our Company	Nil	Nil
Criminal proceedings by our Company	Nil	Nil
Material civil litigation against our Company	Nil	Nil
Material civil litigation by our Company	2	3.43
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	9	36.12
Litigation involving our Directors (other than Promoters)		
Criminal proceedings against our Directors (other than Promoters)	Nil	Nil
Criminal proceedings by our Directors (other than Promoters)	Nil	Nil
Material civil litigation against our Director (other than Promoters)	Nil	Nil
Material civil litigation by our Director (other than Promoters)	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil

Nature of Cases	Number of outstanding cases	Amount Involved*
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters		
Criminal proceedings against our Promoters	Nil	Nil
Criminal proceedings by our Promoters	Nil	Nil
Material civil litigation against our Promoters	Nil	Nil
Material civil litigation by our Promoters	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litiagtion involving our KMP and SMP		
Criminal proceedings against our KMP and SMP	Nil	Nil
Criminal proceedings by our KMP and SMP	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil

**To the extent quantifiable.*

We cannot assure you that any of the aforementioned litigations will be settled in our favour, or that no further liability will arise out of these proceedings. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. The amounts claimed in these proceedings have been disclosed to the extent ascertainable. All of the above ongoing matters could result in financial losses, reputational damage, and disruptions to our Company's business operations, in the event any adverse orders are passed against our Company/directors.

While we have not incurred any material penalties / fines due to any adverse rulings during the nine-month period ended December 31, 2024 and in the last three Fiscals. For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" beginning on page 320.

22. ***We rely on third-party transportation providers for inbound raw materials and outbound finished goods, and any disruption or inefficiency in such logistics arrangements may adversely affect our business, financial condition, results of operations, and cash flows***.

We are dependent on third-party logistics and transportation providers for (i) the movement of cotton bales and other inputs from our suppliers to our Manufacturing Facility, and (ii) the delivery of our finished yarn products to our customers across various states in India. Any delay, disruption, or inefficiency in the logistics network may impair our ability to maintain smooth operations or timely order fulfillment.

Delays in transportation can arise from multiple external factors including labor strikes, fuel price volatility, adverse weather, road blockages, natural disasters, public health emergencies (such as the COVID-19 pandemic), and regulatory changes affecting freight movement. Additionally, products and raw materials in transit may be exposed to risks such as theft, mishandling, damage, or loss, which could result in quality degradation or shortfall in quantity at destination.

While we have not faced any material disruptions in transportation during the nine-month period ended December 31, 2024, or during Fiscals 2024, 2023 and 2022, we cannot assure you that such incidents will not occur in the future. Any delay or non-delivery of raw materials may impact our production schedules, while delays in customer deliveries could affect our reputation and customer retention. Furthermore, compensation from transporters or insurers may not always be adequate to cover associated losses.

The table below sets forth our transportation cost as a percentage of our revenue from operations for the years/period indicated:

Particulars	For the nine-months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022

	Amount (₹ in lakhs)	% of Revenue from Operations	Amount (₹ in lakhs)	% of Revenue from Operations	Amount (₹ in lakhs)	% of Revenue from Operations	Amount (₹ in lakhs)	% of Revenue from Operations
Transportation cost	77.93	0.51	105.34	0.45	160.26	0.75	147.57	0.68

We could be required to expend considerable resources in addressing our transportation requirements, including by way of absorbing any excess charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

23. We have faced negative cash flows from operating activities. in the past and may experience in the near future.

We have sustained negative cash flow used in operating activities for Fiscal 2024. The following table sets forth certain information relating to our cash flows during the nine-months period ended December 31, 2024, and for the Fiscals 2024, 2023 and 2022.

(₹ in lakhs)

Particulars	For nine-months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from/ (used in) operating activities	2,281.97	(491.15)	1,006.93	1,694.12

For further details see, "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Cash Flows***" on page 316.

The negative cash flow in Fiscal 2024 was primarily due to an increase in working capital that exceeded the profit earned by the Company during the year. A significant rise in the trade receivables period in Fiscal 2024 led to higher funds being tied up in working capital, thereby resulting in negative cash flow from operating activities.

There can be no assurances that cash flows will be positive in the future thereby creating an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

24. We enter into certain related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

We enter into certain transactions with related parties in the ordinary course of our business in compliance with Companies Act, 2013 and may continue to enter into related party transactions in the future. Our related party transactions include Director Remuneration, Salary & Bonus Expenses, Unsecured Loan Professional expenses and Rent expenses..

Our related party transactions, relating to expenses as a percentage of our revenue from operations, constituted 0.44%, 0.29%, 0.25% and 0.29% in nine-month period ended December 31, 2024, Fiscals 2024, 2023 and 2022, respectively. The transactions we may enter into with our related parties in the future could potentially involve conflicts of interest, which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority Shareholders and will not adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions, all related party transactions that we may enter into post-listing will be subject to an approval by our Audit Committee, our Board, or our Shareholders, as required under the Companies Act and the SEBI Listing Regulations.

The table below sets forth details of absolute sum of all related party transactions and the percentage of such related party transactions to our revenue from operations during the nine months period ended December 31, 2024 and in the last three Fiscals:

(in ₹ lakhs, except percentage)

Particulars	For the nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Absolute sum of all related party transactions relating to expenses*	67.19	68.00	53.70	63.70
Revenue from operations	1529.91	23159.12	21310.25	21797.20
Absolute sum of all related party transactions as a percentage of revenue from operations (%)	0.44%	0.29%	0.25%	0.29%

**Absolute sum of all related party transaction is excluding any off-balance sheet items.*

For details of our related party transactions, see "***Summary of the Issue Document —Summary of related party transactions***" and "***Restated Financial Statements - Related Party Transactions***" on pages 30 and 284, respectively.

25. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.

We have provided security in respect of loans/facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. The total amount outstanding and payable by us as secured loans based was ₹ 3,595.00 lakhs, as on December 31, 2024. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be subject to forfeiture by lenders, which in turn could have a significant adverse effect on our business, financial condition or results of operations. However, during the nine-month period ended December 31, 2024 and the last three Fiscals, there have been no such instances of delayed payment to our bankers/financers. For further details of the secured loans availed by us, see "***Financial Indebtedness***" on page 297.

26. We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. Any defaults could lead to acceleration of our repayment obligations, cross defaults under other financing agreements, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition.

We have entered into agreements for secured short term and long-term borrowings with certain lenders. As on December 31, 2024, an aggregate of ₹3,595.00 lakhs towards secured loans, was outstanding towards loans availed from banks and financial institution. The credit facilities availed by us are secured by way of mortgage of fixed assets, hypothecation of current assets (both present and future), and personal guarantees given by our Promoters, Bhaveshbhai Bhikhubhai Ramani and Jay Atulbhai Tilala. For details, see "***Financial Indebtedness***" on page 297.

In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to us may be recalled with penal interest. This could severely affect our operations and financial condition. Our financing agreements include certain covenants that require us to obtain lender consents prior to carrying out certain corporate activities and entering into certain transactions, such as, incurring any additional borrowings, undertaking capital expenditure, diversifying business, advance or repay loans, effect any dividend pay-out in case of delays in debt servicing, effect any change in shareholding pattern and management control of the Company amongst others. In addition, any breach of financial or non-financial covenant may qualify as an event of default under financing agreements.

We cannot assure you that the lenders will not seek to enforce their rights in respect of any breach by us under our financing agreements. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lenders or is not otherwise cured by us, may lead to a termination of our credit facilities and/or acceleration of all amounts due under the relevant credit facility. Further, such breach and relevant actions by the lenders could also trigger enforcement action by other lenders pursuant to cross-default provisions under certain of our financing agreements. Further, if the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of cash for our operations. In addition, the lenders may enforce their security interest in certain of our assets. Moreover, during the period in which we are in default, we may face difficulties in raising further loans. Any future inability to comply with the covenants under our financing agreements or to obtain the necessary consents required thereunder may lead to termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such financing agreements and enforcement of any security provided. Any of these circumstances would have an adverse effect our business, results of operation and financial condition. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lenders refuse to renew / enhance the credit facilities and/or cancel / suspend / reduce the said credit facilities and/or alter the terms and conditions to the derogation of our Company, then our existing operations as well as our future business prospects and financial condition may be severely affected.

27. Our inability to effectively manage our growth or successfully implement our business strategies may adversely affect our business, financial condition, and results of operations.

Our future growth and competitiveness are contingent upon the successful implementation of key strategic initiatives, including: (i) the commissioning and operational integration of five (5) in-house Two-for-One (TFO) twisting machines to enhance our product portfolio and in-house value addition capabilities; and (ii) setting up of our proposed renewable energy projects, comprising both solar and wind power aimed at reducing our dependency on grid electricity and achieving long-term cost efficiency. For further details, see "***Our Business – Strategies***" on page 192.

Execution of these strategies will require precise forecasting of market demand, timely capital allocation, procurement of equipment, technical capability to operationalize new machinery, and the ability to achieve planned energy cost reductions through renewable sourcing. Many of these efforts are dependent on factors beyond our control such as the timely receipt of regulatory clearances, availability of land or infrastructure, vendor and contractor performance, macroeconomic conditions, and fluctuations in input and energy costs.

Additionally, the successful execution of our modernization and expansion plans may place significant stress on our existing systems, managerial bandwidth, and internal controls. We will need to continuously invest in expanding and upgrading our operational infrastructure, human capital, technology platforms, and management information systems to handle increased complexity and scale. There can be no assurance that our internal capabilities will keep pace with the operational and strategic demands posed by our growth trajectory.

Any inability to execute our strategic initiatives in a timely, cost-effective, or efficient manner, or failure to derive the intended benefits from such investments, may adversely impact our profitability, strain our financial resources, and impair our ability to remain competitive. This, in turn, could have a material adverse effect on our business, results of operations, and financial condition.

28. Our Promoters has provided personal property as collateral for borrowings availed by the Company.

In connection with borrowings availed by our Company, our Promoters, Bhaveshbhai Bhikhubhai Ramani and Jay Atulbhai Tilala, have provided personal property as collateral to secure certain loans.

While this support has enabled the Company to access necessary financing, it also creates a dependency on the personal assets of our Promoter to maintain existing credit facilities.

Further, while the use of personal collateral reflects the Promoter's commitment to the business, it may create potential conflicts of interest in certain situations, particularly if enforcement action is initiated against the collateral by lenders. In such an event, our Promoter's ability to continue supporting the Company, financially or strategically, may be affected. There can be no assurance that continued reliance on the Promoter's personal property as collateral will not have reputational, financial, or operational consequences, all of which could adversely affect our business, results of operations, and financial condition.

29. Shortage or unavailability of electricity could affect our manufacturing operations and may have an adverse effect on our business, results of operations and financial condition.

Our manufacturing operations are energy-intensive and require continuous and reliable electricity. Any disruption, shortage, or unavailability of electricity whether due to failure of the state electricity grid, or other external factors can directly impact the efficiency of our manufacturing processes and delay production timelines.

For the nine-month period ended December 31, 2024, and Fiscals 2024, 2023, and 2022, our power expenses were ₹1,153.16 lakhs, ₹1,717.57 lakhs, ₹1,430.03 lakhs, and ₹1,505.61 lakhs, respectively, accounting for 8.00%, 7.73%, 6.85%, and 7.05% of our total expenses for continuing operations during the respective periods.

To reduce our dependence on grid electricity and mitigate the impact of rising power costs, we intend to commission renewable energy projects comprising a 6.1 MW ground mounted solar power project and a 4.2 MW wind energy project for captive consumption. These projects are intended to support our long-term energy requirements and reduce dependency on conventional energy sources. The implementation of these projects is proposed to be funded from the Net Proceeds of the Issue. For further details, see "***Objects of the Issue***" on page 107.

Although we have not faced material disruptions in electricity supply during the nine-month period ended December 31, 2024, or in Fiscals 2024, 2023, and 2022, we cannot assure that such issues will not arise in the future. Any significant or prolonged power outages or escalation in energy costs could adversely affect our manufacturing capabilities, delivery schedules, customer relationships, and overall financial performance.

30. There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities, which may have an adverse impact on our financial condition and cash flows.

There have been certain instances on delay in payment of statutory dues during the nine-months period ended December 31, 2024, and in last three Fiscals, which *inter-alia* include, goods and services tax, provident fund, etc. which as on the date of this Draft Red Herring Prospectus has been deposited with relevant authorities. For instance, please see below instances of delay/ irregularity in payment of provident fund dues, and GST for the periods indicated:

The following table depicts the delays in filing GST returns by the Company

For the Financial Year Ended	Return Type	Delayed filings
For the nine-month period ended December 31, 2024	GSTR-1	0
FY 2023-24	GSTR-1	0
FY 2022-23	GSTR-1	0
FY 2021-22	GSTR-1	0
For the nine-month period ended December 31, 2024	GSTR-3b	0

For the Financial Year Ended	Return Type	Delayed filings
FY 2023-24	GSTR-3b	0
FY 2022-23	GSTR-3b	1
FY 2021-22	GSTR-3b	16

**As certified by the Statutory Auditors pursuant to their certificate dated June 25, 2025 .*

Governing laws	For the nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Provident Fund				
Amount in lakh	9.44	11.61	5.30	5.65
Number of cases of delay	2	0	2	10
Income Tax and Tax Deducted at source				
Amount in lakh	1	4	1	1
Number of cases of delay	1.20	1.80	1.08	0.81

**As certified by the Statutory Auditors pursuant to their certificate dated June 25, 2025*

The delay in the filings of the company was due to administrative and technical reasons. To address such delays, our Company has taken corrective steps to mitigate the delays, including the appointment of professionals.

Although, our Company has now made the relevant filings and have deposited the requisite amounts, we cannot assure you that any regulatory or statutory authority will not issue a notice or take any other regulatory action against our Company and its officers in this regard. Further, there can be no assurance that such delays may not arise in future. Any delay in future may lead to financial penalties from the respective government authorities which may have a material adverse impact on our financial condition and cash flows.

31. ***Information relating to the historical installed capacities of our Manufacturing Facility included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates by the independent chartered engineer verifying such information and future production and capacity utilization may vary.***

Information relating to our installed capacities and the historical capacity utilization of our Manufacturing Facility included in this Draft Red Herring Prospectus may be based on certain assumptions and estimates, including assumptions relating to availability and quality of raw materials and operational efficiencies. While we have obtained a certificate dated June 25, 2025 from Babulal A. Ughreja, Independent Chartered Engineer, in relation to installed and utilized capacity and actual production levels, future capacity utilization rates may vary significantly from the historical capacity utilization rates.

In addition, capacity utilization is calculated differently in different companies, countries, industries and for the kinds of products we manufacture. Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our Manufacturing Facility. While we take efforts to ensure that our production capacity is, at all times, utilized at optimum levels, such as determining the levels of business that we shall seek and accept, production schedules, personnel requirements and other resource requirements, based on our internal estimates and targets, if we are unable to fully utilize our installed capacities in the future, there could be a negative impact on our cost and profitability and thereby adversely affecting our financial condition. Undue reliance should therefore not be placed on our installed capacity or historically estimated capacity utilization information for our existing Manufacturing Facility included in this Draft Red Herring Prospectus. For further details of our production and capacity utilization, see "***Our Business – Capacity Utilization***" on page 200.

32. ***We export our products through merchant exporters, and although we are not directly exposed to foreign exchange fluctuations, we may still be indirectly impacted by currency volatility, which could affect our export volumes and profitability.***

We undertake export sales through merchant exporters who purchase our products in Indian Rupees and independently handle international trade operations under their own name. As such, we are not directly exposed to foreign exchange fluctuations on these export transactions. However, we may still be indirectly affected by such currency movements.

In particular, appreciation of the Indian Rupee or volatility in foreign exchange markets may affect the pricing competitiveness of Indian yarn in global markets, thereby impacting the margins and export appetite of merchant exporters. This, in turn, may lead to reduced offtake from us, renegotiation of selling prices, or delay in order execution.

Although, our export sales are currently undertaken on an opportunistic basis, primarily during periods of soft domestic demand or meeting our export obligations, export revenues tend to vary year-on-year and are inherently volatile. While this export model allows us to serve overseas markets with limited compliance and logistical overhead, it also limits our visibility into end-customer demand and pricing and restricts our ability to directly hedge foreign exchange risks or optimize pricing based on global demand conditions.

Any sustained volatility in foreign exchange rates or change in global market dynamics may indirectly impact our sales to merchant exporters, and consequently affect our revenue, margins and overall business performance.

33. ***We may not be able to adequately protect our intellectual property, which may adversely affect us.***

Generating and maintaining recognition for our brand is critical to our business. The success of our business depends on our ability to use our trademarks in order to compete effectively in existing markets and further promote our business in existing and newer markets. As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Particulars of the Mark	Trade Mark No.	Class of Registration
July 29, 2021	TWISTEX	5065242	40

Any failure to renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered logo which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, it is possible that we may not be aware of misuse of our trademarks which could potentially cause loss of our reputation and impact our business and may even affect our goodwill. While we have endeavoured to register Our trademark that we use or have used in the past, the use of a deceptively similar or identical third-party mark may result in a loss/injury to us. Although our company has not encountered any unauthorized use of our intellectual property in the past nine-months ended December 31, 2024 and last three Fiscals, we may not be able to ensure protection of the same in future. For further details, please see "***Government and Other Statutory Approvals***" on page 325.

34. ***Inaccurate demand forecasting or disruptions in our supply chain may lead to inventory imbalances or loss of business, which could adversely affect our operations and financial performance***

Our production planning and inventory procurement are based on internal demand forecasts, which take into account historical order patterns, broker and agent inputs, prevailing market sentiment, and anticipated seasonal demand from spinning and weaving segments. If we overestimate demand, we may accumulate excess finished yarn or raw material inventory, especially cotton bales, which could result in increased carrying costs, tied-up working capital, and potential quality degradation during prolonged storage.

Conversely, if we underestimate demand or face production or procurement delays due to raw material price volatility, logistics issues, or capacity constraints, we may be unable to fulfil customer orders in a timely manner. This could result in loss of orders, strained broker and customer relationships, and an erosion of market share, especially in a competitive and time-sensitive textile supply chain.

Our operations also depend on synchronized coordination across procurement, manufacturing, and sales teams. Disruptions or inefficiencies at any stage of the supply chain such as cotton sourcing delays due to monsoon variation or supply chain bottlenecks can cause ripple effects that impair our ability to deliver to market on time.

While we have not experienced any material demand forecasting inaccuracies or supply disruptions during the nine-month period ended December 31, 2024, or in the last three Fiscals, we cannot assure that such instances will not arise in the future. Any mismatch between anticipated and actual demand, or significant supply disruptions, may adversely affect our production efficiency, customer satisfaction, working capital cycle, and overall financial performance.

35. Our insurance policies may not be adequate to cover all losses incurred in our business. An inability to maintain adequate insurance cover to protect us from material adverse incidents in connection with our business may adversely affect our operations and profitability.

We maintain insurance cover to cover all normal risks associated with operations of our business. We typically maintain corporate coverage, industrial standard fire and special peril policies and employee compensation policies. For details, see "***Our Business – Insurance***" on page 203. Details of our insurance coverage as at the nine-month period ended December 31, 2024 and Fiscals 2024, 2023, and 2022, are as provided below:

Particulars	Amount (in ₹ lakhs)
Total Assets as at December 31, 2024 including gross block of property, plant and equipment, capital work in-progress, investment properties and inventories	9438.57
Sum Insured of Assets as at December 31, 2024 (in ₹ lakhs)	17,510.00
Percentage of insurance coverage (in %)	185.52

**As certified by the Statutory Auditors pursuant to their certificate dated June 16, 2025].*

We may not have identified every risk and further may not be insured against every risk because such risks are either uninsurable or not insurable on commercially acceptable terms, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies such as COVID-19 and other pandemics, or due to the same being inadequate, could materially harm our cash flows, financial condition and future results of operations. We cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subjected to. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. While there has been no major instance in the nine-months period ended December 31, 2024 and last three Fiscals where an insurance claim has been not renewed, there is no assurance that such instance will not arise in the future.

To the extent that we suffer loss or damage for which we are not insured, or which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For details, see "***Our***

Business – Insurance" on page 203.

36. ***If we are unable to establish and maintain effective internal controls and compliance system, our business and reputation could be adversely affected.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

37. ***Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.***

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from the "***Industry Report on Cotton Yarn***" dated June 19, 2025, prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on March 6, 2025, and exclusively commissioned and paid for by us in connection with the Issue. D&B is an independent agency which has no relationship with our Company, our Promoters, Promoter Group and any of our Directors or KMPs or SMPs.

Further, D&B Report is prepared based on information as of specific dates and may no longer be current or reflect current trends. Certain information in this Report is subject to limitations and is also based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. The D&B Report uses certain methodologies for market sizing and forecasting. Furthermore, the D&B Report is not a recommendation to invest/ disinvest in any company covered in the D&B Report. Accordingly, Investors should not place undue reliance on or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report before making any investment decision regarding the Issue. For further details, see "***Industry Overview***" on page 139 of this Draft Red Herring Prospectus.

38. None of the Directors of the Company have experience of being a director of a public listed company.

The Directors of the Company do not have the experience of having held directorship of public listed company. Accordingly, they have limited exposure to management of affairs of the listed company which inter-alia entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, the Company will require to adhere strict standards pertaining to accounting, corporate governance and reporting that it did not require as an unlisted company. The Company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited quarterly reports with respect to its business and financial condition. If the Company experiences any delays, we may fail to satisfy its reporting obligations and/or it may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies.

Further, as a publicly listed company, the Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, the Board of Directors of the Company may have to provide increased attention to such procedures and their attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

39. ***We may be unable to attract and retain employees with the requisite skills, expertise and experience, which would adversely affect our operations, business growth and financial results.***

We rely on the skills, expertise and experience of our employees to provide continuous and quality products to our customers. For instance, we require experienced employee for production process and to carry out quality checks and inspections at all stages of the manufacturing process of our products. Our employees may terminate their employment with us prematurely and we may not be able to retain them. The details of attrition rate of employees of the Company for the nine-months period ended December 31, 2024 and the last three Fiscals are as under:

Particulars	As at the nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Average number of employees	[●]	[●]	[●]	[●]
Number of employees left/retired	[●]	[●]	[●]	[●]
Attrition rate (%)	[●]	[●]	[●]	[●]

If we experience any failure to attract and retain competent personnel or any material increase in manpower costs as a result of the shortage of skilled manpower, our competitiveness and business would be damaged, thereby adversely affecting our financial condition and operating results. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth and expansions may be inhibited.

40. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.

The funding requirements and the deployment (including the schedule of deployment) of the Net Proceeds are based on the current business plan and strategy of our Company. Our Company may have to revise these from time to time as a result of variations including changes in estimates and other external factors, which may not be within the control of the management of our Company. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the deployment for a particular purpose from its planned expenditure or changing the schedule of deployment of the Net Proceeds at the discretion of the Board of Directors of our Company, in compliance with applicable law. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or the schedule of deployment of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution.

In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI ICDR Regulations. Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations. For further details of the proposed objects of the Issue, see ***'Objects of the Issue'*** on page 107.

41. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency.

We intend to use Net Proceeds from the Issue towards (a) funding Solar Power Project; (b) funding Wind Power Project; (iii) Reapyment/Pre-payment of certain borrowings; (iv) funding working capital requirements of our Company; and (v) general corporate purposes. For details of the objects of the Issue, see "***Objects of the Issue***" on page 107. The funding requirement and deployment of the Net Proceeds mentioned as a part of the Objects of the Issue are based on current circumstances of our business, prevailing market conditions estimates received from the third-party agencies, and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. The estimates for the proposed expenditure are based on several variables, a significant variation in any one or a combination of which could have an adverse effect. Furthermore, the deployment of funds has not been appraised by any bank or financial institution or any independent agency.

42. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at our Manufacturing Facility may adversely affect our production schedules, costs, revenue and ability to meet customer demand.

The activities carried out at our Manufacturing Facility may be potentially dangerous to our employees. While we strive to provide a safe and healthy working environment in compliance with applicable occupational health and safety management system and environmental management system standards. An accident may result in personal injury to our employees, or the labour deployed at our Manufacturing Facility, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities.

While we have not encountered any fatalities in last nine-month period ended December 31, 2024 and three Fiscals, however, any such future accident may result in litigation, the outcome of which is difficult to assess or quantify, the cost to defend such litigation can be significant and our insurance may not be sufficient to provide complete coverage. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, results of operations, financial condition, cash flows and future prospects.

43. ***We are dependent on our Promoters for functioning of our business and we believe that our senior***

management team and other key managerial personnel in our business are critical to our continued success and we may be unable to attract and retain such personnel in the future.

Our performance depends largely on the efforts and abilities of our Promoters. For details, see "***Our Promoters and Promoter Group***" on pages 233. We believe that the input and experience of our Promoters are valuable for the growth and development of business and operations and the strategic directions taken by our Company. Our business and operations are led by our Promoters who possess vast experience in the textile industry, the loss of whose services may adversely affect our business operations.

At the same time, our future success also substantially depends on the continued service and performance of the members of our senior management team and other key managerial personnel in our business for the management and running of our daily operations and the planning and execution of our business strategy.

There is intense competition for experienced senior management and other key managerial personnel with technical and industry expertise in the spinning industry and, if we lose the services of any of our senior management and other key managerial personnel or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. The loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business, cash flows, and results of operations.

44. Changes in technology may affect our business by making our Manufacturing Facility or equipment less competitive or obsolete.

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Modernization and technology upgradation is essential to reduce costs and increase the output. Our technology and machinery may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. The development and implementation of such technology and machinery entails technical and business risks. Further, the costs of upgrading our technology and modernizing the plant and machineries may be significant which could substantially affect our finances and operations. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to customer requirements or emerging industry standards. Changes in technology may make newer equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facility. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and results of operations could be adversely affected.

45. Our operations are significantly dependent on our ability to successfully identify market requirements and customer preferences and gain customer acceptance for our products.

Our continued growth and competitiveness are dependent on our ability to accurately anticipate and respond to evolving customer preferences, industry trends, and technological developments in a timely manner. The textile industry, particularly the yarn segment, is dynamic and influenced by fashion trends, functional textile innovations, fibre preferences (such as cotton vs. synthetic blends), and downstream demand from garment and fabric manufacturers. While we currently offer a diversified product portfolio including carded yarn, combed yarn, ELI twist yarn, Lycra-blended yarn and others, we may not be successful in maintaining or growing our market share if we are unable to modify our existing products or develop new yarn variants in response to customer demand. Any mismatch between our offerings and customer expectations could lead to pricing pressure, loss of orders, or erosion of market share.

Additionally, competitors may develop and adopt advanced technologies or superior production methods that could make our existing products or manufacturing processes less competitive or obsolete. In such a scenario, we may be required to make substantial capital investments to upgrade our manufacturing capabilities, adopt new spinning technologies or improve product quality to remain competitive.

Although we are committed to ongoing innovation and quality enhancement, there can be no assurance that our efforts will be timely or effective, or that our new or modified products will be commercially successful. Any failure to respond effectively to market changes, consumer preferences, or industry innovations may adversely affect our revenue growth, customer relationships, financial condition and results of operations.

46. ***Our operations may be materially adversely affected by strikes, work stoppages or increased compensation demands by our employees.***

We are dependent on our work force for carrying out our operations. Any Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any disruptions in our business operations due to disputes or other problems with our work force in the nine months ended December 31, 2024 and past three Fiscals and; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment.

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future.

If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

47. ***Failure or disruption of our information and technology ("IT") and/ or enterprise resources planning systems may adversely affect our business, financial condition, results of operations and future prospects*.**

We have implemented cybersecurity measures, including data protection against virus attacks and hacking, as well as disaster recovery servers and systems to ensure data retrieval and business continuity. Additionally, we utilize advanced software We have implemented Miracal 9.0 across our operations to streamline our record keeping and track our business operations on real-time basis pursuant to which various financial, analytical and MIS reports are generated. Further, this system also enables us to track timely procurement of raw materials, payment to vendors and contract suppliers, and receivables from customers. IT systems are potentially vulnerable to damage or interruption from a variety of sources which could result from (among other causes) cyber-attacks on or failures of such infrastructure or compromises to its physical security, as well as from damaging weather or other acts of nature. A significant or large-scale malfunction or interruption of one or more of our IT systems, or manufacturing automation systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

48. ***Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

After completion of the Issue, our Promoters and Promoter Group will collectively own a majority of the Equity Shares of our Company. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

49. Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

50. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "***Dividend Policy***" on page 238.

51. Our Promoters, some of our Directors and some of our KMPs and SMPs are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses.

Our Promoters, some of our Directors and some of our KMPs and SMPs are interested in our Company to the extent of their respective shareholding in our Company as well as to the extent of any dividends, bonus or other distributions on such Equity Shares, amongst others. We cannot assure you that our Promoters, Directors, KMPs and SMPs will exercise their rights as shareholders to the benefit and best interest of our Company. Further, our Promoters, Directors, KMPs and SMPs holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoters, Directors, KMPs and SMPs, other than reimbursement of expenses incurred or normal remuneration or benefits, see "***Our Management***" and "***Our Promoters and Promoter Group***" on pages 220 and 233, respectively.

52. ***We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected. Although, we have not faced any such incidence during the nine-month period ended December 31, 2024 and in past three Fiscals, we cannot assure that we would not face such incident in future.

53. ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. Any sale of our Equity Shares by our Promoters or major shareholders or future equity issuances, by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

54. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

55. QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within 3 (three) Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

56. We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian retailing industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our restated financial statements as reported under applicable accounting standards disclosed elsewhere in this Prospectus. These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies.

ISSUE SPECIFIC RISKS

57. Subsequent to the listing of the Equity Shares, we may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures (“**ASM**”) and Graded Surveillance Measures (“**GSM**”) by the Stock Exchanges and the Securities and Exchange Board of India. These measures have been introduced to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market-based parameters such as high low-price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is subject to GSM when the share price is not commensurate with the financial health and fundamentals of the company. Specific parameters for GSM include net worth, net fixed assets, PE, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

58. ***The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

59. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares will be determined by the book-building method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. For details, see "***Basis for Issue Price***" on page 129. The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

60. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

EXTERNAL RISK FACTORS:

61. ***Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.***

Our Restated Financial Statements have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "**Reports in Company Prospectuses (Revised 2019)**" issued by the ICAI.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

62. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

63. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted

64. ***Investors may not be able to enforce judgments obtained in foreign courts against us.***

We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India to repatriate any amount recovered pursuant to the execution of the judgment.

65. ***We are a public limited company under the laws of India. Our directors and officers are Indian***

nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability provisions of the United States federal securities laws. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the spinning sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, and our business, prospects, financial condition and results of operations, in particular.

66. ***We are subject to regulatory, economic and social and political uncertainties and other factors beyond our control.***

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on the BSE and the NSE, subject to the receipt of the final listing and trading approvals from the Stock Exchanges. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- political instability, terrorism, military conflict, epidemic or public health issues in India or in countries in the region or globally, including in India's various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- Instability in financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- changes in India's tax, trade, fiscal or monetary policies; and
- other significant regulatory or economic developments in or affecting India or its logistics sector.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' revenues, savings and could in turn negatively affect their demand for our products. In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

67. ***Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation relative to developed countries in the recent past. Continued high rates of inflation may increase our expenses related to costs of raw material, rent, salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

68. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

69. ***Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

70. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

India has experienced natural calamities such as floods, landslides, tsunamis, earthquakes, etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

71. ***The occurrence of natural or man-made disasters may adversely affect our business, financial condition, results of operations and cash flows.***

The occurrence of natural disasters, including hurricanes, floods, tsunamis, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, may adversely affect our financial condition or results of operations. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. The potential impact of a natural disaster on our results of operations and financial position is speculative and would depend on numerous factors. In addition, an outbreak of a communicable disease in India or in the particular region in which we have projects would adversely affect our business and financial conditions and the results of operations. We cannot assure prospective investors that such events will not occur in the future or that our business, financial condition, results of operations and cash flows will not be adversely affected.

72. Our ability to raise foreign capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

73. Rights of shareholders under Indian laws may be different from laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions under the Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as our shareholder than as a shareholder of an entity in another jurisdiction.

SECTION III – INTRODUCTION

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by Our Company [(1)]	Issue of up to 1,06,00,000* Equity Shares of face value of ₹10/- each fully paid up for cash, at a price of ₹[●] per Equity share, aggregating ₹[●] Lakhs
The Issue consists of:	
A) QIB Portion[(2)(3)]	Not more than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
Of which:	
(i) Anchor Investor Portion[(2)]	Up to [●]* Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●]* Equity Shares
Of which:	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●]* Equity Shares
b) Balance for all QIBs including Mutual Funds	[●]* Equity Shares
B) Non – Institutional Portion[(4)(5)]	Not less than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
A. ***Of which:***	
(a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹2,00,000 and up to ₹10,00,000	[●]* Equity Shares
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹10,00,000	[●]* Equity Shares
C) Retail Portion[(4)(5)(6)]	Not less than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
Pre and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue (as on the date of this Draft Red Herring Prospectus)	2,93,75,000 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net proceeds	For details about the use of Net Proceeds, please see *“**Objects of the Issue**”* on page 107.

**Subject to finalization of the Basis of Allotment.*

Notes:

(1) The Issue has been authorized by a resolution of our Board dated March 05, 2025 and has been authorized by a special resolution of our Shareholders, dated March 26, 2025.

*(2) Our Company may, in consultation with the BRLM allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. The QIB portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the Net QIB Portion. 5% of the Net QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion (excluding Anchor Investor Portion) will be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please see “**Issue Procedure**” on page 349.*

*(3) Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Issue, the Equity Shares will be allocated in the manner specified in “**Terms of the Issue**” on page 339.*

(4) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange, subject to applicable laws.

*(5) Allocation to Bidders in all categories, other than Anchor Portion, Retail Individual Portion and Non-Institutional Portion, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. One-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹2.00 Lakhs and up to ₹10.00 Lakhs, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹10.00 Lakhs and the unsubscribed portion in either of the above sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The Allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹2.00 Lakhs, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis, in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, please see "**Issue Procedure**" on page* 349.

(6) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5.00 Lakhs shall use UPI. Individual Investors bidding under the Non-Institutional Portion for more than ₹2.00 Lakhs and up to ₹5.00 Lakhs, using the UPI Mechanism, shall provide their UPI ID the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, including grounds for rejection of bids, please see *"**Terms of the Issue**", "**Issue Structure**"* and *"**Issue Procedure**"* on pages 339, 345, and 349 respectively.

SUMMARY OF FINANCIAL INFORMATION

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Statements for the nine-months period ended December 31, 2024 and the Fiscals 2024, 2023 and 2022. The Restated Financial Statement referred to above is presented under the section titled "**Restated Financial Statement**" on page 239. The summary of financial information presented below should be read in conjunction with the Restated Financial Statements, the notes thereto and the chapters titled "**Restated Financial Statements**" and "**Management's Discussion and Analysis of Financial Position and Results of Operations**" on pages 239 and 304.*

(The remainder of this page is intentionally left blank)

SUMMARY OF RESTATED STATEMENT OF ASSETS AND LIABILITIES:

(Rs. In lakhs, unless otherwise stated)

Particulars		Notes	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
ASSETS						
Non-Current Assets						
a)	Property, Plant and Equipment	4	6,991.84	7,071.33	7,781.32	7,640.52
b)	Capital work-in-progress	4	-	220.62	-	-
c)	Intangible assets	4	-	-	-	1.10
d)	Financial Assets					
	(i) Investments	5	50.16	47.31	43.49	41.55
	(ii) Other Financial Assets	6	285.22	247.60	122.68	163.62
e)	Other Non-current assets	7	91.28	283.58	0.36	152.30
Total Non-Current Assets			**7,418.50**	**7,870.44**	**7,947.86**	**7,999.08**
CURRENT ASSETS						
a)	Inventories	8	2,446.73	2,400.05	2,848.61	2,311.97
b)	Financial Assets					
	(i) Investments		-	-	-	-
	(ii) Trade Receivables	9	4,838.31	4,450.13	2,080.68	2,220.45
	(iii) Cash & Cash Equivalents	10	50.38	8.62	38.75	17.64
	(iv) Bank Balances other than (iii) above		-			-
	(v) Loans		-	-	-	-
	(vi) Other Financial Assets	11	518.90	335.64	209.61	277.82
c)	Current Tax Assets	12	-	-	0.13	0.53
d)	Other Current Assets	13	314.31	365.58	445.84	250.41
Total Current Assets			**8,168.63**	**7,560.02**	**5,623.62**	**5,078.82**
Total Assets			**15,587.13**	**15,430.45**	**13,571.47**	**13,077.90**
Equity and Liabilities						
Equity						
a)	Equity Share capital	14	2,937.50	2,937.50	1,175.00	1,175.00
b)	Other Equity	15	4,380.58	3,742.36	4,936.05	4,212.33
			7,318.08	**6,679.86**	**6,111.05**	**5,387.33**
Liabilities						
Non-Current Liabilities						
a)	Financial Liabilities					
	(i) Borrowings	16	2,977.15	3,918.90	3,476.49	4,383.05
b)	Deferred Tax Liabilities (Net)	36	421.23	484.98	340.21	137.78
c)	Provisions	21	33.90	27.56	19.37	12.49
Total Non-Current Liabilities			**3,432.28**	**4,431.44**	**3,836.07**	**4,533.32**
Current Liabilities						
a)	Financial Liabilities					
	(i) Borrowings	17	2,162.93	2,785.55	2,093.56	1,313.16
	(ii) Trade payables	18				
	Total outstanding dues of micro enterprises and small enterprises		2,333.56	1,280.68	1,338.34	1,576.09
	Total outstanding dues other than micro and small enterprises		32.24	35.24	42.60	22.38
	(iii) Other Financial Liabilities	19	2.43	19.47	23.73	24.56
b)	Other Current Liabilities	20	75.82	14.26	15.21	104.65
c)	Provisions	21	81.47	123.73	110.91	116.41
d)	Current Tax Liabilities (Net)	22	148.30	60.22	-	-
Total Current Liabilities			**4,836.75**	**4,319.15**	**3,624.35**	**3,157.25**
Total Equity & Liabilities			**15,587.13**	**15,430.45**	**13,571.47**	**13,077.90**

SUMMARY OF RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in lakhs, unless otherwise stated)

	Particulars	Notes	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
	Revenue:					
I	Revenue from Operations	**23**	15,259.91	23,159.12	21310.25	21,797.20
II	Other Income	**24**	15.76	13.29	47.69	40.15
III	**Total Income (I + II)**		**15,275.67**	**23,172.41**	**21,357.93**	**21,837.35**
IV	**Expenses:**					
a)	Cost of material consumed	**25**	13,683.39	20,125.20	18,025.77	20,670.18
b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	**26**	-734.74	355.69	937.48	-1,447.91
c)	Employee Benefits Expense	**27**	327.04	423.88	412.27	398.43
e)	Finance Costs	**28**	483.13	454.55	394.49	419.61
d)	Depreciation And Amortization Expenses	**29**	446.13	629.34	883.87	902.74
f)	Other Expenses	**30**	207.87	221.21	213.56	401.92
	Total Expenses (IV)		**14,412.82**	**22,209.87**	**20,867.43**	**21,344.96**
V	**Profit/(loss) before exceptional items and tax (III - IV)**		862.86	962.54	490.50	492.39
VI	Exceptional Items		-	-	-	-
VII	**Profit/ (loss) before tax (V+VI)**		**862.86**	**962.54**	**490.50**	**492.39**
VIII	**Tax Expense**					
	Current Tax		230.23	278.78	167.54	82.19
	MAT Credit Entitlement		-	-	-	-72.46
	Deferred Tax		-63.74	28.51	117.89	118.90
			166.48	**307.29**	**285.43**	**128.63**
IX	**Profit/(loss) for the period (VII-VIII)**		**696.37**	**655.25**	**205.08**	**363.76**
X	**Other Comprehensive Income**	**31**				
i.	Items that will not be reclassified to Statement of Profit and Loss		1.67	1.51	0.92	0.98
ii.	Income tax relating to items that will not be reclassified to Statement of Profit and Loss		(0.46)	(0.42)	(0.26)	(0.26)
iii.	Items that will be reclassified to Statement of Profit and Loss		-	-	-	-
iv.	Income tax relating to items that will be reclassified to Statement of Profit and Loss		-	-	-	-
	Other Comprehensive Income for the year (X)		**1.21**	**1.09**	**0.66**	**0.73**
XI	**Total Comprehensive Income for the year (IX + X)**		**697.58**	**656.34**	**205.74**	**364.49**
XII	**Earnings per Equity Share**	**32**				
	(i) Basic (in Rs.)		2.37	2.23	0.70	1.24
	(ii) Diluted (in Rs.)		2.37	2.23	0.70	1.24

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(Rs. in lakhs, unless otherwise stated)

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before taxation	**864.53**	**964.05**	**491.42**	**493.37**
Adjustments for:				
Interest Expenses	483.13	454.55	394.49	419.61
(Gain)/loss on fair value of investment through P&L	(2.85)	(3.82)	(1.95)	(2.19)
Interest Received	(12.67)	(8.67)	(40.41)	(27.61)
MAT Credit	-	116.26	84.54	(72.46)
Depreciation and Amortisation Expenses	446.13	629.34	883.87	902.74
Operating Profit before working capital changes	**1,778.27**	**2,151.71**	**1,811.96**	**1,713.46**
Increase/(Decrease) in Provisions	(35.91)	21.00	1.39	52.13
(Increase)/Decrease in Current tax assets	-	0.13	0.40	(0.53)
Increase/(Decrease) in Current tax liabilities	88.08	60.22	-	-
(Increase)/Decrease in Other Current financial Assets	(183.26)	(126.03)	68.21	450.48
(Increase)/Decrease in Other current assets	51.27	80.26	(195.43)	(155.77)
Increase/(Decrease) in Trade Payables	1,049.88	(65.01)	(217.54)	602.64
Increase/(Decrease) in Other Financial Liability	(17.05)	(4.26)	(0.83)	(4.30)
Increase/(Decrease) in Other Current Liability	61.56	(0.95)	(89.44)	98.65
(Increase)/Decrease in Inventories	(46.68)	448.56	(536.64)	(1,130.37)
(Increase)/Decrease in other non-current Assets	192.30	(283.22)	151.94	(64.57)
(Increase)/Decrease in other non-current financial Assets	(37.62)	(124.92)	40.93	(76.03)
(Increase)/Decrease in Trade Receivable	(388.18)	(2,369.45)	139.77	218.32
Cash Generated from Operations	**2,512.67**	**(211.95)**	**1,174.72**	**1,704.11**
Income Taxes paid	(230.69)	(279.20)	(167.79)	(9.99)
Net Cash from Operating Activities	**2,281.97**	**(491.15)**	**1,006.93**	**1,694.12**
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(621.96)	(227.50)	(505.58)	(548.95)
Disposal of Property, Plant & Equipment	416.58	-	-	-
Interest Received	12.67	8.67	40.41	27.61
Net Cash from Investing Activities	**(192.72)**	**(218.83)**	**(465.17)**	**(521.34)**
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Loan availed/ (Repayed) in Borrowings	(1,564.38)	1,134.41	(126.16)	(756.98)
Interest Paid	(483.13)	(454.55)	(394.49)	(419.61)
Net Cash from Financing Activities	**(2,047.50)**	**679.86**	**(520.65)**	**(1,176.59)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**41.75**	**(30.12)**	**21.11**	**(3.81)**
Cash and Cash Equivalents at the beginning of the period	8.62	38.75	17.64	21.45
Reconciliation of Cash and Cash equivalents at the end of the period	**50.38**	**8.62**	**38.75**	**17.64**

GENERAL INFORMATION

Registered Office
566P1, Umwada Road, Near Bajrang Cotspin,
Gondal, Rajkot – 360 311
Gujarat, India
Telephone: +91 75100 12200
Email: info@shreeramtwistex.com
Website: www.shreeramtwistex.com

Corporate identity number and registration number

Corporate Identity Number: U17120GJ2013PLC078074
Registration Number: 078074

Address of the Registrar of Companies

Our Company is registered with the ROC located at the following address:

Registrar of Companies
ROC Bhavan, Opp Rupal Park Society
Behind Ankur Bus Stop, Naranpura
Ahmedabad – 380 013, Gujrat, India
Email: roc.ahmedabad@mca.gov.in

Board of Directors

Details regarding our Board as on the date of this Draft Red Herring Prospectus are set forth below:

Name and Designation	DIN	Address
Bhaveshbhai Bhikhubhai Ramani *Designation: Chairman and Managing Director*	00534813	Vraj, 6/4, near Rilance Pretol Pump, Mahadev Vadi, Gondal, Rajkot – 360 311, Gujarat, India
Jay Atulbhai Tilala *Designation: Executive Director and Chief Financial Officer*	08362902	Khodiyar Krupa, Street No 6/1, Kailashbag, Gondal, Rajkot – 360 311, Gujarat, India
Rameshchandra M. Hirani *Designation: Non-Executive Director*	06775835	Block No. B\101, Cosmos Pride Tower, Near Pentagon, Opp, Speed Well Party Plot, Rajkot – 360 005, Gujarat, India
Amita Chhaganbhai Pragada *Designation: Independent Director*	09578592	G7, Shreedhar Appt, Shyamal Cross Road, Satelite, Nr. Jivraj Bridge, Manekbag, Ahmedabad – 380 015, Gujarat, India.
Bhuvnesh Kumar *Designation: Independent Director*	10581722	High School Ke Piche, Tekarawas, Bhinmal, Jalor Rajasthan -343029, India.
Chirag Kantilal Patel *Designation: Independent Director*	10682219	A/1st Flr/105 Khushi Palace, Mayur Estate, Ahmedabad City Gujarat - 382415 India.

For further details of our Directors, see "***Our Management***" beginning on page 220.

Company Secretary and Compliance Officer

Sejal Tapan Gajjar is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

566P1, Umwada Road, Near Bajrang Cotspin,
Gondal Rajkot – 360 311

Telephone: +91 75100 12200
Email Id: cs@shreeramtwistex.com

Investor Grievances

Investors can contact our Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, redressals of complaints, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Manager to the Issue

Interactive Financial Services Limited
Office No. 508, Fifth Floor, Priviera
Nehru Nagar, Ahmedabad – 380 015
Gujarat, India
Telephone: +079 4908 8019/ +91 98980 55647
E-mail: mbd@ifinservices.in
Website: www.ifinservices.in
Investor Grievance E-mail: info@ifinservices.in
Contact Person: Jaini Jain
SEBI Registration No.: INM000012856

Statement of responsibilities

Interactive Financial Services Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

Legal Counsel to the Issue

Vidhigya Associates, Advocates
105 & 310, A Wing, Kanara Business Centre
Ghatkopar East, Mumbai – 400 075

Maharashtra, India
Telephone: +91 84240 30160
Email: rahul@vidhigyaassociates.com
Website: www.vidhigyaassociates.com
Contact Person: Rahul Pandey

Registrar to the Issue

Bigshare Services Private Limited
Office No. S6-2, 6th Floor Pinnacle Business Park,
Next to Ahura Center Mahakali Caves Road,
Andheri East Mumbai-400093
Tel: +91 22-6263 8200
Contact Person: Mr. Vinayak Morbale
Website: www.bigshareonline.com
E-mail: ipo@bigshareonline.com
Investor Graiviance Email: investor@bigshareonline.com
SEBI Registration No.: INR000001385

Statutory Auditor to our Company

M/s Doshi Doshi & Co
C 908, Stratum @ Venus Ground
Nr Jhansi Ki Rani Statue
Nehrunagar Ahmedabad – 380 015
Gujarat, India
Contact No.: +91 91674 04303
Email: chintan@ddco.in
Firm registration number: 153683W
Peer review number: 014874

Changes in Auditors

Except as stated below, there have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Name of Auditor	Address and E-mail	Date of Appointment/ Cessation	Reason
M/s Finava & Associates, Chartered Accountants *Firm Registration Number: 117362W*	34,2nd Floor, Stcr Shopping Center, 20, New Jagnath Dr. Yagnik Road, Rajkot - 360 001, Gujarat, India *Email: mfinava@yahoo.com*	September 30, 2024	Appointment
M/s Finava & Associates, Chartered Accountants *Firm Registration Number: 117362W*	34, 2nd Floor, Star Shopping Center, 20, New Jagnath Dr. Yagnik Road, Rajkot - 360 001, Gujarat, India *Email: mfinava@yahoo.com*	January 13, 2025	Resignation due to pre-occupation in other assignments
M/s Doshi Doshi & Co., Chartered Accountants *Firm Registration Number:153683W*	707, Tapas Elegance, H Colony, Ambawadi, Ahmedabad – 380 015 Gujarat, India *Email: chintan@ddco.in*	January 20, 2025	Appointment

Name of Auditor	Address and E-mail	Date of Appointment/ Cessation	Reason
M/s Doshi Doshi & Co., Chartered Accountants *Firm Registration Number: 153683W*	C 908, Stratum @ Venus Ground, Nr Jhansi Ki Rani Statue, Nehrunagar Ahmedabad – 380 015 Gujarat, India *Email: chintan@ddco.in*	May 15, 2025	Re-Appointment

Bankers to our Company
State Bank of India
Opp. Circuit House, Near Sardar Baug
MG Road, Rajkot – 360 001
Gujarat, India
Telephone: 0281-2453544 & 0281- 2476836
Contact person: Rajesh Kumar Saini
Website: www.sbi.co.in
Email: sbi.04085@sbi.co.in

Bankers to Issue, Escrow Collection Bank, Public Issue Bank, Refund Bank and Sponsor Bank

The Bankers to the Issue will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Syndicate Members

The Syndicate Members will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the website of SEBI, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or 87 through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

Applications through the UPI Mechanism in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number

SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted under ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Grading of the Issue

No credit agency registered with SEBI has been appointed for grading for the Issue.

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated June 16, 2025 from our Statutory Auditors, M/s Doshi Doshi & Co., Chartered Accountants to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 20, 13 to the extent and in their capacity as our Statutory Auditor, and in respect of Examination Report dated May 08, 2025 on our Restated Financial Statement and their report dated May 08, 2025 on the Statement of Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated June 25, 2025, from the independent chartered engineer, namely Hari Dutt Purohit, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated June 25, 2025 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning under the U.S. Securities Act, as amended (the "**U.S. Securities Act**").

Monitoring Agency

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for monitoring the utilisation of Issue Proceeds prior to filing of the Red Herring Prospectus with the RoC, as the proposed Issue exceeds ₹10,000 lakh.

Appraising Entity

Our Company has not appointed any appraising agency.

Credit Rating

As the Issue is of Equity Shares, credit rating is not required.

Green Shoe Option

No green shoe option is contemplated under the Issue.

Debenture trustees

As the Issue is of Equity Shares, the appointment of debenture trustees is not required.

Filing of Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI Intermediary Portal at https://siportal.sebi.gov.in, in accordance with regulation 25 (8) of SEBI ICDR Regulations and SEBI Master Circular dated June 21, 2023 and shall be submitted to SEBI on cfddil@sebi.gov.in in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD". Further, physical copies of this Draft Red Herring Prospectus may be filed with the Securities and Exchange Board of India at:

Securities and Exchange Board of India
Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC through the electronic portal at http://www.mca.gov.in/mcafoportal/login.do.

Book Building process

"Book building" refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot and Employee Discount (if any) will be decided by our Company in consultation with the BRLM, and advertised in all editions of [●], a English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Hindi daily newspaper (Hindi being the regional language of Jaipur, Rajasthan wherein our Registered Office is located) each with wide, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/ Issue Closing Date. For details, see "***Issue Procedure***" on page 349.

All Bidders, other than Anchor Investors, shall participate in the Issue mandatorily through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Banks, as the case may be. Anchor Investors are not permitted to participate in the Issue through the ASBA process. UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders other Eligible Employees Bidding in the Employee Reservation Portion (subject to the Bid Amount being up to ₹2.00 lakh) bidding in the Employee Reservation Portion (if any) can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis.

For further details, see "***Terms of the Issue***", "***Issue Structure***" and "***Issue Procedure***" on pages 339, 345, and 349 respectively.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue.

The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see ***"Terms of the Issue"*** and "***Issue Procedure***" on page 339 and 349.

Underwriting Agreement

After determination of the Issue Price and allocation of Equity Shares, our Company intend to prior to the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable, and in accordance with the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations, our Company intends to enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event the respective Syndicate Member do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable.)

Name, address, telephone number and email address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (in ₹ lakhs)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
Total	**[●]**	**[●]**

The above-mentioned amount is indicative and will be finalised after determination of the Issue Price and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above.

Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The Underwriting Agreement has not been entered into as on the date of this Draft Red Herring Prospectus. The Underwriting Agreement shall be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus is as set forth below:

Sr. No.	Particulars	(Amount in (₹) except share data)	
		Aggregate nominal value	Aggregate value at Issue Price*
A.	**AUTHORISED SHARE CAPITAL (1)**		
	4,00,00,000 Equity Shares of face value of ₹10/- each	40,00,00,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	2,93,75,000 Equity Shares of face value of ₹10/- each	29,37,50,000	-
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS (2)**		
	Fresh Issue of up to 1,06,00,000* Equity Shares of face value of ₹10 each aggregating up to ₹ [•] Lakhs	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE*#**		
	[●] Equity Shares of face value of ₹10/- each*#	[●]	[●]
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	974.00 Lakhs	
	After the Issue#	[●]	

**Subject to finalisation of Basis of Allotment and the Issue Price.*

#Assuming full subscription to the Issue;

(1) *For details in relation to the changes in the authorised share capital of our Company, see "**History and Certain Corporate Matters- Amendments to our Memorandum of Association**"* on page 216

(2) *The present Issue is authorized by our Board of Directors vide resolution passed at its meeting held on March 05, 2025 and by the shareholders of our Company vide special resolution passed pursuant to section 23 and section 62(1)(c) of the Companies Act, 2013 at the Extra-ordinary General Meeting held on March 26, 2025*

Notes to Capital Structure

1. Share Capital History of our Company

Our Company has only one class of share capital i.e., Equity Shares of face value of ₹10 each. All the issued Equity Shares are fully paid-up.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	No. of Allottees	Name of allottees
At the time of Incorporation	10,000	10	10	Cash	Initial Subscriber to MOA	10,000	1,00,000	3	Allotment of 5,000 Equity Shares to Bhaveshbhai Bhikhbhai Ramani, 2,500 Equity Shares to Bhaveshbhai Savjibhai Kothari, and 2,500 Equity Shares to Atulbhai Govindbhai Tilala
July 04, 2014	8,90,000	10	20	Cash	Right Issue in the ratio of 1:89 i.e.89 fully paid -up Equity shares against 1 existing fully paid-up Equity Shares held by the existing Shareholders.	9,00,000	90,00,000	16	Allotment of 25,000 Equity Shares to Atulbhai Govindbhai Tilala [HUF], 30,000 Equity Shares to Shrutiben Tilala, 1,17,500 Equity Shares to Bhavnaben Tilala, 90,000 Equity Shares to Shantaben Tilala, 45,000 Equity Shares to Rameshbhai Mohanbhai Hiran [HUF], 45,000 Equity Shares to Rajeshkumar Mohanbhai Hirani [HUF], 32,500 Equity Shares to Bhavnaben Hirani, 40,000 Equity Shares to Dhirajlal Arjunbhai Patel [HUF], 1,67,500 Equity Shares to Himanshu Jariwala, 40,000 Equity Shares to Jayantilal Arjunbhai Patel [HUF], 40,000 Equity Shares to Sanjaybhai Arjunbhai Patel [HUF], 35,625 Equity Shares to Rajeshbhai Jariwala, 35,625 Equity Shares to Nakulbhai Jariwala, 35,625 Equity Shares to Satyaki Jariwala, 35,625 Equity Shares to Bhavnaben Jariwala and 75,000 Equity Shares to Ketanbhai Hirapara

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	No. of Allottees	Name of allottees
September 07, 2014	11,62,750	10	20	Cash	Right Issue in the ratio of 15:10 i.e.15 fully paid -up Equity shares against 10 existing fully paid-up Equity Shares held by the existing Shareholders.	20,62,750	2,06,27,500	18	Allotment of 17,500 Equity Shares to Shrutiben Tilala,1,35,250 Equity Shares to Shantaben Tilala, 35,000 Equity Shares to Bhikhubhai Ramani, 47,500 Equity Shares to Ramnikbhai Ramani, 1,87,500 Equity Shares to Pareshbhai Ramani, 47,500 Equity Shares to Pravinbhai Ramani, 1,27,500 Equity Shares to Vithalbhai Ramani, 92,500 Equity Shares to Rajeshkumar Hirani, 55,000 Equity Shares to Shantaben Hirani, 90,000 Equity Shares to Ranjanben Hirani, 45,000 Equity Shares to Bhavnaben Hirani, 47,500 Equity Shares to Pareshbhai Pokiya, 40,000 Equity Shares to Dhirajlal Patel, 60,000 Equity Shares to Himanshu Jariwala, 33,750 Equity Shares to Rajeshbhai Jariwala, 33,750 Equity Shares to Nakulbhai Jariwala, 33,750 Equity Shares to Satyaki Jariwala and 33,750 Equity Shares to Bhavnaben Jariwala.
November 11, 2014	7,17,250	10	20	Cash	Right Issue in the ratio of 4:10 i.e.4 fully paid -up Equity shares against 10 existing fully paid-up Equity Shares held by the existing Shareholders.	27,80,000	2,78,00,000	12	Allotment of 1,34,750 Equity Shares to Atulbhai Govindbhai Tilala [HUF], 60,000 Equity Shares to Ramnikbhai Ramani, 1,40,000 Equity Shares to Pareshbhai Ramani, 42,500 Equity Shares to Pravinbhai Ramani, 47,500 Equity Shares to Rameshbhai Mohanbhai Hiran [HUF], 45,000 Equity Shares to Rajeshkumar Hirani, 47,500 Equity Shares to Rajeshkumar Mohanbhai Hirani [HUF], 37,500 Equity Shares to Shantaben Hirani, 30,000 Equity Shares to Bhavnaben Hirani, 32,500 Equity

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	No. of Allottees	Name of allottees
									Shares to Dhirajlal Patel, 50,000 Equity Shares to Dhirajlal Arjunbhai Patel [HUF] and 50,000 Equity Shares to Himanshu Jariwala.
January 31, 2015	13,02,500	10	20	Cash	Right Issue in the ratio of 5:10 i.e.5 fully paid -up Equity shares against 10 existing fully paid-up Equity Shares held by the existing Shareholders	40,82,500	4,08,25,000	19	Allotment of 1,00,000 Equity Shares to Atulbhai Govindbhai Tilala [HUF], 1,00,000 Equity Shares to Bhavnaben Tilala, 25,000 Equity Shares to Shantaben Tilala, 1,80,000 Equity Shares to Bhikhubhai Ramani, 65,000 Equity Shares to Ramnikbhai Ramani, 65,000 Equity Shares to Vithalbhai Ramani, 70,000 Equity Shares to Rajeshkumar Hirani, 47,500 Equity Shares to Ranjanben Hirani, 47,500 Equity Shares to Bhavnaben Hirani, 1,17,500 Equity Shares to Dhirajlal Patel, 1,05,000 Equity Shares to Dhirajlal Arjunbhai Patel [HUF], 60,000 Equity Shares to Himanshu Jariwala, 1,05,000 Equity Shares to Jayantilal Arjunbhai Patel [HUF], 1,05,000 Equity Shares to Sanjaybhai Arjunbhai Patel [HUF], 15,000 Equity Shares to Nakulbhai Jariwala, 15,000 Equity Shares to Rajeshbhai Vasantbhai Jariwala [HUF], 15,000 Equity Shares to Satyaki Jariwala, 15,000 Equity Shares to Bhavnaben Jariwala and 50,000 Equity Shares to Ketanbhai Hirapara
March 20, 2015	8,16,250	10	20	Cash	Right Issue in the ratio of 2:10 i.e.2 fully paid -up Equity shares against 10 existing fully paid-up	48,98,750	4,89,87,500	12	Allotment of 32,750 Equity Shares to Atulbhai Govindbhai Tilala [HUF], 40,000 Equity Shares to Jaybhai Tilala, 61,000 Equity Shares to Shrutiben Tilala, 35,000 Equity Shares to Bhavnaben

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	No. of Allottees	Name of allottees
					Equity Shares held by the existing Shareholders				Tilala, 32,500 Equity Shares to Shantaben Tilala, 2,77,500 Equity Shares to Bhaveshbhai B. Ramani [HUF], 50,000 Equity Shares to Bhikhubhai Ramani, 32,500 Equity Shares to Ramnikbhai Ramani, 1,00,000 Equity Shares to Rameshbhai Mohanbhai Hiran [HUF], 35,000 Equity Shares to Dhirajlal Patel, 55,000 Equity Shares to Sanjaybhai Arjunbhai Patel [HUF] and 65,000 Equity Shares to Ketanbhai Hirapara
March 09, 2016	48,51,250	10	20	Cash	Right Issue in the ratio of 1:1 i.e.1 fully paid -up Equity shares against 1 existing fully paid-up Equity Shares held by the existing Shareholders	97,50,000	9,75,00,000	21	Allotment of 11,63,120 Equity Shares to Bhaveshbhai Ramani, 2,68,000 Equity Shares to Ramnikbhai Ramani, 2,19,000 Equity Shares to Pravinbhai Ramani, 2,92,500 Equity Shares to Vithalbhai Ramani, 1,95,000 Equity Shares to Jayantibhai Vasani, 4,990 Equity Shares to Ketanbhai Hirapara, 4,85,000 Equity Shares to Rameshbhai Hirani, 2,77,500 Equity Shares to Rajeshkumar Hirani, 48,740 Equity Shares to Rameshbhai Mohanbhai Hirani [HUF], 1,48,740 Equity Shares to Rajeshkumar Mohanbhai Hirani [HUF], 5,61,250 Equity Shares to Bhaveshbhai Kothari, 1,25,000 Equity Shares to Lilaben Kothari, 23,745 Equity Shares to Bhavnaben Hirani, 41,255 Equity Shares to Ranjanben Hirani, 1,24,990 Equity Shares to Dhirajlal Patel,1,29,990 Equity Shares to Dhirajlal Arjunbhai Patel [HUF], 1,79,990 Equity Shares to Jayantibhai Arjunbhai Patel [HUF], 1,49,990 Equity Shares to

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	No. of Allottees	Name of allottees
									Himanshukumar Jariwala, 42,450 Equity Shares to Rajeshbhai Vasantbhai Jariwala [HUF], 2,45,000 Equity Shares to Mansukhbhai Gajera, and 1,25,000 Equity Shares to Harit Patel
March 28, 2021	20,00,000	10	10	Cash	Right Issue in the ratio of 2:8 i.e.2 fully paid -up Equity shares against 8 existing fully paid-up Equity Shares held by the existing Shareholders	1,17,50,000	11,75,00,000	5	Allotment of 10,00,000 Equity Shares to Bhaveshbhai Ramani, 2,20,000 Equity Shares to Bhaveshbhai Kothari, 2,60,000 Equity Shares to Bhavnaben Hirani, 2,60,000 Equity Shares to Jaybhai Tilala and 2,60,000 Equity Shares to Ranjanben Hirani
March 12, 2024	1,76,25,000	10	Nil	Other Than Cash	Bonus issue in the ratio of 1.5:1 i.e.1.5 fully paid -up Equity shares against 1 existing fully paid-up Equity Shares held by the existing Shareholders	2,93,75,000	29,37,50,000	22	Allotment of 36,49,605 Equity Shares to Bhaveshbhai Ramani, 4,27,815 Equity Shares to Atulbhai Tilala, 7,09,515 Equity Shares to Ramnikbhai Ramani, 9,03,015 Equity Shares to Rajeshkumar Hirani, 8,22,383 Equity Shares to Bhavnaben Hirani, 6,88,515 Equity Shares to Pravinbhai Ramani, 16,04,865 Equity Shares to Vithalbhai Ramani, 2,92,500 Equity Shares to Ketanbhai Hirapara, 4,38,750 Equity Shares to Atulbhai Govindbhai Tilala [HUF], 3,78,750 Equity Shares to Bhavnaben Tilala, 5,65,860 Equity Shares to Rameshbhai Mohanbhai Hirani [HUF], 5,65,860 Equity Shares to Rajeshkumar Mohanbhai Hirani [HUF], 4,91,250 Equity Shares to Pareshbhai Ramani, 8,22,382 Equity Shares to Ranjanben Hirani, 7,17,968 Equity Shares to Jaybhai Tilala, 4,16,250 Equity Shares to Bhaveshbhai Bhikhbhai Ramani [HUF], 2,92,500 Equity Shares to Jayantibhai

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	No. of Allottees	Name of allottees
									Vasani, 9,03,000 Equity Shares to Rameshbhai Hirani, 3,27,967 Equity Shares to Mohitbhai Tilala, 3,01,875 Equity Shares to Jaydipkumar Ramani, 19,38,750 Equity Shares to Nidhiben Kothari and 3,65,625 Equity Shares to Ashishkumar Gajera

2. **Preference Share Capital**

As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

3. **Issue of shares for consideration other than cash or out of revaluation of reserves**

Since its incorporation, our Company has not issued any Equity Shares out of revaluation of reserves. Except as stated below, our Company has also not issued any Equity Shares for consideration other than cash.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Name of allottees	Benefits accrued to our Company
March 12, 2024	1,76,25,000	10	Nil	Bonus issue in the ratio of 1.5:1 i.e.1.5 fully paid -up Equity shares against 1 existing fully paid-up Equity Shares held by the existing Shareholders.	Allotment of 3649605 Equity Shares to Bhaveshbhai Ramani, Atulbhai Tilala 427815 Equity Shares to 709515 Equity Shares to Ramnikbhai Ramani, 903015 Equity Shares to Rajeshkumar Hirani, 822383 Equity Shares to Bhavnaben Hirani, 688515 Equity Shares to Pravinbhai Ramani, 1604865 Equity Shares to Vithalbhai Ramani, 292500 Equity Shares to Ketanbhai Hirapara, 438750 Equity Shares to Atulbhai Govindbhai Tilala [HUF], 378750 Equity Shares to Bhavnaben Tilala, 565860 Equity Shares to Rameshbhai Mohanbhai Hirani [HUF], 565860 Equity Shares to Rajeshkumar Mohanbhai Hirani [HUF], 491250 Equity Shares to Pareshbhai Ramani, 22382 Equity Shares to Ranjanben Hirani, 717968 Equity Shares to Jaybhai Tilala, 416250 Equity Shares to Bhaveshbhai Bhikhbhai Ramani [HUF], 292500 Equity Shares to Jayantibhai Vasani, 903000 Equity Shares to Rameshbhai Hirani, 327967 Equity Shares to Mohitbhai Tilala, 301875 Equity Shares to Jaydipkumar Ramani, 1938750 Equity Shares to Nidhiben Kothari and 365625 Equity Shares to Ashishkumar Gajera.	Capitalization of reserves

4. **Issue of Equity Shares pursuant to scheme of arrangement**

Our Company has not issued any Equity Shares pursuant to any scheme of arrangement approved under sections 391-394 of the Companies Act, 1956 or section 230-234 of the Companies Act, 2013, as applicable.

5. Issue or transfer of Equity Shares under employee stock option schemes

The Company does not have any employee stock option schemes under which any equity shares of the Company is granted. Accordingly, no Equity Shares have been issued or transferred by our Company pursuant to the exercise of any employee stock options.

6. Issue of Equity Shares at a price lower than the Issue price during the preceding one (1) year

The Company had not made any issue of Equity Shares at a price lower than the issue price during the preceding one year.

7. Shareholding Pattern of our Company

The table below presents the equity shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Class: Others	Total								
(A)	Promoters and Promoter Group	8	1,38,26,425	-	-	1,38,26,425	47.07	-	-	-	-	-	-	-	-		-	1,38,26,425
(B)	Public	14	1,55,48,575	-	-	1,55,48,575	52.93	-	-	-	-	-	-	-	-	-	-	1,55,48,575
(C)	Non-Promoter Non-Public	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
	Total (A+B+C)	**22**	**2,93,75,000**	**-**	**-**	**2,93,75,000**	**100.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,93,75,000**

8. **Other details of shareholding of our Company**

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 22 Shareholders.

Set forth below are the details of the build-up of our Promoters' shareholding in our Company since incorporation:

Date of allotment/ acquisition / transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of pre-Issue capital (₹)*	% of post-Issue capital (₹)
Bhaveshbhai Bhikhbhai Ramani								
At the time of Incorporation	5,000	10	10	Cash	Initial Subscription to the MoA	5,000	Negligible	[●]
January 05, 2014	(10)	10	10	Cash	Transfer of Equity Shares to Rameshbhai Hirani	4,990	Negligible	[●]
January 05, 2014	(10)	10	10	Cash	Transfer of Equity Shares to Pravinbhai Ramani	4,980	Negligible	[●]
January 05, 2014	(10)	10	10	Cash	Transfer of Equity Shares to Rajeshkumar Hirani	4,970	Negligible	[●]
January 05, 2014	(10)	10	10	Cash	Transfer of Equity Shares to Ramnikbhai Ramani	4,960	Negligible	[●]
January 05, 2014	(10)	10	10	Cash	Transfer of Equity Shares to Vithalbhai Ramani	4,950	Negligible	[●]
March 09, 2016	11,63,120	10	20	Cash	Right Issue	11,68,070	3.96	[●]
March 28, 2021	10,00,000	10	10	Cash	Right Issue	21,68,070	3.40	[●]
November 16, 2023	2,65,000	10	Nil	Gift	Gift From Bhikhubhai Ramani	24,33,070	0.90	[●]
March 12, 2024	36,49,605	10	Nil	N.A.	Bonus Issue	60,82,675	12.42	[●]
Sub-total (A)	**60,82,675**						**20.71**	**[●]**
Jaybhai Atulbhai Tilala								

Date of allotment/ acquisition / transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of pre-Issue capital (₹)*	% of post-Issue capital (₹)
March 20, 2015	40,000	10	20	Cash	Right Issue	40,000	0.14	[●]
December 12, 2017	34,250	10	Nil	Other than Cash	Gift From Shrutiben Tilala	74,250	0.12	[●]
January 31, 2020	1,44,395	10	28	Cash	Transfer From Jayantilal Arjunbhai Patel [HUF]	2,18,645	0.49	[●]
March 28, 2021	2,60,000	10	10	Cash	Right Issue	4,78,645	0.89	[●]
March 12, 2024	7,17,968	10	Nil	N.A.	Bonus Issue	11,96,613	2.44	[●]
Sub-total (B)	**11,96,613**						**4.07**	**[●]**
Nidhiben Bhaveshbhai Kothari								
January 16, 2020	1,31,900	10	28	Cash	Transfer From Dhirajlal Arjunbhai Patel [HUF]	1,31,900	0.45	[●]
January 31, 2020	52,100	10	28	Cash	Transfer From Dhirajlal Arjunbhai Patel [HUF]	1,84,000	0.18	[●]
January 31, 2020	12,200	10	28	Cash	Transfer From Bhavnaben Jariwala	1,96,200	0.04	[●]
January 31, 2020	1,30,250	10	28	Cash	Transfer From Himanshu Jariwala	3,26,450	0.44	[●]
January 31, 2020	57,360	10	28	Cash	Transfer From Jayantilal Arjunbhai Patel [HUF]	3,83,810	0.20	[●]
March 15, 2020	1,52,440	10	Nil	Gift	Transfer From Jayantilal Arjunbhai Patel	5,36,250	0.52	[●]

Date of allotment/ acquisition / transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of pre-Issue capital (₹)*	% of post-Issue capital (₹)
					[HUF]			
November 16, 2023	7,56,250	10	Nil	Gift	Gift From Bhaveshbhai Kothari	12,92,500	2.57	**[●]**
March 12, 2024	19,38,750	10	Nil	N.A.	Bonus Issue	32,31,250	6.60	**[●]**
Sub-total (C)	**32,31,250**						**11.00**	**[●]**
Total(A+B+C)	**1,05,10,538**						**35.78**	**[●]**

The details of secondary transactions of Equity Shares by our Promoters and members of the Promoter Group are set forth in the table below

Except as disclosed below, our Promoters and members of the Promoter Group have not transferred or acquired Equity Shares of our Company through secondary transactions:

Sr. No.	Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Nature of transaction	Face value per equity share (₹)*	Transfer price per equity share (₹)	Nature of consideration
1.	January 05, 2014	10	Bhaveshbhai Ramani	Bhavnaben Hirani	Transfer	10	10	Cash
2.	January 05, 2014	10	Bhaveshbhai Ramani	Pravinbhai Ramani	Transfer	10	10	Cash
3.	January 05, 2014	10	Bhaveshbhai Ramani	Rajeshkumar Hirani	Transfer	10	10	Cash
4.	January 05, 2014	10	Bhaveshbhai Ramani	Ramnikbhai Ramani	Transfer	10	10	Cash
5.	January 05, 2014	10	Bhaveshbhai Ramani	Vithalbhai Ramani	Transfer	10	10	Cash
6.	December 12, 2017	34,250	Shruti Tilala	Jay Tilala	Transfer	10	-	Gift
7.	January 16, 2020	1,31,900	Dhirajlal Arjunbhai Patel [HUF]	Nidhi Kothari	Transfer	10	28	Cash
8.	January 31, 2020	1,44,395	Jayantilal Arjunbhai Patel [HUF]	Jaybhai Tilala	Transfer	10	28	Cash
9.	January 31, 2020	52,100	Dhirajlal Arjunbhai Patel [HUF]	Nidhiben Kothari	Transfer	10	28	Cash
10.	January 31, 2020	12,200	Bhavnaben Jariwala	Nidhiben Kothari	Transfer	10	28	Cash
11.	January 31, 2020	1,30,250	Himanshu Jariwala	Nidhiben Kothari	Transfer	10	28	Cash
12.	January 31, 2020	57,360	Jayantilal Arjunbhai Patel [HUF]	Nidhiben Kothari	Transfer	10	28	Cash
13.	March 15, 2020	1,52,440	Bhaveshbhai Kothari	Nidhiben Kothari	Transfer	10	-	Gift
14.	November	7,56,250	Bhaveshbhai	Nidhiben	Transfer	10	-	Gift

	16, 2023		Kothari	Kothari				
15.	November 16, 2023	2,65,000	Bhikhubhai Ramani	Bhaveshbhai Ramani	Transfer	10	-	Gift
16.	January 05, 2014	10	Atulbhai Tilala	Dhirajlal Arjunbhai Patel [HUF]	Transfer	10	10	Cash
17.	January 05, 2014	10	Atulbhai Tilala	Dhirajlal Patel	Transfer	10	10	Cash
18.	January 05, 2014	10	Atulbhai Tilala	Himanshu Jariwala	Transfer	10	10	Cash
19.	January 05, 2014	10	Atulbhai Tilala	Jayantilal Arjunbhai Patel [HUF]	Transfer	10	10	Cash
20.	January 05, 2014	10	Bhaveshbhai Kothari	Ketanbhai Hirapara	Transfer	10	10	Cash
21.	January 05, 2014	10	Bhaveshbhai Kothari	Nakulbhai Jariwala	Transfer	10	10	Cash
22.	January 05, 2014	10	Bhaveshbhai Kothari	Bhavnaben Rajeshbhai Jariwala	Transfer	10	10	Cash
23.	January 05, 2014	10	Bhaveshbhai Kothari	Satyaki Rajeshbhai Jariwala	Transfer	10	10	Cash
24.	January 05, 2014	10	Bhaveshbhai Kothari	Rajeshbhai Vasantbhai Jariwala	Transfer	10	10	Cash
25.	January 05, 2014	10	Bhaveshbhai Kothari	Sanjaybhai Arjunbhai Patel (HUF)	Transfer	10	10	Cash
26.	December 12, 2017	2,82,750	Shantaben Tilala	Atulbhai Tilala	Transfer	10	-	Gift
27.	December 12, 2017	74,250	Shruti Tilala	Mohit Tilala	Transfer	10	-	Gift
28.	January 31, 2020	28,575	Satyaki Jariwala	Mohit Tilala	Transfer	10	28	Cash
29.	January 31, 2020	28,575	Bhavnaben Jariwala	Mohit Tilala	Transfer	10	28	Cash
30.	January 31, 2020	43,245	Jayantlal Arjunbhai Patel [HUF]	Mohit Tilala	Transfer	10	28	Cash
31.	January 31, 2020	44,000	Dhirajlal Arjunbhai Patel [HUF]	Mohit Tilala	Transfer	10	28	Cash

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) *
1.	Bhaveshbhai Ramani	60,82,675	20.71
2.	Nidhiben Kothari	32,31,250	11.00
3.	Vithalbhai Ramani	26,74,775	9.11
4.	Rajeshkumar Hirani	15,05,025	5.12
5.	Rameshbhai Hirani	15,05,000	5.12
6.	Bhavnaben Hirani	13,70,638	4.67
7.	Ranjanben Hirani	13,70,637	4.67
8.	Jaybhai Tilala	11,96,613	4.07
9.	Ramnikbhai Ramani	11,82,525	4.03
10.	Pravinbhai Ramani	11,47,525	3.91
11.	Rameshbhai Mohanbhai Hirani [HUF]	9,43,100	3.21
12.	Rajeshkumar Mohanbhai Hirani [HUF]	9,43,100	3.21
13.	Pareshbhai Ramani	8,18,750	2.79

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) *
14.	Atulbhai Govindbhai Tilala [HUF]	7,31,250	2.49
15.	Atulbhai Tilala	7,13,025	2.43
16.	Bhaveshbhai Bhikhubhai Ramani [HUF]	6,93,750	2.36
17.	Bhavnaben Tilala	6,31,250	2.15
18.	Ashishkumar Gajera	6,09,375	2.07
19.	Mohitbhai Tilara	5,46,612	1.86
20.	Jaydipkumar Ramani	5,03,125	1.71
21.	Ketanbhai Hirapara	4,87,500	1.66
22.	Jayantibhai Vasani	4,87,500	1.66
Total		**2,93,75,000**	**100.00**

**Rounded off to the closest decimal*

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of 10 days prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) *
1.	Bhaveshbhai Ramani	60,82,675	20.71
2.	Nidhiben Kothari	32,31,250	11.00
3.	Vithalbhai Ramani	26,74,775	9.11
4.	Rajeshkumar Hirani	15,05,025	5.12
5.	Rameshbhai Hirani	15,05,000	5.12
6.	Bhavnaben Hirani	13,70,638	4.67
7.	Ranjanben Hirani	13,70,637	4.67
8.	Jaybhai Tilala	11,96,613	4.07
9.	Ramnikbhai Ramani	11,82,525	4.03
10.	Pravinbhai Ramani	11,47,525	3.91
11.	Rameshbhai Mohanbhai Hirani [HUF]	9,43,100	3.21
12.	Rajeshkumar Mohanbhai Hirani [HUF]	9,43,100	3.21
13.	Pareshbhai Ramani	8,18,750	2.79
14.	Atulbhai Govindbhai Tilala [HUF]	7,31,250	2.49
15.	Atulbhai Tilala	7,13,025	2.43
16.	Bhaveshbhai Bhikhubhai Ramani [HUF]	6,93,750	2.36
17.	Bhavnaben Tilala	6,31,250	2.15
18.	Ashishkumar Gajera	6,09,375	2.07
19.	Mohitbhai Tilara	5,46,612	1.86
20.	Jaydipkumar Ramani	5,03,125	1.71
21.	Ketanbhai Hirapara	4,87,500	1.66
22.	Jayantibhai Vasani	4,87,500	1.66
Total		**2,93,75,000**	**100.00**

**Rounded off to the closest decimal*

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of one year prior to the date of this Draft Red Herring Prospectus.

Sr.No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) *
1.	Bhaveshbhai Ramani	60,82,675	20.71
2.	Nidhiben Kothari	32,31,250	11.00
3.	Vithalbhai Ramani	26,74,775	9.11
4.	Rajeshkumar Hirani	15,05,025	5.12
5.	Rameshbhai Hirani	15,05,000	5.12
6.	Bhavnaben Hirani	13,70,638	4.67
7.	Ranjanben Hirani	13,70,637	4.67
8.	Jaybhai Tilala	11,96,613	4.07
9.	Ramnikbhai Ramani	11,82,525	4.03
10.	Pravinbhai Ramani	11,47,525	3.91
11.	Rameshbhai Mohanbhai Hirani [HUF]	9,43,100	3.21

Sr.No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) *
12.	Rajeshkumar Mohanbhai Hirani [HUF]	9,43,100	3.21
13.	Pareshbhai Ramani	8,18,750	2.79
14.	Atulbhai Govindbhai Tilala [HUF]	7,31,250	2.49
15.	Atulbhai Tilala	7,13,025	2.43
16.	Bhaveshbhai Bhikhubhai Ramani [HUF]	6,93,750	2.36
17.	Bhavnaben Tilala	6,31,250	2.15
18.	Ashishkumar Gajera	6,09,375	2.07
19.	Mohitbhai Tilara	5,46,612	1.86
20.	Jaydipkumar Ramani	5,03,125	1.71
21.	Ketanbhai Hirapara	4,87,500	1.66
22.	Jayantibhai Vasani	4,87,500	1.66
Total		**2,93,75,000**	**100.00**

Rounded off to the closest decimal

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of two years prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) *
1.	Atulbhai Govindbhai Tilala	2,85,210	2.43
2.	Atulbhai Govindbhai Tilala [HUF]	2,92,500	2.49
3.	Bhaveshbhai Bhikhubhai Ramani	21,68,070	18.45
4.	Bhaveshbhai Bhikhubhai Ramani [HUF]	2,77,500	2.36
5.	Bhaveshbhai Savjibhai Kothari	7,56,250	6.44
6.	Bhavnaben Atulbhai Tilala	2,52,500	2.15
7.	Bhavnaben Rameshbhai Hirani	5,48,255	4.67
8.	Bhikhubhai Mohanbhai Ramani	2,65,000	2.26
9.	Jayantibhai Haribhai Vasani	1,95,000	1.66
10.	Jaybhai Atulbhai Tilala	4,78,645	4.07
11.	Jaydipkumar Vitthalbhai Ramani	2,01,250	1.71
12.	Ketanbhai Bhupendrabhai Hirapara	1,95,000	1.66
13.	Ashishkumar Mansukhlal Gajera	2,43,750	2.07
14.	Mohitbhai Atulbhai Tilala	2,18,645	1.86
15.	Nidhiben Bhaveshbhai Kothari	5,36,250	4.56
16.	Pareshbhai Ramnikbhai Ramani	3,27,500	2.79
17.	Pravinbhai Mohanbhai Ramani	4,59,010	3.91
18.	Rajeshkumar Mohanbhai Hirani	6,02,010	5.12
19.	Rajeshkumar Mohanbhai Hirani [HUF]	3,77,240	3.21
20.	Rameshbhai Mohanbhai Hiran [HUF]	3,77,240	3.21
21.	Rameshbhai Mohanbhai Hirani	6,02,000	5.12
22.	Ramnikbhai Mohanbhai Ramani	4,73,010	4.03
23.	Ranjanben Rajeshbhai Hirani	5,48,255	4.67
24.	Vithalbhai Mohanbhai Ramani	10,69,910	9.11
Total		**1,17,50,000**	**100.00**

The aggregate shareholding of our Promoters and Promoter Group

No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)	Percentage of the Post-Issue Equity Share capital (%)*#
Promoter				
9.	Bhaveshbhai Ramani	60,82,675	20.71	[●]
10.	Jaybhai Tilala	11,96,613	4.07	[●]
11.	Nidhiben Kothari	32,31,250	11.00	[●]
Sub-total (A)		**1,05,10,538**	**35.78**	[●]
Promoter Group				
12.	Bhavnaben Tilala	6,31,250	2.15	[●]
13.	Mohit Tilala	5,46,612	1.86	[●]

No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)	Percentage of the Post-Issue Equity Share capital (%)*#
14.	Atulbhai Tilala	7,13,025	2.43	[•]
15.	Atulbhai Govindbhai Tilala (HUF)	7,31,250	2.49	[•]
16.	Ramani Bhaveshbhai Bhikhubhai (HUF)	6,93,750	2.36	[•]
Sub-total (B)		**33,15,887**	**11.29**	[•]
Total (A+B)		**13826425**	**47.07**	
17.	**Public (C)**	15548575	52.93	
Total (A+B+C)		**2,93,75,000**		[•]

** To be included in the Prospectus.*
***The number is negligible and below the rounding off norms adopted by our Company.*
^ Subject to finalization of Basis of Allotment.

The number of specified securities purchased or sold by the Promoter Group and/ or by the Directors of Our Company and their relatives in the preceding six months

None of the members of our Promoter Group, our Promoters, our Directors, or any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

Details of lock-in

Bhaveshbhai Ramani, Jaybhai Tilala, and Nidhiben Kothari are the Promoters of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013. Accordingly, in terms of Regulation 14(1) of the SEBI ICDR Regulations, the said Promoters have complied with the requirement of minimum promoter's contribution in this Issue and in terms of Regulation 16(1)(a) the following Equity Shares are locked in for a period of 3 years pursuant to the Issue.

Name of Promoters	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Issue / Acquisition price per Equity Share (₹)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
Promoters								
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

The shareholding of the Promoters in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

In this connection, please note that:

The Equity Shares issued for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of minimum Promoter's contribution.

The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being issued to the public in the Issue.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters is pledged.

All the Equity Shares held by our Promoters are in dematerialised form.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be transferred to the other Promoters or any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons (other than our Promoters) prior to the Issue and locked-in for a period of six (6) months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the provisions of the Takeover Regulations.

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment.

Except for the allotment of Equity Shares pursuant to the Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

Our Company, our Directors and the Book Running Lead Manager have no existing buy-back arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

All Equity Shares offered pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

There are no outstanding convertible securities, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

No person connected with the Issue, including, but not limited to, the Book Running Lead Manager, the members of the Syndicate, our Company and Directors shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an Application.

There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Except as stated in the "***Risk Factor – There may have been certain instances of non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties"*** on page 50, our Company is in compliance with the Companies Act, 2013, to the extent applicable, with respect to issuance of Equity Shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.

Our Company shall ensure that all transactions in securities by the Promoters and Promoter Group between the date of filing of the draft offer document or offer document, as the case may be, and the date of closure of the issue shall be reported to the stock exchange(s), within twenty-four hours of such transactions.

OBJECTS OF THE ISSUE

The Issue comprises of a fresh Issue of up to [●]* Equity Shares of our Company at an Issue Price of ₹ [●]/-per Equity Share, aggregating up to ₹[●] lakhs by our Company. The proceeds from the Issue after deducting Issue related expenses are estimated to be ₹[●] lakhs (the "**Net proceeds**").
**Subject to finalisation of allotment*

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's visibility and brand image and creation of a public market for our Equity Shares in India.

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

The net proceeds of the Issue, i.e. gross proceeds of the Issue less the issue expenses to the Issue ("**Net Proceeds**") are proposed to be utilized for the following object:

1. Funding for setting up of 6.1 MW Solar Power Plant for captive use ("**Solar Power Project**");
2. Funding for setting up of 4.2 MW Wind Power Plant for captive use ("**Wind Power Project**");
3. Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company;
4. Funding the working capital requirements of our Company; and
5. General corporate purposes.

(Collectively referred to as **"Objects"**)

Details of the proceeds of the Issue

The details of the proceeds of the Issue are summarized in the table below:

(*₹ in lakhs*)

Sr. No.	Particulars	Estimated Amount*
1.	Gross proceeds from the Issue	[●]
2.	Less: Issue related expenses**	[●]
Net Proceeds of the Issue		[●]

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to the filing with the RoC.*
***See "**Issue Related Expenses**" as detailed below.*

Proposed Utilization of Net Proceeds and Schedule of Deployment

The Net Proceeds are proposed to be utilised and are currently expected to be deployed in accordance with the schedule set forth below:

(₹ in lakh)

Particular	Total Estimated Cost	Amount already deployed	Amount which will be financed from Net Proceeds (2)	Estimated Utilisation of Net Proceeds	
				Fiscal 2026	Fiscal 2027
Funding for setting up of 6.1 MW Solar Power Plant for captive use	2,223.55(1)	1,439.00 (2)	784.55	[●]	-
Funding for setting up of 4.2 MW Wind Power Plant for captive use	3,900(3)	-	3,900	3,900	-
Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company	1,489.00	-	1,489.00	1,489.00	-
Funding the working capital requirements of our Company	4,400.00	-	4,400.00	2,945.00	1,455.00
General corporate purposes (3)(4)	-	-	[●]	[●]	[●]
Total	**[●]**	**1439.00**	**[●]**	**[●]**	**[●]**

1) *Total estimated cost as per scope of service (on EPC Basis) of Soleos Solar Energy Private Limited and as certified by certificate dated June 25, 2025, issued by Independent Chartered Engineer.*

2) *As certified by our Statutory Auditos by way of their certificate dated June 25, 2025.*
3) *Total estimated cost as per scope of service (on EPC Basis) received from Suzlon Energy Limited and as certified by certificate dated June 25, 2025, issued by Independent Chartered Engineer.*
4) *To be finalised upon determination of Issue Price and updated in the Prospectus prior to filing with the RoC.*
5) *The amount to be utilized for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.*

The requirement of funds, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, current and valid quotations and proposal from suppliers and vendors and other commercial and technical factors. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. For further details, see "***Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds***" on page 63. Given the nature of our business and the requirement of funds for above stated objects, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, changes in business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations, change in scope of service of EPC contractors, receipt of regulatory approvals, changes in design and configuration, increase in input costs of materials and labour costs, incremental preoperative expenses, taxes and duties, start-up costs, interest and finance charges, working capital margin, and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards the Objects of the Issue is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned Issue, as per the estimated scheduled of deployment specified above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, then our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, due to any reasons stated above, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Also, see "***Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval***" on page 62.

Details of the Objects of the Issue

I. Funding for setting up of 6.1 MW Solar Power Plant for captive use

We are primarily engaged in the production of cotton yarns for both knitting and weaving applications. Our manufacturing process is energy-intensive and relies heavily on electricity, which we currently procure primarily from Paschim Gujarat Vij Company Limited (**PGVCL**), a DISCOM under the Gujarat Electricity Board.

To meet our energy needs, presently we have a contract demand of 2.8 MW with an average billed demand of approximately 2.7 MW, incurring an annual power cost of around ₹1,717.57 lakhs (as per Fiscal 2024) at an average tariff of ₹8.92 per unit. Our present dependence on conventional power sources, results in significant recurring electricity costs. Over the last three Fiscal years i.e. Fiscal 2024, 2023 and 2022, electricity expenses have consistently represented a substantial portion, approximately 6% to 7% of our revenue from operations. Additionally, grid tariffs have shown a rising trend with respect to the cost volatility.

To reduce our dependence on grid power, we in the July 2024, installed rooftop solar systems at our Manufacturing Facility with a cumulative capacity of 1.2 MW, which to an extent offsets our energy cost.

Set out below is the summary of our power cost and consumption during the nine-month period ended December 31, 2024 and last three Fiscal.

Particulars	For period ended December 31, 2024
Grid Electricity Consumption (kWh)	1,37,34,318
Units Offset via Rooftop Solar (kWh)	10,62,500
Total Electricity Consumption (kWh)	1,47,96,818
Electricity Expenses (₹ in Lakhs)	1,197.18

Following the installation of rooftop solar systems at our Manufacturing Facility in July 2024, with a cumulative capacity of 1.2 MW, we began offsetting a small portion of our energy consumption through captive solar generation. This has resulted in reduction in grid electricity usage and associated expenses. The impact of the said transition is evident from the cost savings recorded post July 2024 during the nine-month period ended December 31, 2024 (*detailed in the table above*), as well as a decline in electricity expenses as a percentage of both total expenses and revenue from operations.

To further reduce our reliance on grid electricity, improve long-term cost efficiency, and align with both national energy mandates and global sustainability goals, our Company proposes to establish a 6.1 MW ground-mounted solar power plant for captive consumption. The proposed captive solar plant is expected to generate approximately 96,00,000 kWh (units) annually, which would enable us to meet a substantial portion of our internal power demand, reduce dependence on the DISCOM, and benefit from lower, more predictable energy costs over the long term.

Beyond financial efficiency, the project reflects our commitment to environmental responsibility. By transitioning to clean, renewable energy, we expect to significantly reduce our carbon emissions, in line with India's national renewable energy goals and global sustainability benchmarks. A portion of the capital expenditure for the solar power plant, including design, procurement, installation, commissioning, and operational setup, is proposed to be funded from the proceeds of this Issue. This investment would mark a strategic step in strengthening our energy infrastructure while contributing to our Environmental, Social, and Governance ("***ESG***") roadmap.

Overview of Solar Power Project

The solar power plant is being developed on an Engineering, Procurement and Construction ("**EPC**") basis and will enable the Company to generate and consume electricity specifically for its manufacturing operations. The project is being executed by Soleos Solar Energy Private Limited, a reputed EPC contractor with a healthy track record in executing solar infrastructure projects across India and internationally. For details, regarding credentials of Soleos Solar Energy Private Limited, please see https://www.soleosenergy.com/

Set out below are the brief details of the project:

Particulars	Details
Location	Gujarat
Installed Capacity	6,100 kW DC (4,800 kW AC)
Estimated annual generation	96,00,000 kWh
Type of solar power plant	Ground Mounted
Global horizontal irradiation	1893 kWh/m2
Tilt of solar module	18° - 22°
Module Efficiency	23%
Individual Modules Capacity	580 Watt
Technology of solar panels	Topcon Bi-Facial Mono-Half Cut
Technology of solar inverter	String

Particulars	Details
Total No of Inverters and capacity	15 of 350kW~250 kW
Feeder location	Substation
Evacuation voltage & connectivity	11 kV via PGVCL Net Metering scheme
Degradation factor of solar panels	1.00 % 1st year after that 0.40%
Estimated Completion Timeframe	September 2025
Details of the land on which Project is located	78,960 sq.m. (approx. 18 acres) - Survey No. 114/1, Village Dalkhaniya, Taluka Dhari, District Amreli, Gujarat, available with the Company on leasehold basis.
Details of lease	Company has entered into irrevocable lease agreement dated November 21, 2024 for a time period of 30 years.
Project Stage as on May 31, 2025	50.00% of the total project cost completed

Details of Services to be provided by Soleos on EPC basis

The Company has entered into an Engineering, Procurement and Construction (EPC) agreement with Soleos Solar Energy Private Limited, Ahmedabad, Gujarat, for the development of a 6.1 MW solar power plant for captive use. Under this EPC agreement, Soleos Solar Energy Private Limited is responsible for providing end-to-end EPC services, which include the scope of services listed herein below.

Scope of Service			
Sr. No.	**Description and Activities**	**Scope of our Company**	**Scope of Soleos Solar Energy Private Limited**
1	**Permits and Approval**		
1.1	Land Acquisition	✓	-
1.2	Government Approval	-	✓
1.3	TFR	-	✓
1.4	Connectivity Agreement and Charges	-	✓
1.5	Charging approval from electrical inspectorate (CEIG)	-	✓
1.6	Charging approval from electrical inspectorate Transmission line/cable (CEIG)	-	✓
1.7	Electrical inspectorate's approval for charging of PV plant	-	✓
1.8	Building and construction permits for control rooms	-	✓
1.9	Ground water usage approval (if applicable)		✓
1.10	Overhead Trasmission line ROW	-	✓
1.11	Necessary support / document / information as required by EPC	✓	-
2	**Pre-Construction Activities**		
2.1	Geotechnical Investigations and topographic survey	-	✓
2.2	Solar resource assessment	-	✓
2.3	Technology selection	-	✓
2.4	Project component selection	-	✓
2.5	Conceptual design, schematics and layouts	-	✓
2.6	Energy yield predictions for project life cycle	-	✓
2.7	Performance Ratio (PR) prediction	-	✓
2.8	Project component review and approval	-	✓

Scope of Service			
Sr. No.	Description and Activities	Scope of our Company	Scope of Soleos Solar Energy Private Limited
2.9	Project scheduling, planning and sequencing	-	✓
2.10	Procurement and delivery schedule	-	✓
2.11	Detailed engineering of the entire PV plant		✓
2.12	Detailed engineering Transmission line / cable	-	✓
2.13	Submission of drawing schedule		✓
2.14	Field Quality Plan		✓
2.15	Technical specification sheets for all Equipments	-	✓
2.16	Detailed engineering of the entire PV plant upto point of interconnection at evacuation point / utility grid	-	✓
2.17	Reviews of all submission and approvals	-	✓
2.18	Power supply for construction	✓	-
2.19	Water supply for construction Description	✓	-
3	**Procurement**		
3.1	Solar PV modules	-	✓
3.2	Module Mounting Structures with Bottom Leg, Rafter, purlin, Bracing Angle and ancilliaries,	-	✓
3.3	DC String Cables and its flexible pipe	-	✓
3.4	String Inverters	-	✓
3.5	LV & HV AC Cables	-	✓
3.6	LV & HV AC Switchboards	-	✓
3.7	Inverter duty Transformers	-	✓
3.8	LT Panel	-	✓
3.9	Earthing Material	-	✓
3.10	Lighting arrestors		✓
3.11	Illumination System (Plant periphery, switchyard)	-	✓
3.12	Utility metering & CTPT	-	✓
3.13	Fire safety system	-	✓
3.14	Weather Station	-	✓
3.15	Performance Monitoring System	-	✓
3.16	PV Module Cleaning Piping	-	✓
3.17	Packing and forwarding	-	✓
3.18	Transportation to site	-	✓
4	**Construction Activities**		
4.1	Site Preparation for entire PV plant	✓	-
4.2	Shadow Free Area	-	✓
4.3	Site Storage for all equipment and materials	-	✓
4.4	Main Entry Gate	✓	-
4.5	Portable office	-	✓
4.6	Weather Station	-	✓
4.7	Drainage system	-	✓
4.8	Civil Engineering Works other then solar Equipment requirement	-	✓

Scope of Service			
Sr. No.	Description and Activities	Scope of our Company	Scope of Soleos Solar Energy Private Limited
4.9	Foundations for module mounting structures	-	✓
4.10	AC/DC Cable, Cable Tray or Flexible Pipes	-	✓
4.11	Foundations as required for MV substation including transformers, panels, distribution boards etc.	-	✓
4.12	Construction of main control room for Monitoring	-	✓
4.13	Electrical Engineering works	-	✓
4.14	Inverters, DC and AC Switchgear and panels as required.	-	✓
4.15	DC and AC cabling as required for LV and HV side of project	-	✓
4.16	Earthing and lightning protection system	-	✓
4.17	Illumination System	-	✓
4.18	Controls and monitoring system including Monitoring system	-	✓
4.19	Fire safety equipment	-	✓
4.20	AC Cabling	-	✓
5	**Project and Construction Management**		
5.1	Project Management	-	✓
5.2	Site Supervision	-	✓
5.3	Project scheduling and tracking	-	✓
5.4	Drawing Schedules	-	✓
5.5	Equipment Delivery Schedules	-	✓
5.6	Construction Schedules	-	✓
5.7	Overall project status reports	-	✓
5.8	Factory Tests Reports	-	✓
5.9	Quality Assurance / Quality Control	-	✓
6	**Post-Construction**		
6.1	Finishing the main approach roads and pathways within the plant.	-	✓
6.2	Performance test and final report	-	✓
6.3	Handling over copies of manuals and test report for all project components	-	✓
7	**Testing and commissioning**		
7.1	Mechanical completion test / Provisional acceptance test	-	✓
7.2	Preliminary PR acceptance Test	-	✓
7.3	Annual PR acceptance Test	-	✓
7.4	Standard and special test instruments, tools and equipment required for all the tests.	-	✓
7.5	Reporting and documentation of all tests	-	✓

Operation and Maintenance

In addition to the Engineering, Procurement, and Construction (EPC) services, Soleos Solar Energy Private Limited will also be responsible for undertaking the Operation and Maintenance (O&M) of the proposed 6.1 MW ground-mounted solar power plant. The O&M services will be provided on an annual fee basis, covering technical maintenance, system operations, plant supervision, module cleaning, etc. The Company intends to fund the O&M expenses from its internal accruals. This arrangement will ensures continuous upkeep and optimal performance of the solar power plant.

Statutory Approvals and Liasioning

Soleos Solar Energy Private Limited will also be responsible for liaising with government agencies and the DISCOM (Paschim Gujarat Vij Company Limited) for securing all necessary statutory approvals, clearances, and permits required for the installation and commissioning of the proposed 6.1 MW solar power plant. Set out below is the indicative list of key statutory approvals and regulatory compliances required for the project:

Sr. No	Particulars	Issuing Authority	Status
1	Non-Agricultural permission for land for the use for Solar Power Project	Revenue Department	Received
2	Approval for Grid Connectivity and evacuation 3.9 MW (solar) at GETCO 66 KV Gigasan	Paschim Gujarat Vij Company Limited	Received
4	Registration of application for setting up of ground mounted solar project 3.9 MW (AC) /5MW(DC)	Gujarat Energy Development Authority	Received
5	Registration of application for setting up of ground mounted solar project 0.9 MW (AC) /1.1 MW (DC)	Gujarat Energy Development Authority	Received

Estimated Cost of the Project

The total estimated cost of the 6.1 MW solar project is ₹2,223.55, inclusive of goods and services tax (GST) and charges towards tax collected, as per the EPC service being provided by Soleos Solar Energy Private Limited under its scope of service read with the EPC Agreement dated May 26, 2025.

The detailed break-down of estimated cost of the project, is set forth below:

Name of Equipment / Scope	Name of Supplier	Amount (₹ in Lakhs)
6.1 MW ground mounted solar power plant including Engineering, Procurement, Construction, and Design.	Soleos Solar Energy Private Limited, Ahmedabad, Gujarat, India	1,952.00 (6,100 @ 32,000 per kW)
Add: Goods and Service Tax @ 13.8%.		269.38
Add: Tax Collected at Source @ 0.1%		2.17
Total Estimated Project Cost		2,223.55

Note: As certified by certificate dated June 25, 2025, issued by Independent Chartered Engineer.

Other Terms and conditions with respect to the total cost of the project:

1. The dollar exchange rate is set at 85.66 as of May 22, 2025. If the dollar rate or commodity prices vary by more than ±2% from this reference rate at any point until project completion and handover, the total project cost will be adjusted accordingly.
2. The current applicable customs duties are 40% for solar power panels and 22% for solar inverters. Any changes in these rates will result in a corresponding adjustment to the project cost and such additional costs arising out of the corresponding adjustment to the project cost shall be borne by the Company from its internal accruals.
3. A GST of 13.8% for solar power plant has been considered as applicable by state and central Government. Any change will result in to cost change and shall be bound to Company.

Any additional expenses, including those arising from fluctuations in the dollar exchange rate, customs duties, or GST, will be borne by the Company through internal accruals.

Means of Finance

The total funding requirement for setting up a 6.1 MW Solar Power Project for captive use is ₹2,223.55 lakhs, out of which ₹1,489.00 lakhs has been funded through a loan sanctioned by Small Industries Development Bank of India ("**SIDBI**") vide sanction letter dated March 18, 2025. The balance amount of ₹734.55 lakhs is proposed to be funded from the Net Proceeds of the Issue.

Further, in compliance with Regulation 7(1)(e) of the SEBI ICDR Regulations, as amended, firm arrangements of finance have been made through the above-mentioned sanction letter issued by SIDBI, covering at least 75% of the total means of finance for the said object, excluding the amount proposed to be raised through the Issue and existing identifiable internal accruals.

The details of the verifiable means of finance are provided below:

Particulars	Details of financing arrangement
Date of Sanction Letter	March 18,2025
Sanctioned Amount	1,489.00 Lakhs
Disbursed Amount as on June 05, 2025	1,439.00 Lakhs
Rate of interest	Interest will be at the rate of 0.40 % above SIDB's Marginal cost of funds-based Lending Rate (MCLR) (presently being 8.55%)
Repayment Terms	75 monthly instalments after moratorium period of 9 months from the date of first date of disbursement of loan

Capacity and Schedule of Implementation

The installed capacity of the proposed Solar Power Project will be 6.1 MW i.e. 6,100 kW DC (4,800 kW AC) with estimated annual generation capacity of 96,00,000 kWh and is expected to complete and commence operations in September 30, 2025.

The expected schedule of implementation of proposed solar power project is set forth below:

Sr. No.	Particulars	Commencement Date	Expected Completion Date
1.	Installation and operation of 6.1 MW Solar Power Project	April 2025	September 2025

Rationale for funding for installation of a 6.1 MW captive solar power project

The Company has a high and recurring power requirement for its manufacturing operations. Electricity remains one of the most significant operating costs for the Company, with incurring an annual power cost of around ₹1,717.57 lakhs (as per Fiscal 2024) at an average tariff of ₹8.92 per unit. Over the last three Fiscal years i.e. Fiscal 2024, 2023 and 2022, electricity expenses have consistently represented a substantial portion, approximately 6% to 7% of our revenue from operations. In line with our strategic objective to reduce power costs, improve energy security, and transition toward renewable energy, we have decided to establish a 6.1 MW ground-mounted solar power plant under the captive consumption model.

The Company's decision to implement a 6.1 MW captive solar power project is aligned with Gujarat's supportive renewable energy policies, particularly the Gujarat Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2024. A key feature of said Regulations is the energy banking provision, which allows green energy open access consumers to bank i.e., to store up to 30% of their total monthly electricity consumption from the distribution licensee.

For instance, if the Company consumes 10,00,000 units of electricity from the grid in a billing month, it is permitted to bank up to 3,00,000 units of solar power during the same period. This banked energy can be used later such as during non-sunny hours or peak evening demand offsetting the need to draw costly grid power. This mechanism ensures that excess energy generated during sunny hours is not wasted, and instead contributes directly to reducing energy bills and enhancing energy reliability. By leveraging this regulatory benefit, the Company not only reduces operating costs but also strengthens its commitment to sustainable and self-reliant power usage.

II. Funding capital expenditure requirements for Windmill Power Project

In alignment with our strategy to enhance the use of renewable energy and reduce dependence on conventional electricity sources, we propose to utilize a portion of the Net Proceeds of the Issue towards funding the capital expenditure for the establishment of a 4.2 MW windmill for captive consumption. This initiative is a continuation of the Company's renewable energy roadmap, which began with the commissioning of a 1.2 MW rooftop solar plant in July 2024 and is being furthered through the ongoing development of a 6.1 MW ground-mounted solar power plant to cater to its expanding operational power requirements.

To meet the energy demand through renewable sources and fully optimize the banking benefits provided under the Gujarat Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2024, our Company proposes to install a 4.2 MW Wind Power Project for captive consumption. The said project is designed to supplement the power generated by solar plants, ensuring round-the-clock renewable power availability and is intended to contribute towards achieving energy self-sufficiency, enhancing long-term cost efficiency, and meeting the Company's broader environmental and sustainability goals.

Overview of Wind Power Project

The wind power plant will be developed on an Engineering, Procurement and Construction (EPC) basis and will enable the Company to generate and consume electricity specifically for its manufacturing operations. The project will be executed by *Suzlon Energy Limited*, a publicly listed company in India. For credentials of Suzlon Energy Limited, please see https://www.suzlon.com/.

Set out are the brief details of the project:

Particulars	Details
Project Size	4.2 MW (2 Nos. Wind Turbine Generators - WTGs of 2100 kW capacity each, Model S120_140)
Location	Saurashtra, Gujarat, India
Rated Capacity	4.2 MW (2.1 MW per Wind Turbine Generator (WTG)).
Total area required	Suzlon will be responsible for identifying suitable land parcels with optimal wind potential, grid proximity, and road accessibility. Each Wind Turbine Generator (WTG) requires approximately 2.5 to 3 acres of land, bringing the total requirement to around 6 acres for two WTGs.
Type of power plant	Captive Renewable Energy Project (Wind)
Project Model	Model S120_140, Horizontal Axis Wind Turbine Generator
Metering scheme	ABT Metering
Feeder location	Dedicated feeder from Gujarat Energy Transmission Corporation Limited (GETCO) Substation to project site
Feeding voltage	33 kV
Type of evacuation line	Underground/overhead line from Skid Mounted Packaged Substation (SPSS) to GETCO grid point
Monitoring system	Supervisory Control and Data Acquisition (SCADA) – based remote monitoring and control with monthly data access.
Estimated annual energy generation	136–140 lakh units (68–70 lakh units per WTG/year) at 100% grid availability

Particulars	Details
Lifespan	25 years
Estimated Completion Timeframe	15 months from Note to Proceed (NTP); NTP is the official trigger for project commencement.

Details of Services to be provided by Suzlon Energy Limited on EPC basis

The Company will enter into an Engineering, Procurement and Construction (EPC) agreement with Suzlon Energy Limited, for the development of a 4.2 MW wind power plant for captive use. Suzlon Energy Limited, as the turnkey EPC provider for the wind power project, shall be responsible for the complete supply, installation, and commissioning of two Wind Turbine Generators (Model S120_140, each of 2.1 MW capacity). The scope includes the manufacture and delivery of the WTGs along with all major components including tower, nacelle, rotor blades, and related hardware.

The proposed 4.2 MW wind power project will be located on private agricultural land situated in the Saurashtra region of Gujarat. The land will be selected based on wind resource assessment and proximity to existing GETCO substations to facilitate efficient power evacuation. Approximately 2.5 to 3 acres of land is required per Wind Turbine Generator, resulting in a total land requirement of around 6 acres for the entire project. The land will be secured through long-term lease agreements, facilitated by Suzlon Energy Limited as part of the turnkey EPC scope. Suzlon Energy Limited will also undertake all associated civil works such as WTG foundations, internal roads, and site grading as required for turbine installation.

On the electrical side, Suzlon Energy Limited will execute internal cabling, earthing, lightning protection systems, and install a 33 kV Skid Mounted Packaged Substation (SPSS). They will also build the complete evacuation infrastructure from the project site to the nearest GETCO substation, including both temporary and permanent connectivity. As part of the project's performance monitoring, Suzlon will deploy a SCADA-based system for remote real-time monitoring and data logging.

Operation and Maintenance

Additionally, Suzlon Energy Limited will operate and maintain the project for an initial five-year term under an O&M agreement to be entered between the Company and the Suzlon Energy Limited. The O&M services will be provided on an annual fee basis, covering all technical, regulatory, and operational aspects up to commissioning and beyond. The Company intends to fund the O&M expenses from its internal accruals. This arrangement will ensures continuous upkeep and optimal performance of the windmills.

Statutory Approvals and Liasioning

Suzlon Energy Limited scope further extends to obtaining statutory and regulatory approvals, including coordination with GEDA, SLDC, and other relevant authorities for compliance, registration, and grid connectivity. Set out below is the indicative list of key statutory approvals and regulatory compliances required for the project:

Sr. No	Particulars	Issuing Authority	Remark	Responsibility
1	Land Lease Agreement / Sub-Lease Registration	Revenue Department / Local Registrar	Land within Suzlon-developed wind park; Suzlon to facilitate lease	Suzlon
2	Project Registration	Gujarat Energy Development Agency (GEDA)	Mandatory as per Gujarat RE Policy 2023	Suzlon
3	Power Evacuation & Grid	GETCO (Gujarat Energy Transmission Corp. Ltd.)	Evacuation to GETCO grid; part of Suzlon scope	Suzlon

Sr. No	Particulars	Issuing Authority	Remark	Responsibility
	Connectivity Approval			
4	ABT Metering & SLDC Registration	State Load Dispatch Centre (SLDC), Gujarat	Compliant metering and SLDC registration required under open access norms	Company (Suzlon supported)
5.	Open Access Compliance	GERC / State Nodal Agency	Under Green Energy Open Access Rules 2022 & GERC Regulations 2024	Company (Suzlon supported)

As certified by certificate dated June 25, 2025, issued by Independent Chartered Engineer.

Estimated Cost of the Project

The total estimated cost of the 4.2 MW wind power project is ₹3,900 lakhs, inclusive of goods and services tax and exclusive of other government charges, as per the EPC service being provided by Suzlon Energy Limited under its scope of services.

The detailed break-down of estimated cost of the project, is set forth below:

Sr. No.	Item Description	Model	Quantity	Estimated Cost (₹ in Lakhs)	Name of Supplier
1	Wind Turbine Generator (WTG) Supply, Installation and Commissioning (2×2.1 MW)	Model S120_140	2 set	3,900*	Suzlon Energy Limited, Pune, Maharashtra, India
Total Estimated Project Cost				**3,900.00**	

**Supply of WTG components, labour and services including erection & commissioning, identification, selection and allocation of land, obtaining all government permissions, etc.*
Note: Price is inclusive of applicable GST but excludes other taxes and government charges.

Terms and Conditions

1. Any increase in dollar rate above INR 82/USD and/or any increase in steel prices above ₹58,000/MT shall result in upward revision in project cost.

The plant and machinery required for the proposed 4.2 MW wind power project, including two Wind Turbine Generators (Model S120_140), will be new and not second-hand or refurbished. These will be sourced from Suzlon Energy Limited under a turnkey EPC arrangement. As on the date of this Draft Red Herring Prospectus, the Company has not yet placed the purchase order for the supply, installation, and commissioning of the said plant and machinery.

Means of Finance

The fund requirements funding Wind Power Project is proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue and existing identifiable accruals as required under the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/ or seeking additional debt from existing and/ or other lenders.

Capacity and Schedule of Implementation

The installed capacity of the proposed Wind Power Project will be 4.2 MW with estimated annual generation capacity of 136–140 lakh units (68–70 lakh units per WTG/year) at 100% grid availability and is expected to commence operations by December 2026.

The expected schedule of implementation of proposed wind power project is set forth below:

Sr. No.	Particulars	Expected Commencement Date	Expected Completion Date
1.	Installation and operation of 4.2 MW Wind Power Project	September 2025	December 2026

Rationale for the Wind Power Project

The Company's decision to implement a 4.2 MW captive wind power project is aligned with Gujarat's supportive renewable energy policies, particularly the Gujarat Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2024. Under the GERC Open Access Regulations 2024, green energy open access consumers are entitled to bank up to 30% of their total grid electricity consumption. This banking mechanism allows storage of excess renewable energy (such as wind energy generated during night-time or low-demand periods) for later use, effectively lowering reliance on expensive grid power and improving power availability during peak hours or cloudy/non-sunny days.

III. Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company

Our Company has entered into various financing arrangements with banks and financial institutions, which include term loans, working capital facilities, bank guarantee and pledge limit including fund based and non-fund based borrowings. For details of our Company's outstanding financial indebtedness, see "***Financial Indebtedness***" on page 297.

As on May 31, 2025, our Company had sanctioned facilities (fund based and non-fund based) aggregating to ₹7,942.55 lakhs and outstanding facilities aggregating to ₹4,684.10lakhs from banks and financial institutions including from SIDBI amounting to ₹1,678.52 . Our Company proposes to utilise an estimated amount of ₹1,489.00 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company from SIDBI. Given the nature of these borrowings and the terms of repayment or pre-payment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings or avail of additional credit facilities. If at the time of the Draft Red Herring Prospectus, any of the below-mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down, then our Company may utilise the Net Proceeds for part or full pre-payment / repayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company and details of such borrowings will be included in the Red Herring Prospectus. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or pre-payment of certain of our borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹1,489.00lakhs.) We believe that such repayment/ pre-payment will help reduce our Company's outstanding indebtedness and debt servicing costs and enable utilisation of our Company's internal accruals for further investment in our Company's business growth and expansion. Additionally, our Company believes that the leverage capacity of our Company will improve its ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business.

The selection of borrowings proposed to be repaid/ prepaid out of the borrowings provided below, are based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our Company's ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders; (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

The following table provides details of certain of the borrowings availed by our Company, which are currently proposed to be fully or partially repaid (earlier or scheduled) or pre-paid from the Net Proceeds:

Sr. No.	Name of the lender	Nature of loan	Purpose	Date of original Sanction	As on June 05, 2025 (in ₹ lakhs)		Rate of Interest/ Commission	Tenor and repayment schedule	Prepayment terms / Penalty
					Amount sanctioned	Amount outstanding			
1.	SIDBI	Term Loan	Ground mounted Solar Power Plant	March 18, 2025	1489.00*	1,439.00	8.55% (0.40%+one year MCLR)	75 Months after moratorium period of 9 months from the date of first disbursement of loan.	SIDBI may deem fit including payment of interest on such prepayment of 3 % of the Loan outstanding plus applicable GST.
Total					7,942.55	1,439.00			

** One of the conditions outlined in the sanction letter requires the Company to provide Fixed Deposit Receipts (FDRs) amounting to ₹300.00 lakhs, issued in favour of SIDBI, which must be maintained for the entire tenure of the loan. Accordingly, although the total sanctioned loan amount is ₹1,489.00 lakhs, Company will effectively used ₹1,189.00 lakhs, after adjusting for the ₹300.00 lakhs held in FDRs.*

Note: In accordance with paragraph 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, our Statutory Auditors Doshi Doshi & Company, Chartered Accountantsby way of their certificate dated June 25, 2025, have confirmed that our Company has utilised the loans for the purposes for which they were availed.

For the purposes of the Issue, our Company has obtained the necessary consent from our lenders as is required under the relevant facility documents for undertaking activities in relation to the Issue, including any consequent actions.

Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding amounts may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment.

Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. In the event that there are any pre-payment penalties required to be paid under the terms of the relevant financing arrangements, the amount of such pre-payment penalties shall be paid by us out of our internal accruals. We will take such provisions also into consideration while deciding re-payment and/ or pre-payment of loans from the Net Proceeds. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, redeemed (earlier or scheduled), refinanced or further drawn down prior to the completion of the Issue, we may utilise Net Proceeds towards pre-payment, re-payment or redemption (earlier or scheduled), including any recoupment and / or of such additional indebtedness availed by us.

IV. **Funding the working capital requirements of our Company**

Our Company proposes to utilize up to ₹4,400.00 lakhs from the Net Proceeds of the Issue to meet our working capital requirements for Fiscals 2026 and 2027. We operate in a business that entails significant working capital needs, which are currently met through internal accruals and sanctioned working capital facilities from nationalized and private sector banks. However, to support our anticipated growth and ensure uninterrupted business operations, we intend to infuse long-term working capital from the Net Proceeds.

Working capital is critical for funding day-to-day business operations, maintaining sufficient liquidity, and enabling us to take advantage of emerging market opportunities. Efficient working capital management allows us to meet our short-term liabilities, plan procurement cycles effectively, and support the growth trajectory of the business.

A substantial portion of our working capital is allocated towards the procurement of raw materials, primarily cotton bales, which account for approximately 75.00% of our revenue. Cotton is a seasonal agricultural commodity, and its availability and pricing are subject to fluctuation. To ensure cost efficiency and uninterrupted production, we procure cotton bales during the peak season when prices are favorable. This seasonal nature of procurement leads to higher upfront working capital requirements during specific periods of the year.

The following table outlines the increase in our working capital requirements over the last three fiscals:

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024
Net Working Capital Requirement (₹ in lakhs)	3,234.72	4,092.83	6,026.42
% Growth Year-on-Year	–	26.53%	47.24%
Turnover (₹ in lakhs)	21,797.20	21,310.25	23,159.12

Despite similar turnover across these periods, the working capital requirement has seen a significant increase. This is primarily attributable to:

- Increased raw material costs driven by seasonal price fluctuations.
- Revisions in finished goods pricing in response to raw material volatility.
- Strategic procurement planning to ensure raw material availability at favorable prices.

Accordingly, the proposed infusion of ₹4,400.00 lakhs from the Net Proceeds will help us address the increased working capital needs, maintain business continuity, and support future growth.

Considering the growth of our Company, we will require additional working capital to fund our growth.

Basic Constituents of Working Capital

Raw material

The basic raw material required is cotton fibre from plants. The raw material is procured by the Company from the state of Gujarat where the factory of the Company is situated. The same is available easily hence the Company is keeping stock of raw material of 30 days for its requirement.

Finished Goods

The Company is producing the Cotton compact ring spun combed and carded yarns, compact Eli twist combed and carded yarns, compact slub yarns and Lycra Yarns. Generally, the Company is manufacturing the yarn based on the orders received from the customers. The finished good stock is like safety stock to mitigate the risks like supply chain disruptions, unexpected demand surges, and to ensure timely order fulfilment, ultimately improving customer satisfaction and preventing lost sales Average stock of 15 days is maintained by the Company.

Trade Receivables

The Trade receivables is the amount outstanding from the customers to whom the goods have been sold and to whom the credit period was given considering the volume of business given by the customers and their credit history. The company is giving credit of 60 days to the customers.

Trade Payables

The trade Payables is the amount company owe to the suppliers from whom the material has been purchased by the Company. The Company's major purchase is from Micro and small enterprises and as per the MSMED Act, 2006 the payment must be made within 45 days to them an if there is delay in payment beyond 45 days then interest has to be paid. On an average the company had made payment within 32 days in Fiscal 2022 to Fiscal 2024.

Other Current Financial Assets

Other Current Financial Assets includes Subsidy receivables, and the interest accrued but not due on deposits. The bank deposits are given as security for the term loan sanctioned by the SIDBI.

Other Current Assets

Other Current Assets includes the Balance with Government Authorities, Advance given to supplier of raw material and the prepaid expenses. Majority amount tis the balance with Government Authorities.

Other Current Liabilities

Other Current Liabilities includes Advance from Customers, Statutory Liabilities and salary payable to directors and Misc. expenses payable.

Oher Financial Liabilities

Other Financial Liabilities includes the last month interest provision on the borrowing of the Company

Provisions

Provision includes the provision for the salary of employees and other expenses

Current Year Tax Provisions

The current year provision of tax is included under this heading after adjusuting the Payment of advance tax and TDS, if any, receivable by the Company

Basis of estimation of working capital requirement and estimated working capital requirement:

(*₹ in Lakhs*)

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Upto December 31, 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
	Audited	Audited	Audited	Audited	Provisional	Provisional	Provisional
Raw Material	754.17	2201.30	1922.67	1234.58	1924.88	2600.40	3119.60
Finished Goods	1499.94	562.47	206.78	941.52	1327.50	1477.50	1772.50
Packing Materials	57.85	84.84	270.60	270.63	300.00	300.00	300.00
Trade Receivables	2220.45	2080.68	4450.13	4838.31	5310.00	6,895.00	8271.67
Other Current Financial Assets	277.82	209.61	335.64	518.90	650.00	750.00	800.00
Cash and Ban Balances	17.64	38.75	8.62	50.38	50.00	48.70	67.63
Current Tax Assets	0.53	0.13	0.00	0.00	0.00	0.00	0.00
Other Current Assets	250.41	445.84	365.58	314.31	550.00	700.00	750.00

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Upto December 31, 2024	Fiscal 2025	Fiscal 2026	Fiscal 2027
	Audited	Audited	Audited	Audited	Provisional	Provisional	Provisional
Total	**5078.81**	**5623.62**	**7560.02**	**8168.63**	**10112.38**	**12771.60**	**15081.40**
Less :							
Trade Payables	1598.47	1380.94	1315.92	2365.80	3400.61	3900.60	4679.40
Other financial Liabilities	24.56	23.73	19.47	2.43	5.00	6.00	7.00
Other Current Liabilities	104.65	15.21	14.26	75.82	100.00	125.00	150.00
Provisions	116.41	110.91	123.73	81.47	100.00	125.00	150.00
Current Tax Liabilities			60.22	148.30	150.00	175.00	200.00
Total Liabilities	**1844.09**	**1530.79**	**1533.60**	**2673.82**	**3755.61**	**4331.60**	**5186.40**
Net Working Capital	3234.72	4092.83	6026.42	5494.81	6356.76	8440.00	9895.00
Less : Bank Borrowings	516.25	1300.76	2455.09	1531.35	1600.00	1600.00	1600.00
Balance	2718.47	2792.07	3571.33	3963.46	4756.76	6840.00	8295.00
Long term borrowings	1485.16	1571.40	1788.53	1545.08	1600.00	695.00	695.00
Financed through Capital Internal Cash Accruals	1233.31	1220.67	1782.80	2418.38	3156.76	3200.00	3200.00
Fund from IPO					0.00	2,945.00	2945.00
Balance							1,455.00

As certified by our Statutory Auditors vide certificate dated June 16, 2025 and as approved by the Board of Directors of our pursuant to its resolution dated June 16, 2025.

Holding levels and assumptions for working capital requirements:

The Table below contains the details of the holding level (in number of days as applicable) considered and is derived from the audited financial statement of the company for the 9 months period ended on December 31,2024 and FY 2024, 2023 and 2022 and the estimated holding period for FY 2026 and the assumptions based on which working capital requirement has been on the basis of past holding period.

Particulars	No. of Days outstanding or holding level as on				Fiscal 2025 (current year)	Fiscal 2026 (Estimated)	Fiscal 2027 (Estimated)	Justification for Holding
	Fiscal 2022	Fiscal 2023	Fiscal 2024	December 31,2024				
Raw Material	13	39	33	28	30	30	30	The Raw material Raw cotton is kharif crop and is available at better price during cultivation

Particulars	No. of Days outstanding or holding level as on				Fiscal 2025 (current year)	Fiscal 2026 (Estimated)	Fiscal 2027 (Estimated)	Justification for Holding
	Fiscal 2022	Fiscal 2023	Fiscal 2024	December 31,2024				
								period. However the Raw material cost is 88 % of the revenue. We are keeping stock of Raw material for 30 days. In order to avail the benefit of price the company had got the pledge limit with Axis Bank of ` 2000.00 Lakhs.
Finished goods	21	8	3	15	15	15	15	The stock of finished gods for 15 days on the basis of The holding period for the period ended on December 31,2024
Trade receivables	31	29	58	79	60	70	70	The Trade receivables are estimated considering the credit policy of the Company and past credit period enjoyed by the customers.
Trade payables	27	24	23	53	53	45	45	The company is getting the credit period of 25 days. However due to increase in the price of

Particulars	No. of Days outstanding or holding level as on				Fiscal 2025 (current year)	Fiscal 2026 (Estimated)	Fiscal 2027 (Estimated)	Justification for Holding
	Fiscal 2022	Fiscal 2023	Fiscal 2024	December 31,2024				
								Raw material compare to FY 2023 , the company had extended credit from suppliers and it was 53 days in Period ended on December 31,2024. We are buying more than 95 % of our material from MSME and as per the MSME act 2006, payment has to be made within 45 days and we have assumed 45 days payment cycle in FY 2026 and FY 2027.

Note: As certified by our Statutory Auditors vide certificate dated June 16, 2025 and as approved by the Board of Directors of our Company pursuant to its resolution dated June 16, 2025].

For risk relating to working capital funding, see ***"Risk Factor - Our Company intends to utilise a portion of the Net Proceeds of the Issue towards the working capital requirements of our Company which are based on certain assumptions and estimates and have not been appraised by any bank or financial institution"*** on page 49.

General corporate purposes

We propose to deploy the balance Net Proceeds, aggregating to ₹[●] lakhs towards general corporate purposes subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

Our management will have flexibility in applying ₹[●] lakhs of the Net Proceeds, not exceeding 25% of the amount raised by our Company through this Issue, towards general corporate purposes. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to strategic initiatives; ongoing general corporate exigencies; and any other purposes as approved by the Board and subject to compliance with the necessary regulatory provisions.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "*General Corporate Purposes*" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

Expenses*	Estimated expenses[1] (₹ in in lakhs)	As a % of the total estimated Issue expenses[1]	As a % of the total Gross Issue Proceeds[1]
Fees payable to BRLM (including underwriting commissions and selling commission) and Fees payable to the Legal Advisors to the Issue	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate(2)(5)	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers (5)	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs (3)	[●]	[●]	[●]
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them (4)	[●]	[●]	[●]
Others (bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
Total Estimated Issue Expenses	[●]	[●]	[●]

(1) *Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.*

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:*

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

*Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

No uploading/processing fees shall be payable by our Company to the SCSBs on the Bid cum Applications Forms directly procured by them.

The Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(3) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for RIB, Non-Institutional Bidders	*₹ [●] per valid application (plus applicable taxes)*

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹ [●] (plus applicable taxes) and in case if the total processing fees exceeds ₹ [●] (plus applicable taxes) then processing fees will be paid on pro-rata basis. The payment of selling commission payable to the sub-brokers/ agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

(4) The processing fees for applications made by Retail Individual Bidders and Non Institutional Investors using the UPI Mechanism would be as follows:

Members of the Syndicate / RTAs / CDPs (uploading charges)	*₹ [●] per valid application (plus applicable taxes) #*
Sponsor bank	[●] *The Sponsor bank shall be responsible for making payments to the third parties such as remitter company, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws*

*For each valid application by respective Sponsor Bank

#Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees for applications made Non-Institutional Bidders (for an amount more than ₹ 200,000 and up to ₹ 500,000) using the UPI Mechanism would not exceed ₹ [●] (plus applicable taxes) and in case if the total uploading charges/ processing fees exceeds ₹ [●] (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis (plus applicable taxes).

(5) Selling Commission on portion for Retail Individual Bidders (up to ₹ 2,00,000) and Non-Institutional Bidders which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs, CRTAs and CDPs or for using 3- in-1 type accounts - linked online trading, demat and bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by, RIBs using 3-in-1 accounts Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in- 1 accounts, would be as follows: ₹10/- plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs

Bidding charges payable to the members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs/CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing/ blocking, would be as follows:

*Portion for Retail Individual Bidders**	*₹ [●] per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹ [●] per valid application (plus applicable taxes)*

** Based on valid applications*

Notwithstanding anything contained above the total uploading charges/Bidding charges payable under this clause will not exceed ₹[●] (plus applicable taxes) and in case if the total uploading charges exceeds ₹[●] (plus applicable taxes) then uploading charge/bidding charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The selling commission and bidding charges payable to Registered Brokers, the RTAs, CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Member shall not be able to accept Bid cum Application Form above ₹500,000 and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Member to SCSB a special Bid cum Application Form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / Sub-Syndicate Member along with SM code & Broker code mentioned on the Bid cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹500,000 will not be eligible for brokerage. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Bridge Financing Facilities

We have not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Interim Use of Funds

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring Utilization of Funds

Our Company has appointed [●] as the monitoring agency in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Company undertakes to place the report received under Regulation 41(2) of the ICDR Regulations of the monitoring agency on receipt before the Audit Committee without any delay will monitor the utilization of the Net Proceeds, and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Company will disclose the utilization of the Net Proceeds including interim use, under a separate head in the balance sheet, specifying the details, if any, in relation to all proceeds of the Issue that have been utilized. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds. Our Company will also indicate investments, if any, of the unutilized proceeds of the Issue in our balance sheet for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full.

The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and SEBI Regulations.

Appraising agency

None of the objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, Promoter Group, our Directors, our Key Management Personnel, or our Senior Management Personnel, either directly or indirectly. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the objects of the Fresh Issue.

BASIS FOR THE ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the qualitative and quantitative factors as described below. The face value of the Equity Share is ₹10 per Equity Share and Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should refer to "***Risk Factors***", "***Our Business***", "***Restated Financial Statements***" and "***Management Discussion and Analysis of Financial Condition and Results of Operations***" and on page 36, 239 and 304 respectively of this Draft Red Herring Prospectus to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are;

- We operate through fully integrated spinning facility enabling all key stages of yarn production under one roof, from procurement of raw cotton to finished yarn packaging.
- We have nearly a decade of experience in textile industry and have established long standing relationships with key customers.
- Our manufacturing facility is strategically located with adequate storage facility and scope for future expansion.
- We have demonstrated consistent growth in terms of revenues and profitability. Onwards year 2017, we have demonstrated consistent growth in terms of revenues and profitability. Our revenue from operations has grown from ₹6,278.65 lakhs in Fiscal 2017 to ₹23,159.12 lakhs in Fiscal 2024. Similarly, our profit after tax has grown from ₹ (225.06) lakhs in Fiscal 2017 to ₹655.25 lakhs in Fiscal 2024.
- We are driven by a qualified and dedicated management team, which is led by our Board of Directors. Our Promoter-Directors, Bhaveshbhai Bhikhubhai Ramani and Jay Atulbhai Tilala are instrumental in formulating business strategies, driving modernization, integrating systems and technologies, steering diversification and expansion
-

For further information, see "***Our Business – Our Strengths***" on page 188.

Quantitative Factors

The information presented below is based on the Restated Financial Statements of our Company for the Nine-month period ended December 31, 2024 and the Fiscal 2024, Fiscal 2023 and Fiscal 2022, prepared in accordance with Ind AS, the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations. For details, see "***Restated Financial Statements***" on page 239.

Some of the quantitative factors which form the basis or computing the price, are as follows:

1) Basic and Diluted Earnings Per Share ("EPS")

Fiscals	Weights	Basic and Diluted EPS (in ₹)
2022	1	1.24
2023	2	0.70
2024	3	2.23
Weightage Average EPS	**6**	**1.56**
For the nine-month period ended December 31, 2024#		3.16

#Annualized

Notes

(a) *Basic EPS = Restated profit for the year attributable to equity holders of the Company divided by Weighted average number of equity shares outstanding during the year*

(b) *Diluted EPS = Restated profit for the year attributable to equity holders of the Company divided by Weighted average number of dilutive equity shares outstanding during the year*

(c) *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}*

(d) *The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statement.*

2) Price to Earnings (P/E) ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share of ₹ 10.00/- each fully paid up

Particulars	P/E at the lower end of the Price Band (no. of times) *	P/E at the higher end of the Price Band (no. of times)*
Based on Basic EPS for Fiscal 2024	[●]	[●]
Based on weighted Average Basic and diluted	[●]	[●]

**Will be included in the Prospectus.*

Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	29.68
Lowest	13.70
Industry Average	21.69

***Source**: The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.*
As certified by our Statutory Auditor vide certificate dated [●], 2025.

3) Return on Net worth ("RoNW")

Return on Net Worth (RoNW) as per restated financial statements

Fiscals	RONW (%)	Weight
2022	6.94	1
2023	3.57	2
2024	10.25	3
Weighted Average		7.47%
For nine-month period ended December 31, 2024#		13.27%

#Annualized

***Note**: Return on Net worth has been calculated as per the following formula:*
1) *Return on Net Worth (%) = Net Profit after tax, as restated / Average Total Equity, as restated, as at year end.*
2) *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*

4) Net Asset Value per Equity Shares ("NAV")

Net Asset Value per equity share	(in ₹)
As at March 31, 2024	21.77
As on December 31, 2024	23.83
After the completion of the Issue:	
a) At Floor Price	[●]
b) At Cap price	[●]
Issue Price	[●]

Notes:
a. *Net Asset Value per equity share represents average net worth attributable to Equity Shareholder (average Equity Share capital together with other equity as per Restated Financial Information) as at the end of the fiscal divided by Weighted No. of Equity Shares (after bonus effect)..*
b. *Issue Price per Equity Share will be determined on conclusion of the Book Building Process*

5) Comparison with industry peers

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business. Following is the comparison with our peer companies listed in India:

Companies	CMP	EPS	PE Ration	RONW (%)	NAV (Per Share)	Face Value	Revenue from Operation	Other Income	Total Income
Shree Ram Twistex Limited	[●]	2.37	[●]	10.25	21.77	10.00	23,159.12	13.29	23,172.41
Peer Group									
Ambika Cotton Mills Limited	1506.70	110.00	13.70	7.52	1,463.33	10.00	82,345.99	2,275.32	84,621.31
Damodar Industries Limited	35.25	2.24	15.74	4.45	50.39	5.00	71,538.26	2,520.36	74,058.62
Rajapalayam Mills Limited	920.00	31.00	29.68	6.04	508.40	10.00	85,855.86	1,724.00	87,579.86

As certified by Statutory Auditor by way of their certificate dated June 25, 2025.

Source: *All the financial information for listed industry peers mentioned above on a Standalone basis and is sourced from the annual results as available of the respective company for the year ended March 31, 2024 as available on the website of stock exchanges. The financial information of our Company is based on the restated Standalone financial information for the year ended March 31, 2024.*

Notes:

a) *P/E Ratio has been computed based on the closing market price of equity shares on BSE on June 19, 2025 divided by the Diluted EPS.*

b) *Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year divided by Net worth of the Company.*

c) *Net Asset Value per equity share represents net worth attributable to Equity Shareholder (Equity Share capital together with other equity as per Restated Financial Information) as at the end of the fiscal divided by the number of Equity Shares outstanding at the end of the year.*

d) *Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.*

e) *CMP of the peer group as on June 19, 2025 is as per the closing price as available on* www.bseindia.com

Key Performance Indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. The key financial and operational metrics set forth above, have been approved and verified by the Audit Committee pursuant to its resolution dated June 16, 2025 Further, the Audit Committee has on June 16, 2025 taken on record that other than the key financial and operational metrics set out below, our Company has not disclosed any other key performance indicators during the three years preceding this Draft Red Herring Prospectus with its investors. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Issue Price have been disclosed below. Additionally, the KPIs have been certified by way of certificate dated June 16, 2025 issued by our Statutory Auditor, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company's performances and make an informed decision.

A list of our KPIs for period ended December 31, 2024 and the Fiscals 2024, 2023 and 2022 is set out below:

Financial KPI of our Company

(₹ in lakhs, unless stated otherwise)

Particulars	For the Nine months period ended December 31, 2024	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022
Total income (1)	15,275.67	23,172.41	21,357.93	21,837.35
Revenue from Operations (2)	15,259.91	23,159.12	21,310.25	21,797.20
Current Ratio (3)	1.69	1.75	1.55	1.61
EBITDA (4)	1,783.78	2,018.53	1,740.16	1801.79

Particulars	For the Nine months period ended December 31, 2024	For the Financial Year ended March 31, 2024	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022
EBITDA Margin (in %) (5)	11.69	8.72	8.16	8.27
Profit after tax (6)	696.37	655.25	205.08	363.76
PAT Margin (in %) (7)	4.56	2.83	0.96	1.67
RoNW (in %) (8)	9.95	10.25	3.57	6.94
Return on Capital Employed (in %) (9)	12.44	12.5	8.61	9.06
Debt/Equity (10)	0.7	1.00	0.91	1.06
Debt Service Coverage Ratio (11)	1.46	2.26	1.26	1.39
Fixed asset turnover ratio (in %) (12)	2.18	3.28	2.74	2.85
Net Asset Value NAV (in ₹) (13)	23.83	21.77	19.57	17.84
Working Capital Days	37	52	71	69
Net Cash from/ (used in) Operating Activities	2,281.97	-491.15	1006.93	1694.12
Net Cash from/ (used in) Investing Activities	-192.72	-218.83	-465.17	-521.34
Net Cash from/ (used in) Financing Activities	-2,047.50	679.86	-520.65	-1176.59
No of Customers	36	49	48	46
Revenue From Top 10 Customers	13563.47	19010.50	18180.67	18020.63
Revenue CAGR (Fiscal 2022 to Fiscal 2024)	-			2.04
EBIDTA CAGR (Fiscal 2022 to Fiscal 2024)	-			3.86
PAT CAGR (Fiscal 2022 to Fiscal 2024)	-			21.67

As certified by our Statutory Auditors vide certificate dated June 16, 2025

Notes:

(1) *Total income includes revenue from operation and other income*

(2) *Revenue from operations represents the sale of products manufactured by the Company as recognized in the Restated financial information.*

(3) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*

(4) *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.*

(5) *EBITDA margin is calculated as EBITDA as a percentage of total income.*

(6) *Net Profit for the year represents the restated profits of our Company after deducting all expenses.*

(7) *Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income.*

(8) *Return on net worth is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by Average Net worth (average total equity). Average total equity means the average of the aggregate value of the paid-up share capital and other equity of the current and previous fiscals.*

(9) *Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt of the current and previous fiscals).*

(10) *Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity.*

(11) *Debt Service Coverage Ratio is calculated by dividing the sum of Profit after Tax and interest amount by sum of the repayment of loan and Interest.*

(12) *Fixed asset turnover ratio is calculated as revenue from operations divided by fixed assets at the end of the year.*

(13) *Working Capital Days refers to trade receivables days plus inventory days less trade payable days.*

(14) *Cash flow from / (used in) Operating Activities is our Company's ability to generate cash flow from our business operations*

(15) *Cash flow from / (used in) Investing Activities is our Company's ability to deploy funds for long term use*

(16) *Cash flow from / (used in) Financing Activities is the net amount of funding financed by our company*

(17) *No. of customers referes to Total no. of Customers of the company*

(18) *Revenue from Top 10 customers referes to Reevenue Generated from Top 10 Customers.*

Explanation for the Key Performance Indicators:

KPIs	Explanations
Revenue from operations (*₹ in lakhs*)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business
Total Income *(₹ in lakhs)*	Total Income is used by our management to obtain a comprehensive view of all income

KPIs	Explanations
	including revenue from operations and other income
Current Ratio	Current Ratio provides efficiency which current assets are managed by the Company.
EBITDA *(₹ in lakhs)*	EBITDA provides information regarding the operational efficiency of our business
EBIDTA Margin (in %)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit for the Year (*₹ in lakhs*)	Net Profit for the year provides information regarding the overall profitability of our business.
Net Profit Margin (in %)	Net Profit Margin is an indicator of the overall profitability and financial performance of our business.
Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Debt-Equity Ratio	Debt-equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.
Debt Service Coverage Ratio	Debt Service Coverage Ratio indicated how much cash flow is available against the liability of the Company for repayment of Debt and Interest.
Fixed Asset Turnover Ratio	Fixed Asset Turnover is the efficiency at which our company is able to deploy its assets (on net block basis) to generate Revenue from Operations
Net Cash from/ (used in) Operating Activities	Cash flow from/ (used in) Operating Activities is our Company's ability to generate cash from our core business operations
Net Cash from/ (used in) Investing Activities	Cash flow from/ (used in) Investing Activities is our Company's ability to deploy funds for long-term use
Net Cash from/ (used in) Financing Activities	Cash flow from/ (used in) Financing Activities is the net amount of funding financed by our company
Revenue CAGR	Revenue CAGR growth provides information regarding the growth in terms of our business for the respective period, in terms of CAGR
EBIDTA CAGR	EBITDA CAGR growth provides information regarding the growth in operating profit from our core business for the respective period, in terms of CAGR
PAT CAGR	PAT CAGR growth provides information regarding the growth in our profit after tax from for the respective period, in terms of CAGR

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 179 and 304, respectively, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Issue as per the disclosure made in the "***Objects of the Issue***" on page 107, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations

Comparison of key performance indicators with listed Peer Companies

Comparison of Key Performance Indicators with the listed peer companies as on March 31, 2024 is set out as below:

(*₹ in Lakhs except per share data or unless otherwise stated*)

Particulars	Shree Ram Twistex Limited			Ambika Cotton Mills Limited			Damodar Industries Limited			Rajapalayam Mills Limited		
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
Total Income	23,172.41	21,357.93	21,837.35	84,621.31	86,134.97	92,547.98	74,058.62	69,645.56	91,136.09	87,579.86	88,231.85	70,525.97
Total Revenue From Operation	23,159.12	21,310.25	21,797.20	82,345.99	84,750.14	92,051.80	71,538.26	68,278.88	90,861.49	85,855.86	86,189.43	68,965.47
Current Ratio	1.75	1.55	1.61	4.48	5.53	8.21	1.15	1.29	1.55	1.04	1.08	1.08
Debt Equity Ratio	1.00	0.91	1.06	N.A.	N.A.	N.A.	3.31	4.12	4.46	2.23	2.44	1.96
Debt Service Coverage Ratio	2.26	1.26	1.39	N.A.	N.A.	N.A.	1.73	0.88	1.49	0.72	1.09	1.08

Particulars	Shree Ram Twistex Limited			Ambika Cotton Mills Limited			Damodar Industries Limited			Rajapalayam Mills Limited		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
EBDITA	2,018.53	1,740.16	1,801.79	13,202.03	18,869.62	27,460.89	5,756.63	5,071.96	8,167.93	16,480.47	15,995.89	17,009.81
Operating EBDITA Margin (%)	8.72	8.16	8.27	16.03	22.27	29.83	8.05	7.43	8.99	19.20	18.56	24.66
Profit after tax	655.25	205.08	363.76	6,297.36	11,189.40	17,988.78	521.96	79.67	1,835.44	2,830.30	4,238.23	3,827.92
Net profit Ratio (%)	2.83	0.96	1.67	7.44	12.99	19.44	1.15	0.00	0.02	3.00	6.00	11.00
Return on Equity (%)	10.25	3.57	6.94	7.52	14.52	27.89	0.04	0.01	0.17	6.00	9.00	10.00
Return on Capital Employed (%)	12.50	8.61	9.06	15.37	0.23	0.38	0.16	0.11	0.19	6.00	13.00	21.00
Net Cash from/ (used in) Operating Activities	(491.15)	1,006.93	1,694.12	(13,775.47)	(7,982.38)	30,175.77	7,011.17	5,969.24	4,549.47	14,845.76	(4,564.52)	351.65
Net Cash from/ (used in) Investing Activities	(218.83)	(465.17)	(521.34)	(2,587.11)	(392.40)	(300.58)	(410.18)	(1,314.43)	36.57	(4,626.70)	(30,354.41)	(15,182.50)
Net Cash from/ (used in) Financing Activities	679.86	(520.65)	(1,176.59)	4,286.76	(2,643.43)	(2,136.94)	(6,215.27)	(4,367.49)	(4,514.63)	(10,228.87)	34,880.28	14,926.26
No of Customers	49	48	46	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Revenue From Top 10 Customers	19,010.50	18,180.67	18,020.63	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

As certified by Statutory Auditor by way of their certificate dated June 25, 2025.

Source: *Annual Reports of the respective companies / www.bseindia.com and www.nseindia.com*

Notes:

(a) Total income includes revenue from operation and other income

(b) Revenue from operations means the revenue from operations as appearing in the restated statement of profit & loss for the relevant year/period.

(c) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities

(d) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity.

(e) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.

(f) EBITDA margin is calculated as EBITDA as a percentage of Total Revenue From Operation.

(g) Net Profit for the year represents the restated profits of our Company after deducting all expenses.

(h) Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income.
Return on Equity is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by net worth of the Company at the end of year.

(i) Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt of the current and previous Fiscal).

Weighted average cost of acquisition ("WACA"),

(a) The price per share of our Company based on the primary / new issue of shares

There are no issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, 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)), in a single transaction or multiple transactions combined together over a span of 30 days.

(b) The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities (excluding gifts), where our Promoters, or Promoter Group are a party to the transaction (excluding gifts) during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our 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.

(c) Price per share based on the last five primary or secondary transactions;

There is no such issuance of primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus during the last three years preceding to the date of filing of this Draft Red Herring Prospectus.

(d) Weighted average cost of acquisition, floor price and cap price

Type of Transactions	WACA (₹)	Floor Price (₹ [●])*	Cap Price (₹ [●])*
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our 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	Nil	[●]	[●]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or or shareholder(s) having the right to nominate director(s) in our Board 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 five per cent of the fully diluted paid-up share capital of our 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	Nil	[●]	[●]
In case there is no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either issuance or acquisition/ sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), the information has been disclosed for price per share of our Company based on the last five primary transactions	Nil	[●]	[●]

Type of Transactions	WACA (₹)	Floor Price (₹ [●])*	Cap Price (₹ [●])*
or last five secondary transactions where promoter /promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, during the last three years preceding to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction.			

**To be updated after finalization of issue price*
As certified by Statutory Auditor by way of their certificate dated June 16, 2025.

(e) Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) along with our Company's key performance indicators and financial ratios for the Fiscals 2024, 2023 and 2022. [●]*

*To be included on finalization of price band

(f) Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) in view of the external factors which may have influenced the pricing of the Issue.

[●]

**To be included on finalization of price band*

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SHREE RAM TWISTEX LIMITED ("THE COMPANY"), THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT TAX LAWS IN INDIA

To,
The Board of Directors
Shree Ram Twistex Limited
566P1, Umwada Road,
Near Bajrang Cotspin,
Gondal, Rajkot – 360 311,
Gujarat, India

Dear Sirs,

Re: Proposed public issue of equity shares of face value of Rs. 10/- *each* (the "Equity Shares") of SHREE RAM TWISTEX LIMITED (the "Company") (the "Issue")

Sub.: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct tax laws

We refer to the proposed initial public Issuing of equity shares (the "**Issue**") of the Company. We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company, to its shareholders as per the provisions of the Indian direct tax laws including the Income-tax Act, 1961,("**Act**") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2025-26 relevant to the financial year 2024-25 for inclusion in the Draft Red Herring Prospectus ("**DRHP**") for the proposed initial public Issuing of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct taxation laws including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We do not express any opinion or provide any assurance whether:

- The Company or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its Shareholders in the DRHP for the proposed initial public Issue of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the DRHP and Prospectus.

We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, the Preliminary International Wrap/Issuing Memorandum, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India ("**SEBI**"), the Registrar of Companies, Ahmedabad at Gujarat ("**ROC**") and the stock exchanges, or any other material (including in any corporate or investor presentation made by or on behalf of the Company) to be issued in relation to the Issue (together referred as "**Issue Documents**") or in any other documents in connection with the Issue

All capitalized terms not defined hereinabove shall have the same meaning as defined in the Issue Documents.

For, Doshi Doshi & Co.,
Chartered Accountants

Sd/-
Chintan Doshi
Partner
Membership No.: 158931
FRN: 153683W
Place: Ahmedabad
Date: June 16, 2025
UDIN: 25158931BMIFYV3963

SECTION – IV ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Report on Cotton Yarn" dated June 19, 2025 prepared and issued by Dun & Bradstreet ("**D&B India"**) (the "**D&B Report**"), which was exclusively commissioned and paid for by our Company for the Issue, and was prepared and released by D&B India, who were appointed by us on March 6, 2025. D&B India is not, and has not in the past, been engaged or interested in the formation, or promotion, or management, of our Company. Further, it is an independent agency and D&B India is not a related party, as per the definition of "related party" under the Companies Act, 2013 and the SEBI Listing Regulations, to any of our Company, our Directors, Key Managerial Personnel, Senior Management and Promoters, or the BRLM. The data included herein includes excerpts from the D&B Report which may have been re-ordered by us for the purposes of presentation. Further, the D&B Report was prepared on the basis of information as of specific dates, and opinions in the D&B Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. D&B India has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. A copy of the D&B Report will be available on the website of our Company at www.shreeramtwistex.com until the Bid/Issue Closing Date.*

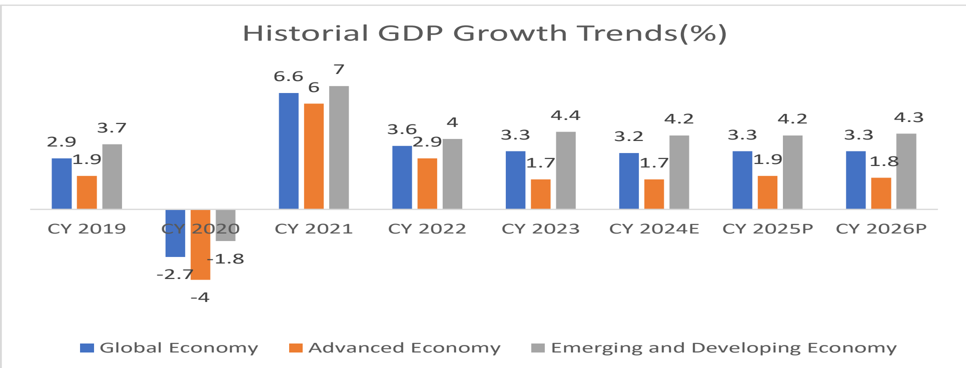
Global Macroeconomic Scenario

Global Economic Overview

The global economy, which grew by 3.3% in 2023, is expected to record a sluggish growth of 3.2% in 2024 before rising modestly to 3.3% in 2025. Between 2021-2022, global banks were carrying a historically high debt burden after COVID-19. Central banks took tight monetary measures to control inflation and spike in commodity prices. Russia's war with Ukraine further affected the global supply chains and inflated the prices of energy and other food items. These factors coupled with war-related economic sanctions impacted the economic activities in Europe. Any further escalation in the war may further affect the rebound of the economy in Europe.

While China, the largest manufacturing hub of world, was facing a crisis in the real estate sector and prices of properties were declining between 2020 - 2023, with the reopening of the economy, consumer demand is picking up again. The Chinese Government took several steps to help the real estate sector including cracking down on debt-ridden developers, announcing stimulus for the sector and measures to encourage the completion and delivery of unfinished real estate projects. The sector is now witnessing investments from developers and demand from buyers.

The year 2024 continued to remain a challenging year marked by uncertainties and transformative shifts. Numerous factors such as high inflation in many economies despite central bank effort to curb inflation, continuing energy market volatility driven by geopolitical tensions particularly in Ukraine and Middle East, and the re-election of Donald Trump as US President extended uncertainty around the trade policies as well as overall global economic growth. High inflation and rising borrowing costs affected the private consumption on one hand while fiscal consolidation impacted the government consumption on the other hand. As a result, global GDP growth is estimated to grow by 3.2% in CY 2024 as compared to 3.3% in CY 2023.

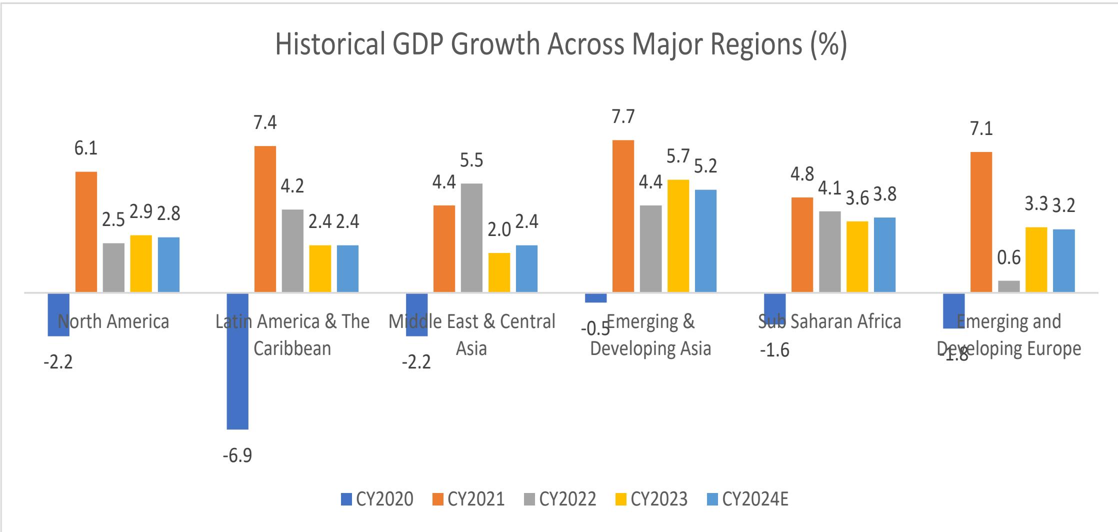


Source – IMF Global GDP Forecast Release January 2025

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

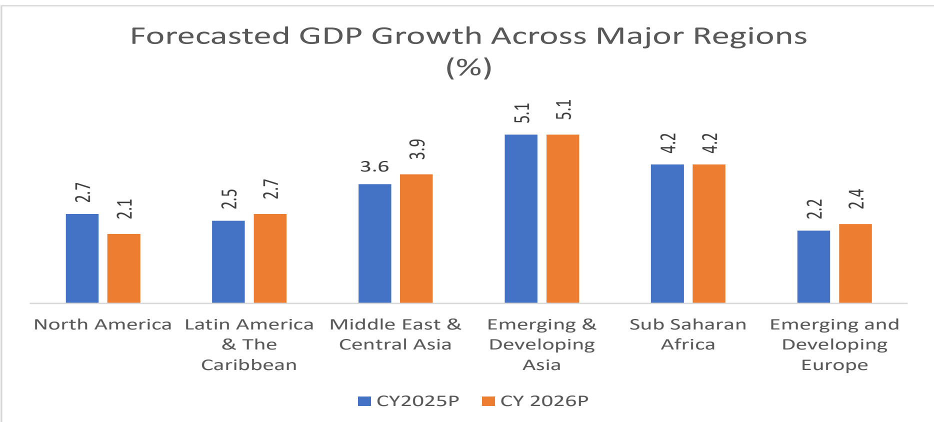
GDP Growth Across Major Regions

GDP growth of major regions including Emerging and Developing Europe, Latin America & The Caribbean, Middle East & Central Asia, and Sub-Saharan Africa, were showing signs of slow growth and recession between 2020 – 2023, but leaving Latin America & The Caribbean, 2024 is expected to show resilience and growth. Meanwhile, GDP growth in Emerging and Developing Asia (India, China, Indonesia, Malaysia, etc.) is expected to decrease from 5.2% in CY 2024 to 5.1% in CY 2025, while in the North America, it is expected to decrease from 2.8% in CY 2024 to 2.7% in CY 2025.



Source-IMF World Economic Outlook January 2025 update.

Except for Emerging and Developing Asia, Emerging and Developing Europe and North America, all other regions are expected to record an increase in GDP growth rate in CY 2025 as compared to CY 2024. Further, growth in the United States is expected to come down at 2.7% in CY 2025 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing aggregate demand. India and China saw greater-than-anticipated growth in 2023 due to heightened government spending and robust domestic demand, respectively. Sub-Saharan Africa's expected growth in 2024 is attributed to the diminishing negative impacts of previous weather shocks and gradual improvements in supply issues.



Source-IMF, OECD, and World Bank, D&B Estimates

Global Economic Outlook

As 2025 begins, there is some uncertainty due to the likely shift in policy following numerous elections around the world. New policies could lead to new trajectories for inflation, borrowing costs, and currency values, as well as trade flows, capital flows, and costs of production. Meanwhile, governments and central banks continue to navigate a balance between a desire to suppress inflation and a goal to boost growth.

Real GDP in advanced economies is projected to grow 1.9% in 2025, up from 1.7% in 2024. In the US, economic activity is expected to remain robust, supported by solid income and productivity, even as real GDP growth slips from 2.8% in 2024 to 2.1% in 2025. In Europe, steady income growth and falling interest rates should drive stronger consumer spending growth and a modest recovery in investment. Real GDP growth in Japan is likely to rebound toward 1.1% driven by a gradual acceleration in real wages and consumer spending. Additionally, real GDP growth in mainland China slowing to 4.6% in 2025 as structural property sector and demographic challenges will restrain economic activity despite fiscal and monetary policy support. India should remain a bright spot, with real GDP growth expected at 6.5%, driven by public investment and strong domestic demand. Latin America is expected to see a mildly stronger expansion, despite a notable slowdown in growth in Brazil.

The emerging markets that have advantageous locations and preferential trade agreements across major blocs will grow. India, Saudi Arabia, Mexico, Brazil, the United Arab Emirates and Southeast Asian economies will benefit from maintaining or developing strong trade and investment relations across geopolitical blocs. India will continue to foster trade and investment ties across geopolitical divides while being a critical driver of South-South trade. Southeast Asia is likely to remain the top destination for foreign investment among emerging markets. In the US, protectionist measures will be used in a transactional manner to extract trade, immigration, drug traffic control, defense spending and other political concessions from trading partners. We anticipate targeted tariffs on trading partners. However, we note that a scenario factoring 60% tariffs on Chinese imports and a 10% universal tariff on all imports from other US trading partners (assuming proportional retaliation against US exports) would reduce global GDP by 1.4% after two years, with GDP in the US, mainland China, Mexico and Canada reduced by 2.0% to 3.0%.

In Europe, the European Commission will also make increasing use of trade-defensive tools such as tariffs and step up scrutiny of foreign direct investments in strategic sectors. And, in emerging countries, this trend will increasingly manifest in resource nationalism, as governments from Mexico to Indonesia seek greater state involvement in the resources sector or higher value-added process to occur domestically.

Global inflation is expected to decline steadily, to 4.2% in 2025 and to 3.5% in 2026 still somewhat higher than the 3.1% pace in 2019. In advanced economies, where inflation surged to multidecade highs following the pandemic, price pressures are expected to moderate but remain uneven. Wage cost pressures, potential tariffs and limited innovation undermining global competitiveness in some sectors are likely to persist across European economies and the UK. In the US, we expect the moderating trend in inflation will remain in place through early 2025, though it could then change as deregulation, potential immigration restrictions and tariffs lead to a renewed inflation impulse. In contrast to President-elect Trump’s first term, these inflationary pressures would come in a new paradigm defined by fragile supply conditions, elevated geopolitical tensions and structural upside risks to inflation. Geopolitical tensions such as the wars in Ukraine and the Middle East could further exacerbate inflation volatility, particularly in energy and agricultural commodities.

Mainland China will face a different macroeconomic challenge: the risk of deflation due to subdued consumer spending trends, cautious business investment and ongoing deleveraging in the property sector. This has prompted authorities to announce stimulus measures to prevent exacerbating deflationary pressures. Indeed, deflation could slow the economic recovery by delaying consumer purchases, eroding corporate revenues and worsening real debt burdens, particularly if property sector weakness and slowing exports continue to weigh on private sector confidence. Emerging markets will grapple with the challenge of curbing inflation while contending with fragile supply chains, volatile commodity prices and foreign exchange fluctuations. Several Asian emerging economies, including India and Indonesia, are better positioned to maintain price stability due to proactive fiscal measures and monetary prudence. The combination of a diversified supply base that mitigates reliance on external inputs and importing deflation from China should further support disinflation.

India Macroeconomic Scenario

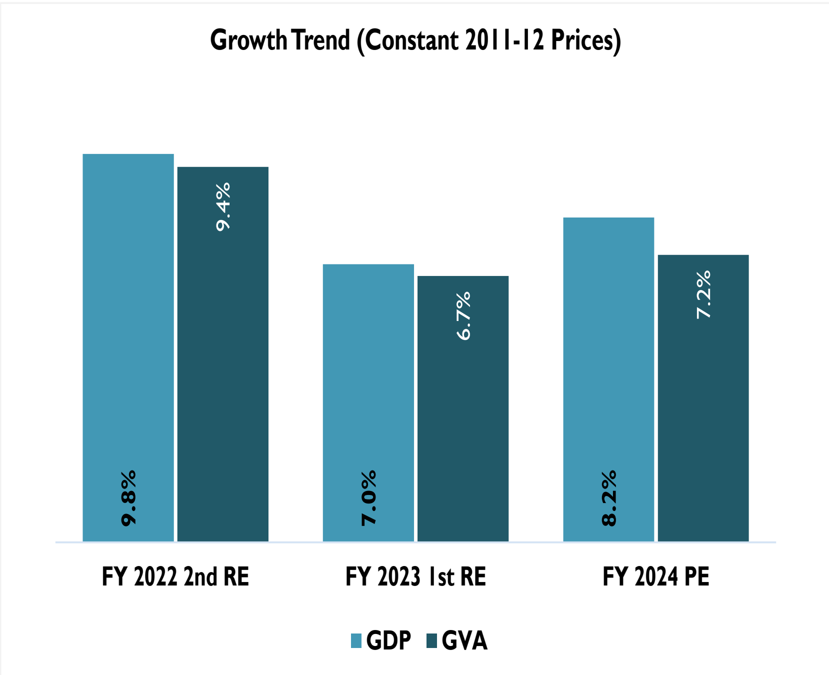
In India, growth is expected to decelerate to 6.5% in FY 2024 from 8.2% in FY 2023, reflecting a slowdown in investment and weak manufacturing growth. However, services activity has been steady, while growth in the agricultural sector has recovered. Private consumption growth has remained resilient, primarily driven by improved rural incomes accompanied by a recovery of agricultural output. In contrast, higher inflation and slower credit growth have curbed consumption in urban areas.

Country	Real GDP Growth (CY 2023)	Estimated GDP Growth (CY 2024)	Projected GDP Growth (CY 2025)	Projected GDP Growth (CY 2026)
India	8.2%	6.5%	6.5%	6.5%
China	5.2%	4.8%	4.6%	4.5%
Russia	3.6%	3.8%	1.4%	1.2%
Brazil	3.2%	3.7%	2.2%	2.2%
United States	2.9%	2.8%	2.7%	2.1%
Japan	1.5%	-0.2%	1.1%	0.8%
Canada	1.5%	1.3%	2.0%	2.0%
France	1.1%	1.1%	0.8%	1.1%
Italy	0.7%	0.6%	0.7%	0.9%
South Africa	0.7%	0.8%	1.5%	1.6%
United Kingdom	0.3%	0.9%	1.6%	1.5%
Germany	-0.3%	-0.2%	0.3%	1.1%

Source-IMF World Economic Outlook January 2025 update.
Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South)
Countries have been arranged in descending order of GDP growth in 2023)

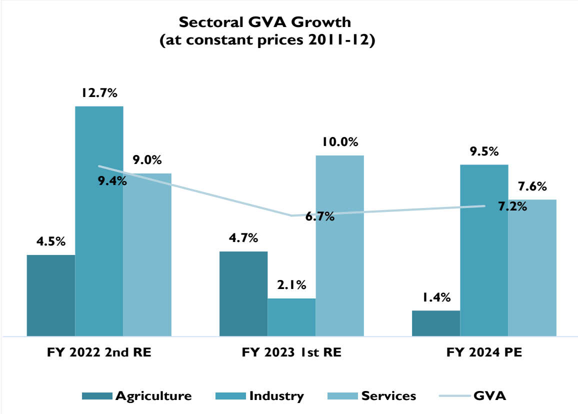
Historical GDP and GVA Growth trend

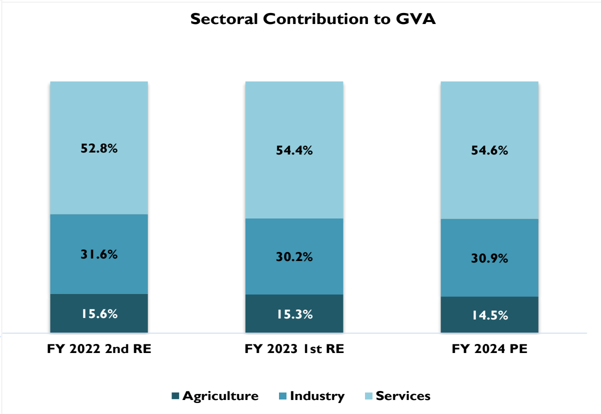
As per the provisional estimates 2023-24, India's GDP in FY 2024 grew by 8.2% compared to 7.0% in the previous fiscal on the back of solid performances in manufacturing, mining, and construction sectors. The year-on-year increase in growth rate is also partly due to by a strong growth in investment demand led by public capital expenditure.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics, 2023-24

Sectoral Contribution to GVA and annual growth trend





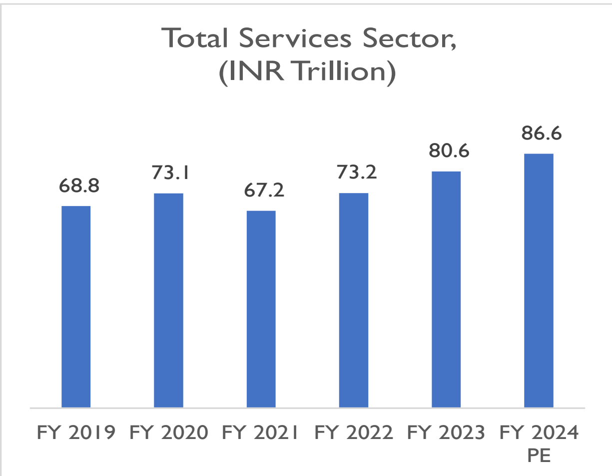
Source: Ministry of Statistics & Programme Implementation (MOSPI)

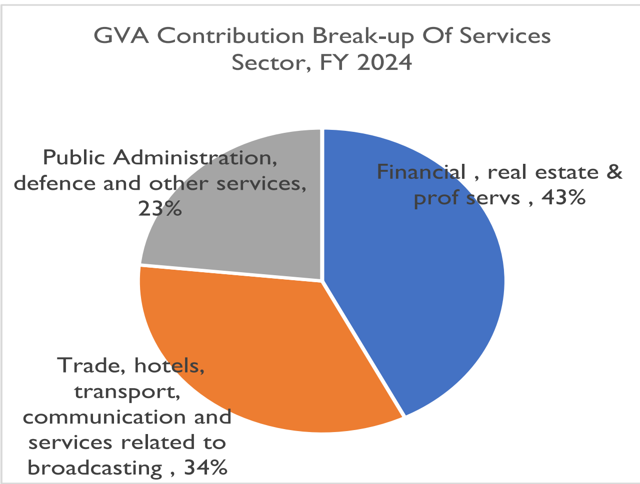
Sectoral analysis of GVA reveals industrial sector recovered sharply registering 9.5% y-o-y increase in FY 2024 against 2.1% in the previous fiscal. In the industrial sector, growth across major economic activity such as mining, manufacturing and construction sector rose significantly and it registered a growth of 7.1%, 9.9% and 9.9% in FY 2024 against a y-o-y change of 1.9%, -2.20%, and 9.44% in FY 2023, respectively. Utilities sector observed a marginal moderation in y-o-y growth to 7.5% against 9.44% in the previous years.

Talking about the services sector's performance, with major relaxation in covid restriction, progress on COVID-19 vaccination and living with virus attitude, business in the service sector gradually returned to normalcy in FY 2023. Economic recovery was supported by the service sector as individual mobility returned to the pre-pandemic level. The trade, hotel, transport, communication, and broadcasting segment continued to strengthen in FY 2023 and grow in FY 2024, although the growth hasn't shown substantial increases. In FY 2024, services sector grew by 7.6% against 10% y-o-y growth in the previous year.

Expansion in Service Sector

Services sector is a major contributor to the country's overall economic growth. In absolute terms, services sector GVA has increased from INR 68.78 trillion in FY 2019 to INR 86.6 trillion in FY 2024 (as per the provisional estimated), registering a CAGR of nearly 5%. Within Services sector, the GVA by financial, real estate and professional services-the largest contributing segment observed 6.3% CAGR while Public Administration, defence and other services1 observed 4.5% CAGR and Trade, hotels, transport, communication, and services related to broadcasting witnessed 3.1% CAGR between FY 2019-24.





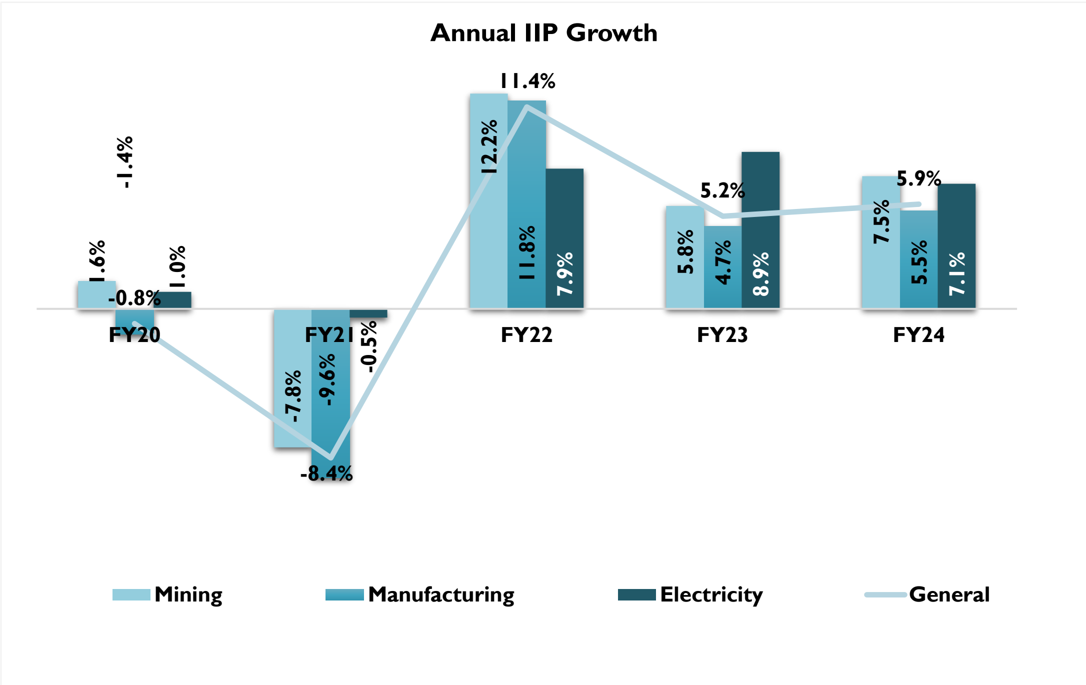
Sources: MOSPI, CMIE Economic Outlook and Dun & Bradstreet Research Estimates2F[2]

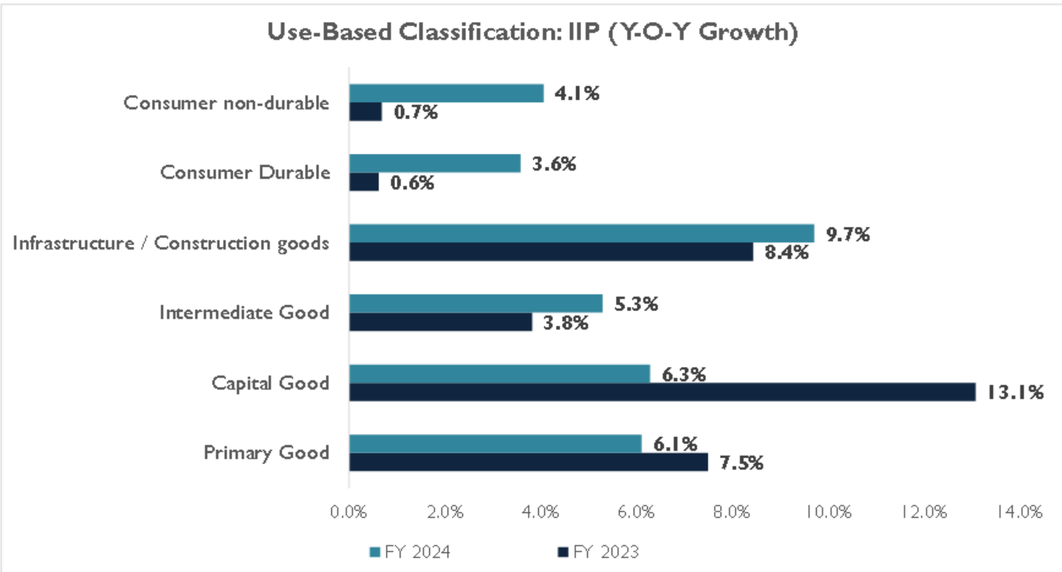
[1] Other services include Education, Health, Recreation, and other personal services.
[2] Projection as Based on CMIE Growth rate till FY 2029 and FY 2030 is based on Dun & Bradstreet assumption.

India's HSBC Services Purchasing Managers' Index, an important indicator to track service sector performance, measured 60.3 in July 2024 against 60.5 in the previous month. Since August 2021, the services sector has consistently remained above the threshold of 50, which distinguishes growth from contraction.

IIP Growth

Industrial sector performance as measured by IIP index; in FY 2024 it is growing at 5.9% (against 5.2% in FY 2023). Previously IIP index exhibited temporary recovery in FY 2022 from the low of Covid induced slowdown in industrial growth during FY 2020 and FY 2021. Manufacturing index, with 77.6% weightage in overall index, grew by 5.5% in FY 2024 against 4.7% y-o-y growth in FY 2023 while mining sector index too grew by 7.5% in FY 2024 against 5.8% in the previous years. Mining & manufacturing both shown improvement according to previous except the Electricity Sector Index, witnessed an improvement of 7.1% in FY 2024 against 8.9% in the previous year.

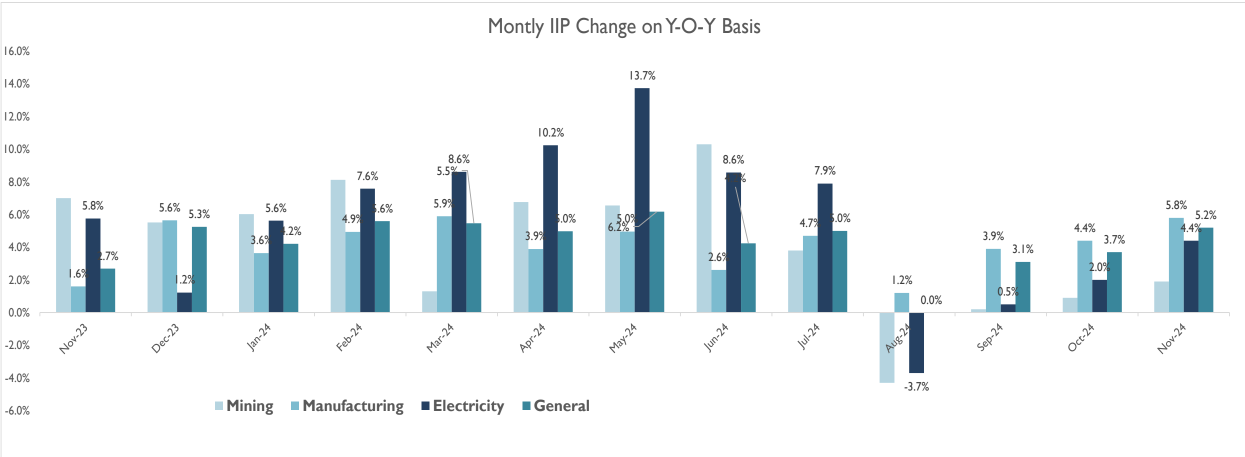




Source: Ministry of Statistics & Programme Implementation (MOSPI)

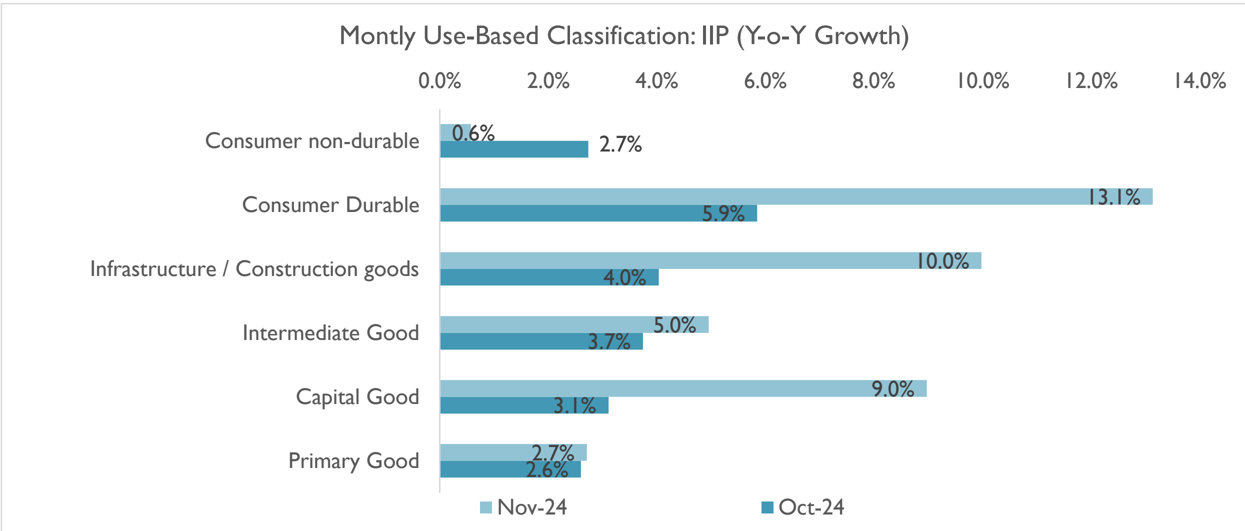
As per the use-based classification, most segments have shown growth for FY 2024 compared to FY 2023. Capital good and primary goods were segments which faced less growth as compared to previous year. The contracting IIP data points towards adverse operating business climate as global headwinds, high inflation, and monetary tightening cumulatively impacted the broader industrial sector performance. In contrast all the segments except the above two have shown growth.

Monthly IIP Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI)

In the current fiscal FY 2025, the monthly IIP measured index has reported steady improvement over the last fiscal. Overall IIP index grew by 5.2% in November 2024 against 2.3% y-o-y growth observed in November 2023. However, the mining sector index growth slowed to 1.9% in November 2024, against 7.0% y-o-y growth in November 2023 while the manufacturing sector index exhibited substantial improvement and they grew by 5.8% in November 2024 against 1.6% in November 2023, respectively.



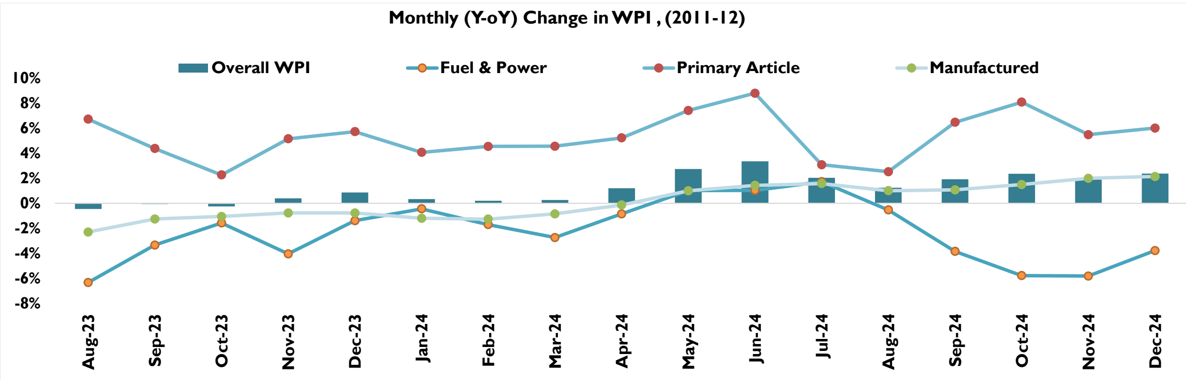
Sources: MOSPI

As per the use-based classification, growth in all segments excluding consumer non- durable increased in November 2024 as compared to the previous month. Growth in consumer non-durable segment slowed in November 2024 to 0.6% as against 2.7% in October 2024.

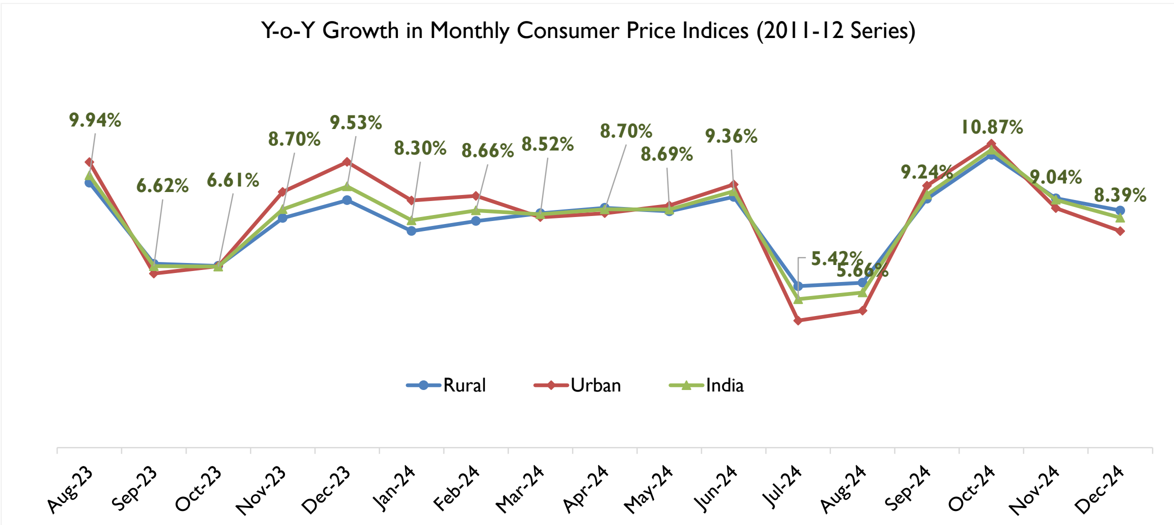
Inflation Scenario

The inflation rate based on India's Wholesale Price Index (WPI) exhibited significant fluctuations across different sectors from August 2023 to December 2024. Overall WPI number measured 2.4% in December 2024. Positive rate of inflation in December 2024 is primarily due to increase in prices of food articles, manufacture of food products, other manufacturing, manufacture of textiles and non-food articles etc. By December 2024, Primary Articles WPI inflation moderated compared to October prices level but increase marginally compared to the previous month and measured 6.0%. The Price of food articles (-3.08%) and crude petroleum & natural gas (-2.87%) decreased in December 2024 compared to the previous month i.e. November 2024. However, the Price of non-food articles grew by 2.53% and minerals by 0.48% in December 2024 as compared to November 2024.

Moreover, power & fuel, the index for this major group increased by 1.90% to 149.9 in December 2024 from 147.1 in the month of November 2024. Price of electricity (8.81%) and coal (0.07%) increased in December 2024. The price of mineral oils (-0.06%) decreased in December 2024 as compared to November 2024.



Source: MOSPI, Office of Economic Advisor.



Source: MOSPI, Office of Economic Advisor

Retail inflation rate (as measured by the Consumer Price Index) in India showed notable fluctuations between August 2023 and December 2024. Rural CPI inflation peaked at 9.67% in August 2023, declining to 8.65 % in December 2024. Urban CPI inflation followed a similar trend, rising to 10.42% in August 2023 and then dropping to 7.90% in December 2024. Overall, the national CPI inflation rate increased to 9.94% in August 2023 but moderated to 8.39% by December 2024, indicating a gradual easing of inflationary pressures across both rural and urban areas. CPI measured above 6% tolerance limit of the central bank since July 2023. As a part of an anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 to the current 6.5% while it has been holding the rate at 6.5% since 8 Feb 2023.

Growth Outlook

India's H1 FY2024-25 GDP slowdown is cyclical, driven by credit tightening and delayed fiscal spending, but strong fundamentals should support growth in the second half of the fiscal year. Politically, the continuation of the National Democratic Alliance (NDA) government signals sustained reforms, with optimism around labour and land reforms. The government is also taking steps to control retail inflation by managing food prices and import duties. Retail inflation eased to 5.2% y/y in December, down from 5.5% in November as vegetable prices moderated following a bumper summer harvest and favourable monsoon. Still-high food prices and geopolitical tensions continue to pose risks to inflation and growth. High retail credit and rising unsecured loans signal consumption-driven borrowing, yet urban demand remains under pressure. Rural demand has shown resilience, benefitting from favourable monsoons, robust agricultural output and elevated food prices. The RBI's September economic review highlighted a contrasting trend in rural and urban consumption demand in H1 FY2024- 25, with rural demand remaining robust, while urban demand showed weakness.

On external front, the global business environment remains cautious, with geopolitical tensions, particularly in Gaza, posing potential risks to global stability. In mid-January 2025, the Indian rupee dropped below INR 86.6 USD, due to strong dollar demand from foreign banks, likely due to outflows from equities and the weakness in regional peers as the dollar strengthened. Rupee continued to face pressure due to sustained foreign fund outflows and the broad strength of the American currency in the overseas markets due to unabated dollar demand from oil importers and weak risk appetite

Looking ahead to 2025, India's projected GDP growth of 6.5% stands out as the fastest among major emerging markets, significantly outpacing China's 4.6%, and Brazil's 2.2%. This robust growth trajectory is expected to sustain at 6.5% annually from 2025 to 2026, reflecting strong economic fundamentals and continued momentum.

This decent growth momentum in near term CY 2025 is accompanied by a slowdown in inflation, as well as various other factors in the medium to long term that will support the economy. These include enhancements in physical infrastructure, advancements in digital and payment technology, improvements in the ease of doing business and a higher quality of fiscal expenditure to foster sustained growth.

On the demand side, improving employment conditions and moderating inflation are expected to stimulate household consumption. Further, the investment cycle is gaining traction, propelled by sustained government capital expenditure, increased capacity utilization and rising credit flow.

From uplifting the underprivileged to energizing the nation's infrastructure development, the Government has outlined its vision to propel India's advancement and achieve a 'Viksit Bharat' by 2047 in the interim budget announced on1st Feb 2024. The Union Budget for FY26, which takes a balanced approach to sustaining economic momentum. With a focus on stimulating demand, driving investment and ensuring inclusive development, the budget introduces measures such as tax relief, increased infrastructure spending and incentives for manufacturing and clean energy. These initiatives aim to accelerate growth while maintaining fiscal discipline, reinforcing India's long-term economic resilience. The expansion of tax relief i.e. zero tax liability for individuals earning up to INR 12 lacs annually under the new tax regime is expected to strengthen household finances and, consequently, boost consumption.

Textile Industry in India

Overview

India ranks as the 6th largest exporter of textiles and apparel globally, with the sector, including handicrafts, accounting for a significant 8.21% of the country's total exports in 2023-24. India holds a 3.91% share in the global textile and apparel trade. The USA and the European Union are the primary export destinations, collectively making up approximately 47% of India's total textile and apparel exports.

The industry plays a crucial role in employment, directly providing jobs to over 45 million people and supporting the livelihoods of more than 100 million individuals indirectly, including a substantial number of women and rural workers. The sector aligns seamlessly with key government initiatives such as Make in India, Skill India, Women Empowerment, and Rural Youth Employment.

To promote inclusive and participatory growth, the government remains focused on strengthening textile manufacturing by developing world-class infrastructure, advancing technology, fostering innovation, enhancing skill development, and leveraging India's traditional strengths in textiles. India's textile industry contributes around 2.3% to the GDP and provides direct and indirect employment to over 65 million people. As a significant textile producer, the sector is projected to reach $350 billion by 2030, with an estimated addition of 35 million jobs.

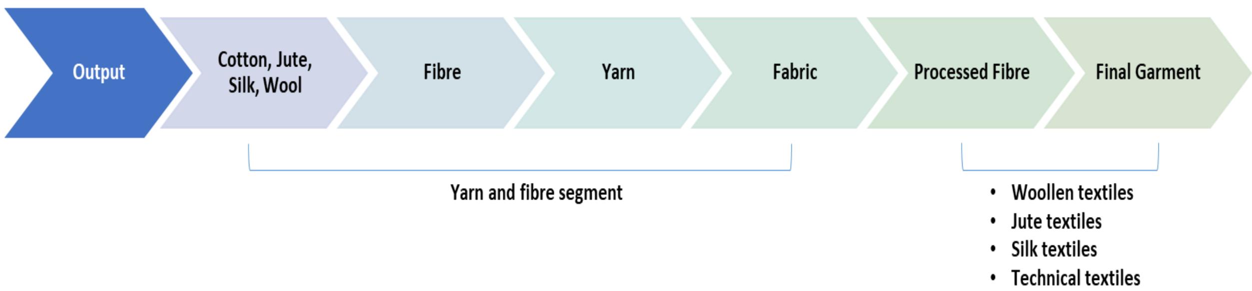
The textile sector is expected to benefit from government policies focused on increasing exports and improving competitiveness. The Union Budget for 2025-26 highlights efforts to strengthen manufacturing and support exports through initiatives like the Cotton Productivity Mission, which aims to enhance cotton quality and production.

India is a major manufacturer of PPE and is projected to reach $92.5 billion by 2025, up from $52.7 billion in 2019. The country is also a significant producer of textiles and garments and exports apparel, home textiles, and technical products. The textile and apparel industry contributes 2.3% to India's GDP, 13% to industrial production, and 10.5% to exports, with its GDP contribution expected to increase to around 5% by the end of the decade.

India accounts for 4.6% of global textile and apparel trade and is a key exporter in multiple textile segments. In FY25 (April-June), exports of readymade garments, including accessories, were valued at $2,244 million. The sector aims to achieve $100 billion in exports by FY30, compared to $34.43 billion in FY24.

The industry employs approximately 45 million people, including 3.5 million in the handloom sector. The textile sector has shown recovery post-pandemic, with the Manufacturing of Textiles Index reaching 106 in June 2024.

Key segments



Cotton:

India is the leading producer of cotton, often referred to as White Gold, and cultivates all four species: Gossypium arboreum and G. herbaceum (Asian cotton), G. barbadense (Egyptian cotton), and G. hirsutum (American Upland cotton).

Wool:

India ranks as the ninth-largest wool producer globally and produces three main categories: Carpet Grade, Apparel Grade, and Coarser Grade.

Silk:

India is the second-largest producer of silk and manufactures four types of natural silk: Mulberry, Eri, Tasar, and Muga.

Man-Made Fibres (MMF):

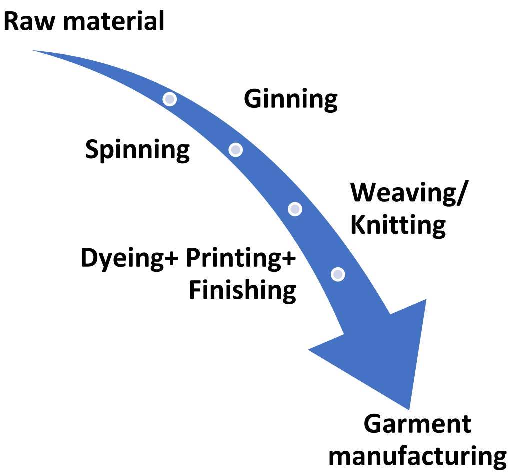
The MMF industry accounts for 17% of India's textile exports, with the country ranking as the sixth-largest exporter of MMF textiles worldwide.

Technical Textiles:

These textiles are designed for technical performance and functionality, with applications in industries such as construction, agriculture, aerospace, automotive, healthcare, protective gear, and home care.

Mapping the textile manufacturing process & value chain (from input material to finished product)

Textile manufacturing involves converting raw fibres into finished materials such as fabrics and clothing. The process begins with fibre sourcing, which includes natural fibres like cotton, wool, and silk, as well as synthetic fibres such as polyester and nylon. While cotton remains the most commonly used natural fibre, synthetic fibres are widely favoured for their durability and cost-effectiveness. However, their extensive use raises environmental concerns, as they are derived from petrochemicals and contribute to micro plastic pollution. Textiles are responsible for approximately 9% of annual micro plastic losses to the ocean, with the production and washing of synthetic fabrics releasing plastic particles that persist in ecosystems.



1. **Raw Material**

   The textile manufacturing process begins with sourcing raw materials, which can be natural or synthetic. Natural fibres like cotton, wool, silk, and flax (linen) come from plants and animals, while synthetic fibres such as polyester, nylon, and acrylic are derived from petrochemicals. The quality and type of fibre used play a crucial role in determining the properties of the final textile product.

2. **Ginning**

   Ginning is an essential process for cotton textiles, where raw cotton fibres are separated from seeds. This is done using ginning machines that remove impurities and ensure cleaner fibres. The cleaned cotton is then pressed into bales for easy transport to spinning mills. Proper ginning enhances fibre quality and contributes to the efficiency of subsequent textile processes.

3. **Spinning**

   The production of textile products from cotton fibre occurs through a two-stage process. The initial phase involves transforming raw cotton fibre into yarn via the spinning process. The subsequent phase converts the cotton yarn into fabric through weaving. It is important to recognize that these two stages represent a broad classification that also encompasses various other activities, such as mixing, carding, combing, drawing, roving, warping, and finishing. However, spinning and weaving are the fundamental processes at the heart of cotton fabric production.

4. **Weaving/Knitting**

Once the yarn is prepared, it is converted into fabric through weaving or knitting. Weaving involves interlacing yarns at right angles using looms to produce fabrics like denim, cotton blends, and polyester textiles. Knitting, on the other hand, loops yarns together, creating stretchable and breathable fabrics such as jersey and wool-based textiles. The selection of weaving or knitting depends on the intended application of the fabric, whether for casual wear, sportswear, or industrial use.

5. **Dyeing, Printing & Finishing**

The fabric undergoes dyeing, printing, and finishing to enhance its appearance and functionality. Dyeing involves adding colour to the fabric using chemical or natural dyes. Printing applies patterns or designs using methods like screen printing, digital printing, or block printing. Finishing treatments improve fabric properties, such as softness, water resistance, and wrinkle resistance. Techniques like mercerization add luster to cotton, while sanforization prevents shrinkage, making the fabric more durable and suitable for end-use.

6. **Garment Manufacturing**

The final stage of textile production is garment manufacturing, where fabrics are transformed into finished clothing items. The process begins with pattern making, followed by fabric cutting and stitching. Quality control ensures that garments meet industry standards for fit, durability, and aesthetics. Finally, garments are ironed, packaged, and distributed to retailers or directly to consumers. This stage is crucial for ensuring that the finished product is market-ready and meets customer expectations.

Insight on textile production scenario

The textile production scenario, particularly in India, is undergoing a dynamic phase marked by both challenges and opportunities. The industry has faced significant headwinds due to fluctuating cotton prices, which have adversely impacted production costs and profitability. Additionally, diminishing demand from major export markets such as the United States and the European Union has led to reduced capacity utilization and a decline in exports. For instance, US garment imports reportedly fell by **22.8%** in value terms as of September 2023. Rising freight costs, driven by geopolitical unrest, have further strained operational budgets, increasing pricing pressures and affecting competitiveness. Furthermore, the influx of imported fabrics and garments from countries like China and Bangladesh has intensified competition for domestic manufacturers, with issues such as under-invoicing exacerbating the situation.

Despite these challenges, there are several positive developments that indicate a promising future for the sector. The technical textiles and man-made fibre segments are expected to grow significantly, supported by government initiatives aimed at boosting global market share. Sustainability and traceability are becoming key focus areas for manufacturers, with increased investments in recycling technologies and water-saving practices. Government interventions, such as the **PM MITRA Park Scheme** and branding initiatives like **Kasturi Cotton** to enhance cotton production, are also expected to bolster the industry's growth trajectory. Furthermore, market diversification strategies are being encouraged to reduce dependency on traditional markets. Exploring new destinations like Japan and leveraging anticipated free trade agreements with the EU and UK could provide additional growth opportunities.

India's textile industry is currently valued at **$174 billion** and is projected to reach **$350 billion by 2030**. Employing over 45 million people and producing **approximately 22 billion** garments annually, the sector holds a **4.5%** share in global textile trade and ranks fifth globally in production. While challenges such as demand fluctuations and competitive pressures persist, the industry's focus on sustainability, innovation, and government-backed initiatives presents a pathway for long-term growth and resilience.

Cotton Production in India

Cotton cultivation in India: Area under production, key growing hubs / states

Cotton is a significant commercial crop in India, contributing approximately 23% of global cotton production. It supports the livelihood of around 6 million cotton farmers and 40-50 million people involved in related activities such as cotton processing and trade. The Indian textile industry utilizes a variety of fibres and yarns, with a cotton-to-non-cotton fibre usage ratio of about 60:40, compared to 30:70 globally. In addition to providing clothing, cotton plays a key role in India's foreign exchange earnings through exports of raw cotton, intermediate products like yarn and fabrics, and finished goods such as garments, made-ups, and knitwear. Due to its economic significance, cotton is sometimes referred to as "White Gold" in India.

Cotton Acreage and yield

Cotton Year	Cotton Average (in lakh hectares)	Cotton Yield (Lint in Kg/ha)
2019-20	134.77	460
2020-21	132.85	451
2021-22	123.71	428
2022-23	130.61	447

Source: Ministry of Textiles

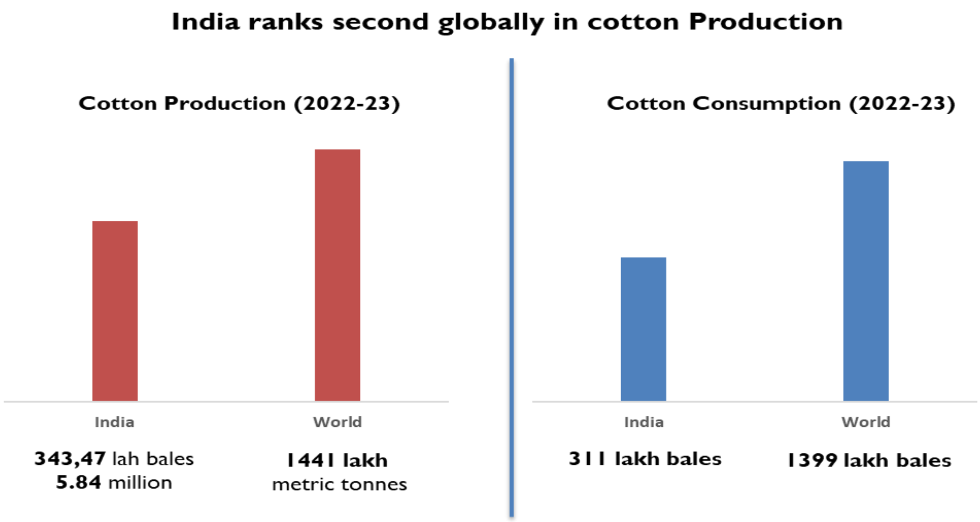
India has the largest cotton acreage globally, with 130.61 lakh hectares under cultivation, covering about 40% of the world's total cotton-growing area of 324.16 lakh hectares. Around 67% of India's cotton is grown in rain-fed regions, while 33% is cultivated on irrigated land. In terms of productivity, India ranks 39th, with a yield of 447 kg/ha.

India is the only country that cultivates all four species of cotton: Gossypium arboreum and Gossypium herbaceum (Asian cotton), Gossypium barbadense (Egyptian cotton), and Gossypium hirsutum (American Upland cotton). Gossypium hirsutum accounts for 90% of hybrid cotton production in India, and all current Bt cotton hybrids belong to this species.

Cotton production in India is concentrated in nine major states, categorized into three agro-ecological zones:

- **Northern Zone**: Punjab, Haryana, and Rajasthan
- **Central Zone**: Gujarat, Maharashtra, and Madhya Pradesh
- **Southern Zone**: Telangana, Andhra Pradesh, and Karnataka

Additionally, cotton is cultivated in Odisha and Tamil Nadu.



Source: Ministry of Textiles

India ranks second globally in cotton production, with an output of 343.47 lakh bales (5.84 million metric tonnes) during the 2022-23 cotton season, accounting for 23.83% of the world's total production of 1441 lakh bales (24.51 million metric tonnes). Additionally, India is the world's second-largest consumer of cotton, with an estimated consumption of 311 lakh bales (5.29 million metric tonnes), representing 22.24% of the global consumption of 1399 lakh bales (23.79 million metric tonnes).

- Key growing hubs / states-

Rank	State	Contribution to Total Cotton Production
1	Gujarat	27%
2	Maharashtra	23%
3	Telangana	16%
4	Rajasthan	8%
5	Karnataka	6%
6	Andhra Pradesh	5%
7	Haryana	5%
8	Madhya Pradesh	4%
9	Punjab	3%
10	Odisha	2%

Source: Ministry of Textiles

- **Gujarat** (27%)

  Gujarat is the largest cotton-producing state in India, contributing 27% to the total national production. Gujarat, often referred to as the 'Cotton Bowl' of India, is the leading producer, contributing approximately 9 million bales annually, with prominent districts like Rajkot, Surendranagar, and Bhavnagar. The state's black soil (Regur soil) and semi-arid climate create ideal conditions for cotton cultivation. Gujarat is known for high-yield varieties, and irrigation facilities in some regions further enhance production. The state is also home to a large number of textile mills and ginning factories, strengthening the cotton value chain.

- **Maharashtra** (23%)

  Maharashtra ranks second in cotton production with a 23% share. Maharashtra follows closely, producing around 8.5 million bales annually, primarily in the Vidarbha region, including districts like Yavatmal, Akola, and Amravati. However, the state's cotton farmers face challenges such as unpredictable rainfall, drought conditions, and soil degradation. Despite these difficulties, Maharashtra remains a significant contributor to India’s cotton industry, with extensive use of genetically modified (BT) cotton to boost yields.

- **Telangana** (16%)

  Telangana is the third-largest cotton-producing state, contributing 16% to India’s total production. Telangana has emerged as a significant player in recent years, producing about 5.5 million bales annually in districts such as Warangal, Adilabad, and Nizamabad. The state has witnessed rapid growth in cotton cultivation due to favourable climatic conditions, government support, and widespread adoption of BT cotton. The availability of irrigation from the Godavari and Krishna rivers has also played a crucial role in increasing cotton output. Telangana’s cotton industry is well-connected to textile hubs, ensuring a strong market for farmers.

Annual production & consumption of cotton (in terms of volume)

Production and consumption of cotton

Cotton Year	Production (in lakh bales)	Consumption (including MSME, non-MSME and Non Textile) (in lakh bales)
2019-20	365.00	269.19
2020-21	352.48	334.87
2021-22	311.17	322.41
2022-23	343.47	311.00
2023-24	398.38	351.00

Source: Ministry of Textiles

Cotton production and consumption from 2019-20 to 2022-23 highlights significant trends and fluctuations in India's cotton industry. In 2019-20, production stood at 365 lakh bales, significantly exceeding consumption, which was **269.19 lakh bales**, indicating a surplus year. However, in 2020-21, while **production declined to 352.48 lakh bales**, consumption saw a sharp rise to **334.87 lakh bales**, suggesting increased demand, possibly due to economic recovery post-pandemic, higher textile industry operations, or export growth.

The most notable shift occurred in 2021-22 when production dropped substantially to **311.17 lakh bales,** marking the lowest production in four years, while **consumption remained high at 322.41 lakh bales.** This created a scenario were consumption nearly matched production, leading to potential supply concerns. Several factors, such as adverse weather conditions, pest infestations, or lower acreage under cotton cultivation, might have contributed to this decline in output.

In 2022-23, cotton **production rebounded** to **343.47 lakh bales**, reflecting improved agricultural conditions, better yields, or government support measures. However, **consumption declined slightly** to **311 lakh bales**, possibly due to reduced industrial demand, global market changes, or price fluctuations affecting domestic usage. The most notable change occurred in 2023-24, where production surged to **398.38 lakh bales,** surpassing previous years and ensuring a substantial supply over the **consumption level of 351 lakh bales.** Over the four years, while production generally remained higher than consumption, the gap between the two varied, with 2021-22 being the only year where demand almost surpassed supply. These trends indicate the dynamic nature of India's cotton industry, influenced by both internal agricultural factors and external market forces, emphasizing the need for strategic planning in cotton cultivation, pricing, and trade policies.

Consumption pattern by end use segment (mills / non-mills / SSI units / Others)

1. Mills (Large and Medium Industries)

- **Energy Utilization**

  Mills, such as those in the grain processing sector, are significant users of energy. Studies indicate that a portion of the electrical load in Karnataka's industrial sector is attributed to these mills.

  The specific energy consumption (SEC) varies among different mills. For example, SEC for grain mills ranges from 0.01 to 0.43 kWh per unit of production depending on the type of energy used (electricity vs. biomass) and the district.

- **Types of Energy Used**

  Mills use both commercial (electricity, coal, oil) and non-commercial energy sources (fuelwood, agricultural waste). In Karnataka, consumption is distributed between these two categories.

  A portion of the total electricity produced is consumed by industrial units, reflecting their reliance on high-quality energy sources for operation.

2. Non-Mills (Power looms, Handlooms, Hosiery)

Energy Consumption Patterns

Non-mill sectors such as power looms and handlooms have lower energy consumption compared to large mills but remain important to the industrial landscape. These units often rely more on manual labour or limited mechanization.

Energy efficiency in these sectors varies based on technology adoption; for instance, power looms are more energy-intensive than handlooms due to their dependence on electricity.

- **Sectoral Insights**

Comprehensive studies on non-mill sectors are limited, but existing research suggests opportunities for improving energy efficiency across these units.

3. Small-Scale Industries (SSI Units)

- **Energy Consumption Overview**

SSIs include industries such as food processing and textiles. While individual SSIs may have relatively low energy consumption levels, their cumulative impact is notable given the large number of such units across India.

Surveys show that specific energy consumption in SSIs varies significantly; some groups exhibit SEC values differing by a factor of ten or more, indicating potential for energy conservation.

- **Challenges and Opportunities**

Many SSIs operate below their production capacity, with some surveyed units utilizing less than half of their installed capacity. This underutilization contributes to inefficiencies and higher per-unit energy costs.

Targeted studies could help identify specific energy consumption patterns across different SSI sectors to improve efficiency and reduce costs.

4. Others (Cottage Industries, Village Industries)

Energy Use Characteristics

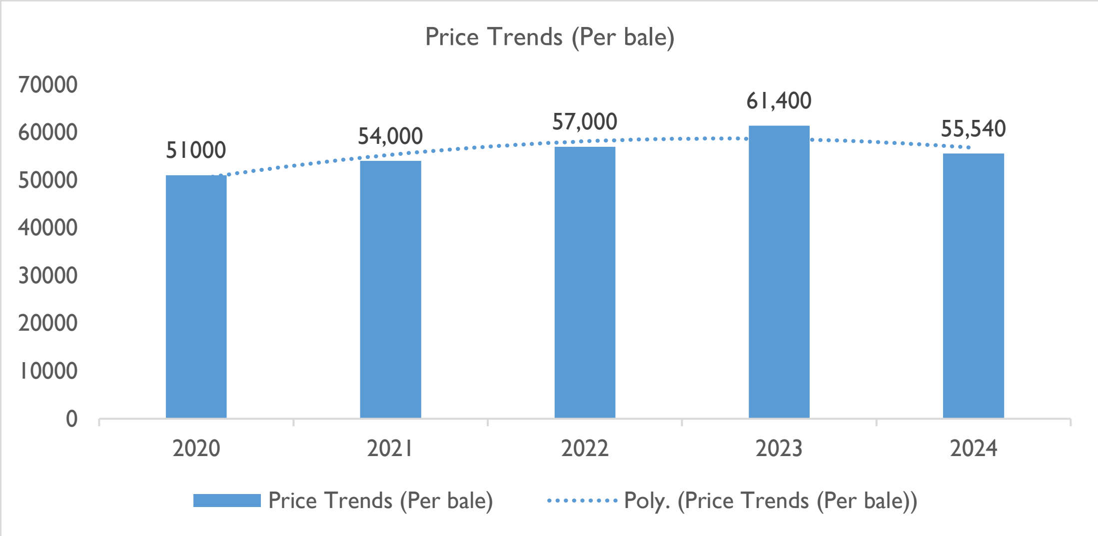
Cottage industries often rely on manual labour and have modest energy demands compared to larger industrial units. They frequently use non-commercial sources like biomass for operations.

These industries are important for rural economies, but face challenges related to modernization and access to efficient technologies.

(*The remainder of this page is intentionally left blank*)

Cotton price movement: Analysis of past 5-year price movement trend

- Price movement of cotton per bale over the past five years (2020-2024)



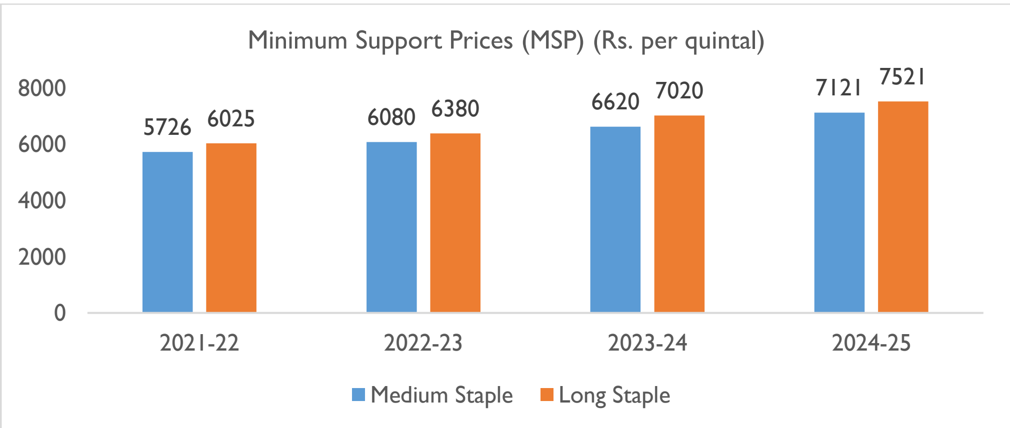
Source: PIB Government, Bank Bazaar

Over the past five years (2020-2024), cotton prices have exhibited a fluctuating trend, starting with a steady rise before experiencing a slight decline. In 2020, the price per bale was ₹51,000, which increased consistently over the following years. By 2021, it had risen to ₹54,000, followed by ₹57,000 in 2022, and reaching a peak of ₹61,400 in 2023. This upward trend suggests strong demand, possible supply shortages, or external market factors driving the price increase. Various influences, including global cotton consumption, agricultural productivity, and economic conditions, may have contributed to this growth.

However, in 2024, the price declined to ₹55,540, indicating a market correction. This drop could be attributed to factors such as increased cotton production, decreased global demand, or regulatory interventions like subsidies and trade policies. The polynomial trend line in the chart reflects this pattern, showing an initial rise followed by stabilization or a slight decrease. The correction suggests that while the market experienced a peak, it has now adjusted to changing supply and demand dynamics.

Despite the decline in 2024, the overall trend since 2020 still reflects price growth, as current levels remain higher than those seen at the beginning of the period. This increase could be linked to inflationary pressures, rising production costs, or shifts in global trade. Additionally, external factors such as climatic conditions, changes in the textile industry, and international market trends could continue to influence price fluctuations.

- Trend in MSP for Medium and Long Staple Cotton (2021-2025)



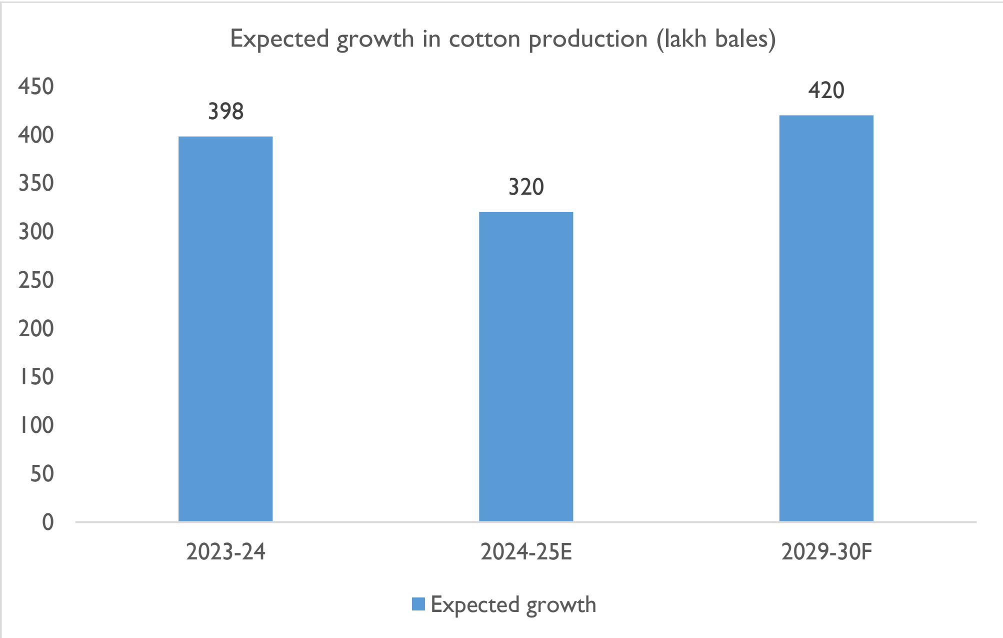
Source: Cotton Association of India

Minimum Support Prices (MSP) for Medium Staple and Long Staple cotton from 2021-22 to 2024-25, measured in Rs. Per quintal. It shows a steady increase in MSP for both categories over the years.

In 2021-22, the MSP for Medium Staple cotton was Rs. 5,726 per quintal, while Long Staple cotton was priced at Rs. 6,025 per quintal. The following year, 2022-23, saw an increase to Rs. 6,080 per quintal for Medium Staple and Rs. 6,380 per quintal for Long Staple. The upward trend continued in 2023-24, with the MSP rising to Rs. 6,620 per quintal for Medium Staple and Rs. 7,020 per quintal for Long Staple. The latest data for 2024-25 reflects further growth, with Medium Staple cotton reaching Rs. 7,121 per quintal and Long Staple cotton at Rs. 7,521 per quintal.

Overall, the MSP for Medium Staple cotton has risen by approximately 24.3% from 2021-22 to 2024-25, while Long Staple cotton has increased by about 24.8% in the same period. The continuous rise in MSP suggests an effort to enhance farmers' income while accounting for inflation and production costs.

Expected growth in cotton production in India (next 5 years)



Source: OECD-FAO Agricultural Outlook 2021-2030

Global cotton production is projected to grow steadily, reaching approximately **28.4 million metric tons (Mt) by 2030**. In 2030, India is projected to be the largest producer of cotton, contributing **25%** of global production.

In the year 2023-24, the estimated cotton production is **398 lakh bales**. However, a decline is anticipated in 2024-25, with production expected to drop to **320 lakh bales**. This decrease could be attributed to factors such as climate conditions, reduced sowing area, or lower yield per hectare. Despite this temporary decline, the long-term forecast for 2029-30 projects a significant recovery, with **production expected to rise to 420 lakh bales**. This indicates a positive growth trend in the long run, potentially driven by better agricultural practices, improved seed varieties, government support, and increased investments in the cotton sector.

The fluctuations in cotton production reflect the dynamic nature of the agricultural sector, which is influenced by multiple factors, including weather conditions, government policies, global demand, and technological advancements. While the short-term decline may be concerning, the overall long-term growth projection suggests resilience and potential expansion in the Indian cotton industry.

Cotton Yarn Industry in India

Cotton yarn production

The transformation of raw cotton into yarn involves a series of intricate processes, primarily categorized into ginning and spinning. Let's delve deeper into each stage to understand the nuances of cotton yarn production.

- **Ginning Process**

  Ginning is the foundational step in cotton processing, focusing on separating cotton Fibers from seeds and eliminating impurities to prepare the Fibers for spinning

- **Separation (Cotton Picking & Ginning)**
  - Harvesting: Cotton is harvested from fields and transported to ginning facilities.
  - Drying: Upon arrival at the gin, seed cotton is subjected to drying to reduce moisture content, facilitating efficient processing.
  - Initial Cleaning: The dried cotton passes through cleaning equipment to remove foreign matter such as burs, dirt, stems, and leaf material.
  - Ginning: The cleaned cotton is then processed through gin stands where revolving circular saws pull the lint through closely spaced ribs, effectively separating the fibres from the seeds.

- **Cleaning & Baling**
  - Secondary Cleaning: Post-ginning, the lint undergoes additional cleaning to ensure the removal of any remaining impurities, enhancing fibres quality.
  - Moisture Restoration: After cleaning, the cotton may be moistened to prevent fibre breakage during subsequent processing stages.
  - Baling: The cleaned and conditioned lint is then compressed into bales, typically weighing around 227 kilograms (500 pounds), for efficient storage and transportation to spinning mills.

- **Major Cotton Ginning Hubs in India:**
  - Gujarat: Leading cotton producer with numerous modern ginning mills.
  - Maharashtra
  - Telangana
  - Madhya Pradesh
  - Punjab

- **Spinning Process**

  Spinning is the subsequent phase where cleaned cotton fibres are transformed into yarn through a series of methodical steps.

  - **Opening & Cleaning**
    - Bale Opening: Compressed cotton bales are fed into machines that loosen and blend the fibres, preparing them for cleaning.
    - Blow Room Process: The loosened fibres pass through a sequence of machines designed to remove impurities and achieve a uniform fibres mass.

  - **Carding (Fiber Alignment & Web Formation)**
    - Carding Machine: The fibres are fed into a carding machine, which disentangles, cleans, and aligns them into a thin web. This web is then condensed into a continuous strand known as a sliver.

  - **Combing (Optional)**
    - Combing: For finer yarns, the sliver undergoes combing to remove shorter fibres and further align the longer fibres, resulting in a smoother and stronger yarn.

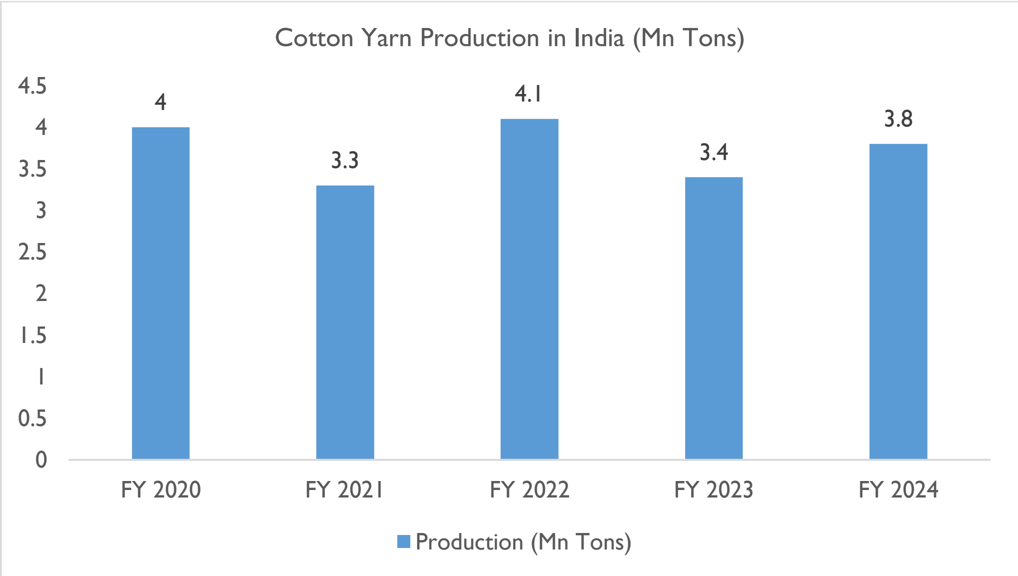
- **Drawing & Roving**
  - Drawing: Multiple slivers are combined and drawn out to improve uniformity and strength.
  - Roving: The drawn sliver is then slightly twisted and wound onto bobbins to form roving, which is suitable for the final spinning process.

- **Spinning (Final Yarn Formation)**
  - Spinning Frame: The roving is fed into a spinning frame where it is further drawn out and twisted to form yarn of the desired thickness and strength.
  - Winding: The finished yarn is then wound onto cones or bobbins, making it ready for weaving or knitting into fabrics.

- **Major Cotton Spinning Hubs in India:**
  - Tamil Nadu: Cities like Coimbatore, Erode, and Tiruppur are renowned as "The Manchester of South India" due to their extensive spinning mills.
  - Maharashtra: Notable centres include Nagpur and Solapur.
  - Gujarat: Ahmedabad and Surat are prominent for their spinning industries.
  - Punjab: Ludhiana is a key hub.

Cotton ginning & spinning industry in India

Annual production of cotton yarn & historical trend in production



Source: Ministry of Textiles, D&B research

➢ **Annual production of cotton yarn**

- **Global Standing & Spinning Capacity**
  - India holds the second-largest spinning capacity in the world, just after China.
  - The country's spinning sector is highly fragmented, comprising large-scale mills, power loom units, and handloom sectors.
  - The majority of the spinning capacity is concentrated in Gujarat, Maharashtra, and Telangana, where the climate and infrastructure Favour cotton processing.

- **Annual Production & Growth Trends**
  - India produced nearly 3.8 million tons of cotton yarn in FY 2024, maintaining a steady supply for the domestic and global markets.
  - The production has seen fluctuations over the years, influenced by factors such as raw cotton

availability, global demand, government policies, and climatic conditions.

- The cotton yarn industry has benefited from technological advancements in spinning mills, adoption of automated machinery, and government incentives under schemes like the Amended Technology Upgradation Fund Scheme (ATUFS).

- **Contribution to the Textile Industry**
    - The cotton yarn industry is a critical component of India's textile value chain, providing raw material to the weaving, knitting, and garmenting sectors.
    - India’s textile and apparel sector contributes around 2.3% to the country's GDP and 12% to export earnings.

➢ **Historical Trends in Cotton Yarn Production**

2018-2019: Steady Growth and Export Dominance

- India maintained its position as a leading cotton yarn producer, with exports constituting a significant portion of production.
- Major export destinations included China, Bangladesh, and Vietnam, driven by competitive pricing and quality.

2020: COVID-19 Pandemic Impact

The pandemic led to factory shutdowns, labour shortages, and supply chain disruptions, causing a sharp decline in production and exports.

- Domestic demand plummeted due to reduced consumer spending on textiles and apparel.

2021: Gradual Recovery Amidst Challenges

- With easing restrictions, the industry began recovering; however, challenges like fluctuating cotton prices and global shipping issues persisted.
- The government introduced support measures, including subsidies and incentives, to revitalize the sector.

2022: Emphasis on Sustainability

A global shift towards sustainable textiles prompted Indian manufacturers to adopt eco-friendly practices, such as organic cotton cultivation and green manufacturing processes.

- Innovators like Abhishek Bansal at Arvind Limited led initiatives in sustainable cotton yarn production, aligning with global environmental standards.

2023: Export Resurgence

India's cotton yarn exports surged by approximately 85-90%, attributed to a shift in sourcing preferences away from China and an uptick in demand from markets like the US and EU.

- Despite increased export volumes, operating margins faced pressure due to lower yarn realizations and reduced gross contributions.

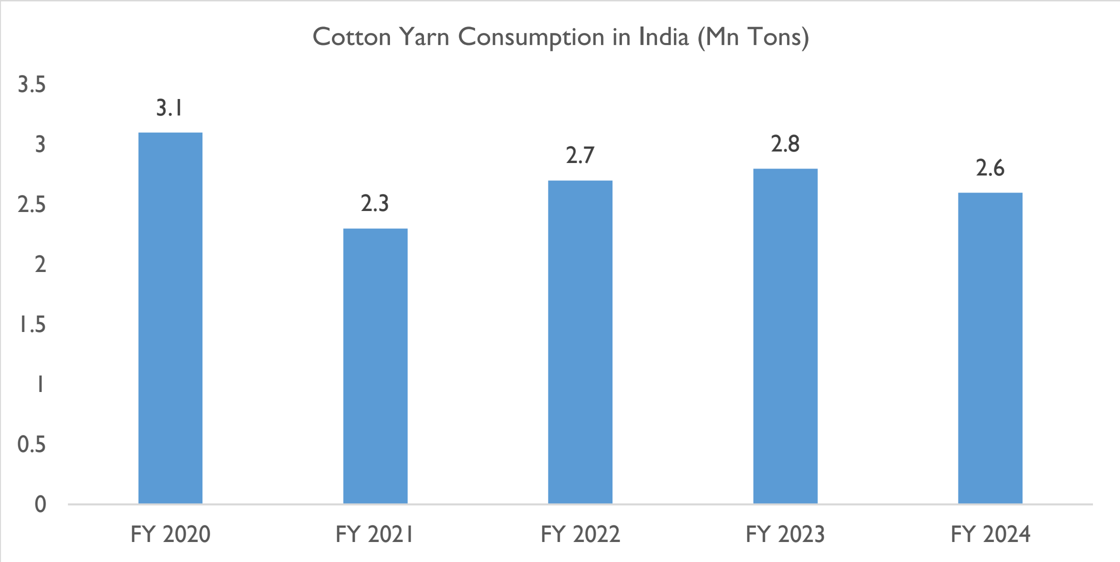
2024: Anticipated Industry Rebound

Projections indicate a 6-8% expansion in the domestic cotton yarn sector, driven by recovering demand in home textiles and ready-made garments.

- The government's focus on boosting cotton production, particularly the extra-long staple variety, aims to enhance raw material availability and quality.

Domestic Consumption scenario

India's cotton yarn industry plays a pivotal role in the textile value chain, with the majority of its production catering to domestic demand.



Source: D&B research

- **Domestic Consumption & Fabric Production**

- Nearly 70% of India's total cotton yarn production is consumed domestically by textile mills.

- The knitted and woven fabric industry is the largest consumer of cotton yarn, producing a variety of cotton-based products, including:
  - Apparel (shirts, trousers, ethnic wear)
  - Home textiles (bedsheets, curtains, upholstery)
  - Industrial textiles (canvas, denim, medical textiles)

- The increasing preference for natural and breathable fabrics has driven demand for cotton yarn in the domestic market.

- **Factors Driving Domestic Consumption**

- Rise in Disposable Income: Growing affluence among Indian consumers has led to a higher demand for premium and sustainable cotton clothing.

- Changing Fashion Trends: The increasing adoption of casual and comfortable clothing has boosted demand for cotton-based apparel.

- Sustainability Awareness: With a global shift towards eco-friendly textiles, cotton-based fabrics have gained preference over synthetic fibres.

- Government Initiatives: Programs like the Production Linked Incentive (PLI) Scheme for Textiles and Amended Technology Upgradation Fund Scheme (ATUFS) support the growth of the domestic textile sector.

- **Export Contribution & Global Demand**

- The remaining 30% of India's cotton yarn production is exported, making it one of the largest exporters globally.

- Key export destinations include:
  - China (largest importer for its fabric manufacturing units)
  - Bangladesh (for garment industry supply chains)
  - Vietnam, Turkey, and Egypt (major textile hubs)
- Export fluctuations are influenced by:
  - Global trade agreements and tariff structures.
  - Competition from countries like China and Pakistan.
  - Currency exchange rates affecting international pricing.

➢ **Minimal Imports Due to Self-Sufficiency**

- India imports negligible cotton yarn due to its strong domestic production.

- The only imports involve specialty yarns or high-quality blends that are not widely manufactured domestically.

Key demand drivers

The demand for cotton yarn is directly related to the demand scenario prevalent in the domestic textile industry. Being the primary input material used for cotton textiles, factors that have an impact on the overall textile as well as cotton textile industry have a direct impact on cotton yarn demand. Some of the key factors that are having an impact on the larger textile and cotton textile industry include:

Access to large urban population, young demography of India, availability of raw materials, existence of total value chain, Government support and technology up-gradation are major factors that contribute to the growth of overall textile sector.

- **Access to large base of Urban population**:

  India is undergoing in rapid demographic changes for over three decades, with a population of 1.44 billion, India has become the most populous country in the world. An emerging middle class with higher discretionary spending power and increased appetite for consumer goods is fuelling overall textile industry in domestic market. Growth in domestic textile market has a high degree of correlation with the rise of affluent middle class cantered in urban markets. With increasing population, the trend of urbanization is also increasing. More and more people are migrating to cities every year, thus increasing urban population along with increasing disposable income.

  India's capital New Delhi is identified as the world's fastest growing city, surpassing Tokyo, and Shanghai. Urban population increased from 278 Mn to 373 Mn during the past decade (2001-11) and the proportion of urban population to total population increased from ~27.8% to ~31%. In the last decade urbanization in India has increase at an average annual rate of about 2.4%. By 2030, the share of urban population is estimated to grow to about 41.7% of the population of India i.e., 625 Mn where 5 state in India namely Tamil Nadu, Gujarat, Maharashtra, Karnataka, and Punjab will have more than 50% urbanization. Also, the number of metropolitan cities in India is projected to increase from 46 in 2011 to 68 by 2030. Similarly, the urbanization of India is only at 33%[3], which is an indicator that there is still a lot of rural divides in the country, which has the potential to become urban as tier II and tier III cities in the long term.

  These larger trends (on urbanization & overall population growth) have created a large customer base for all kinds of consumer products, including textile products. Since cotton textile products has traditionally been strongly favoured by Indian consumer class, the growth in consumer base has helped in increasing the demand for all type of cotton textiles, and consequently for cotton yarn.

- **Higher demand from rural areas:**

  Traditionally, demand for textile products were lower in rural areas because of lower disposable income of rural consumer compared to their urban peers. However, the difference in disposable income has been improving in favour of rural consumers due to higher employment by means of government sponsored job outreach programs like MNREGA. Consequently, rural consumer base has increased, and rural income growth has been supporting the growth of textile products.

- **Changes in spending pattern**

  Spending pattern of the new class of consumer segment with higher disposable income has turned out to be entirely different from previous existing consumer segments. Spending on consumer durables and non-durables has seen a particular increase as this new consumer class mirrors the spending pattern observed in advanced economies. Exposure to consumption pattern and lifestyle pattern in western economies has played a role in this change. Consequently, the frequency on spending on clothing products among this new consumer segment has gone up.

- **Growth in Fashion Industry:**

  Fashion industry is evolving with increasing demand for fast fashion products is witnessing a surge in India. This is driven by changing consumer preferences, increasing disposable incomes, and the influence of social media. This growth trend is reshaping the retail landscape and creating significant opportunities for both established and emerging brands.

  The primary drivers of this demand for fast fashion are Millennials and Gen Z consumers, who are increasingly seeking affordable yet trendy clothing options. Fast fashion brands cater to this demographic by offering a constant stream of new styles that align with current trends. Reports indicate that these consumers are not only purchasing more frequently but also experimenting with diverse styles, influenced heavily by social media platforms like Instagram. The ability of fast fashion brands to quickly identify and capitalize on viral trends has become a crucial factor in their success.

  This has directly resulted in higher demand for all kind of textile products, and consequently for all type of textile input materials including cotton yarn.

- **Rise in organized retail sector as well as e-commerce:**

  The rise of organized retail and the e-commerce sector in India has significantly contributed to the increased demand for textile apparel. These platforms have expanded access to a wide range of apparel products, providing convenience and a diverse selection for consumers across the country. The availability of a broader product range, competitive pricing, and discounts have fuelled consumer interest in textile apparel. Moreover, the enhanced consumer experience through user-friendly websites, personalized recommendations, and hassle-free returns has further stimulated demand.

  The influence of social media and influencer marketing, along with the penetration of organized retail and e-commerce in tier 2 and tier 3 cities, has opened new markets and brought textile apparel within the reach of a larger consumer base. Overall, these developments have transformed the textile apparel market, making it more accessible, convenient, and appealing to consumers, leading to a rise in demand for textile apparel products.

Export of cotton yarn from India: Annual exports & top 5 export markets

➢ **Annual export of Cotton yarn**

- India is one of the largest exporters of cotton yarn globally, playing a crucial role in the international textile trade. The export of cotton yarn has shown fluctuations over the years, influenced by domestic production, global demand, and international trade policies.

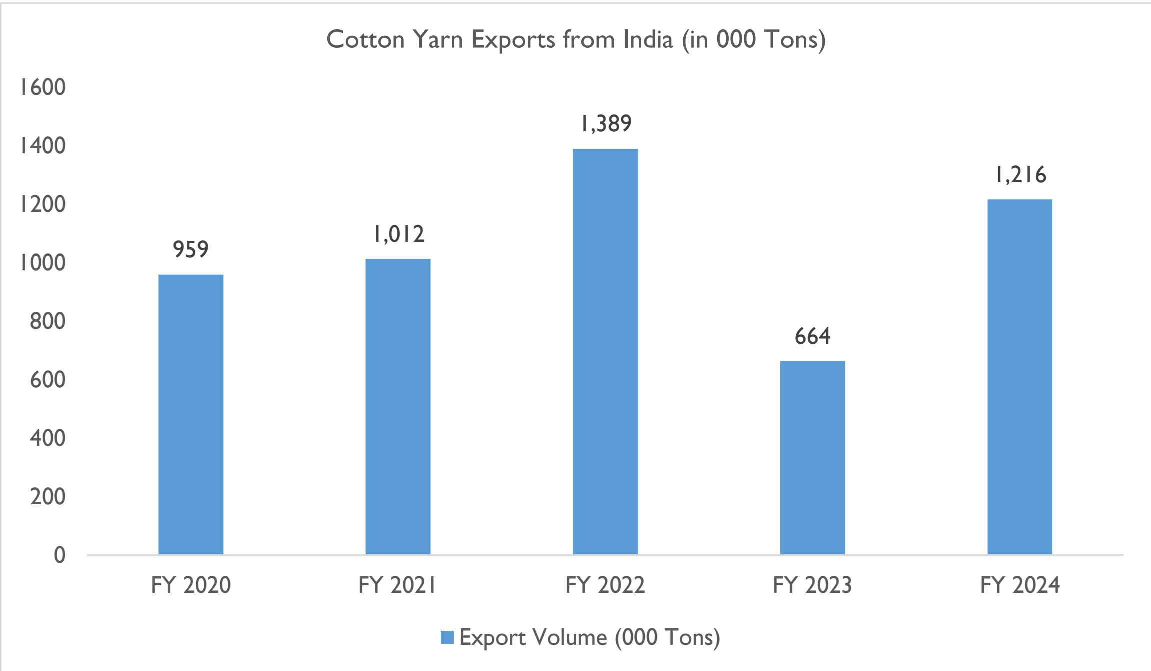
- Trends in Cotton Yarn Exports
  - In recent years, India's cotton yarn exports have seen both growth and decline due to various factors such as global economic conditions, demand from key markets, and domestic raw material availability.
  - A significant increase in exports was observed during certain years, driven by strong demand from international buyers and favourable government policies.
  - However, some years witnessed a decline due to external factors like trade restrictions, rising production costs, and disruptions in the global supply chain.

- Factors Influencing Export Performance

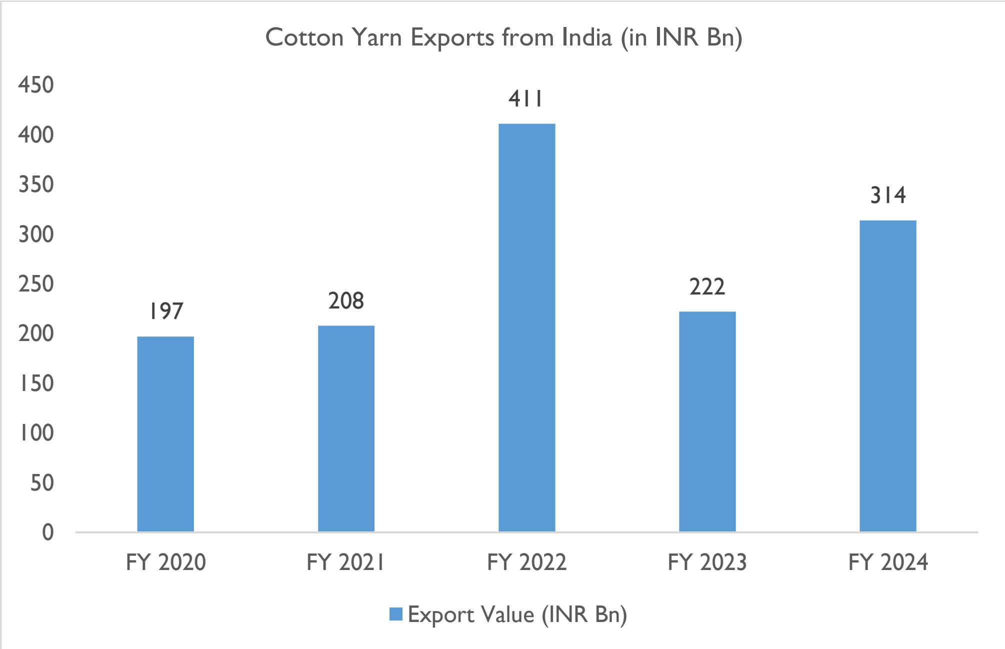
1. **Global Demand and Trade Policies**
   - Major importing countries include China, Bangladesh, and Vietnam, where India competes with other leading producers.
   - Trade agreements and tariff regulations impact India's competitiveness in the global market.

2. **Domestic Production and Pricing**
   - Cotton availability and pricing within India affect yarn exports, as raw material costs influence profitability.
   - Government policies related to subsidies and incentives for the textile sector play a vital role in maintaining steady export levels.

3. **Impact of China +1 Strategy**
   - With major economies reducing reliance on China for textile imports, India stands to gain a larger share in global markets.
   - Increased interest in India as an alternative sourcing destination has the potential to boost cotton yarn exports in the coming years.



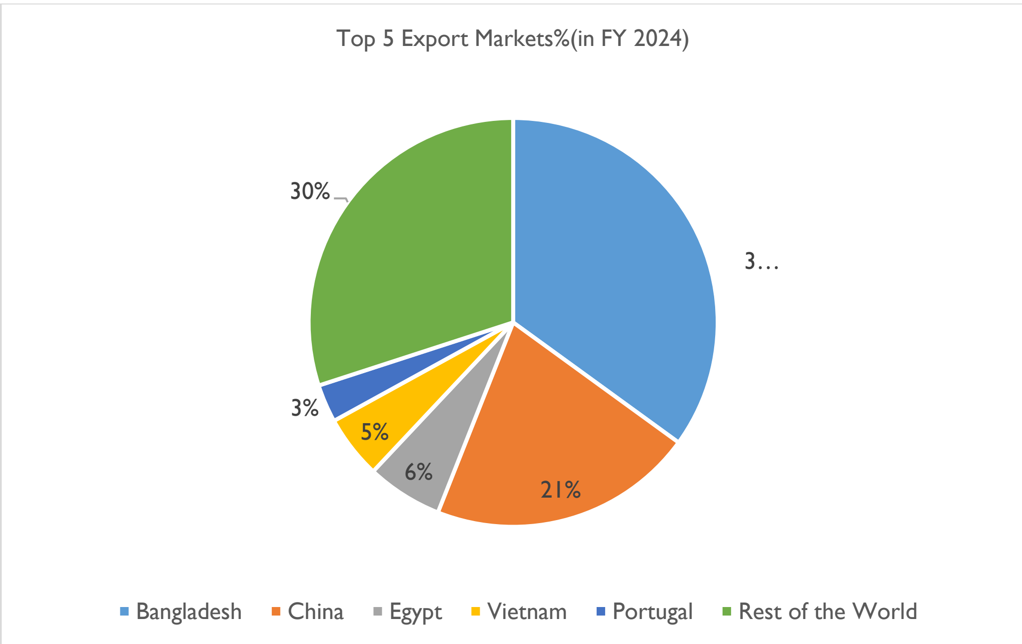
Source: D&B research



Source: D&B research

The graphs illustrate the annual cotton yarn exports from India in terms of quantity (000 tons) and value (INR billion). The data shows a notable increase in exports over certain years, followed by a decline, and then a recovery. The peak export volume and value were recorded in one financial year, followed by a drop due to possible global trade challenges. However, recent trends indicate a rebound, showcasing India's strong position in the global textile industry. The increase in exports aligns with international market shifts, including the China +1 strategy, which favours India as a key supplier.

➢ **Top 5 Export Markets**



Source: D&B research

India remains one of the world's largest exporters of cotton yarn, leveraging its strong textile industry and abundant raw material availability. In FY 2024, India’s cotton yarn exports saw steady growth, primarily driven by demand from Asian and European markets. The major export destinations include Bangladesh, China, Egypt, Vietnam, and Portugal, with the rest of the world accounting for a substantial portion.

- **Bangladesh (35%)**
  - Bangladesh continues to be the largest importer of Indian cotton yarn due to its significant textile and garment manufacturing industry.
  - The duty-free access for Indian cotton yarn under trade agreements further boosts exports to Bangladesh.

- **China (21%)**
  - China has increased its cotton yarn imports from India due to supply chain shifts and a decline in domestic production.
  - The rising cost of raw materials in China has made Indian yarn a more attractive alternative.

- **Egypt (6%)**
  - Egypt, known for its textile industry, has been steadily importing Indian cotton yarn to support its local spinning and weaving mills.
  - Demand is driven by the production of fine-quality fabrics and home textiles.

- **Vietnam (5%)**
  - Vietnam’s growing textile and garment industry has fuelled demand for imported cotton yarn.
  - Indian cotton yarn is preferred due to its competitive pricing and consistent quality.

- **Portugal (3%)**
  - Portugal, a key European textile hub, imports Indian cotton yarn for use in apparel and home textile manufacturing.
  - Sustainable and organic cotton yarns are gaining popularity in the European market.

India’s cotton yarn exports are well-diversified, with Bangladesh and China leading as top destinations. The increase in demand from Vietnam and Egypt highlights India's growing presence in both Asian and African textile markets. Despite global challenges, India’s strong production capacity and trade agreements have positioned it as a crucial player in the global cotton yarn trade.

Regulatory Landscape

The Indian government has implemented a comprehensive regulatory framework and introduced several initiatives to bolster the cotton yarn manufacturing sector. These measures aim to enhance domestic production infrastructure, ensure quality standards, and promote sustainable growth.

Schemes and Initiatives to Develop Domestic Production Infrastructure

Production Linked Incentive (PLI) Scheme for Textiles

- Launched to promote the production of Man-Made Fiber (MMF) apparel, MMF fabrics, and technical textiles, the PLI Scheme offers incentives based on incremental turnover and investment in these segments. This initiative aims to enable the textile industry to achieve economies of scale and become globally competitive.

PM Mega Integrated Textile Regions and Apparel (PM MITRA) Scheme

- This scheme envisions the establishment of seven mega textile parks to create integrated textile value chains. The objective is to enhance competitiveness, attract investments, generate employment, and position India as a global textile manufacturing and export hub.

Amended Technology Upgradation Fund Scheme (ATUFS)

- ATUFS is designed to facilitate the modernization and upgradation of the textile industry by providing credit-linked capital investment subsidies. The scheme aims to promote ease of doing business, generate employment, and enable the textile industry to compete globally by encouraging investments in state-of-the-art technology.

Scheme for Integrated Textile Parks (SITP)

The SITP aims to provide world-class infrastructure for textile manufacturing by establishing integrated textile parks. These parks consolidate multiple textile businesses into one location, enabling companies to share resources, reduce costs, and improve overall productivity

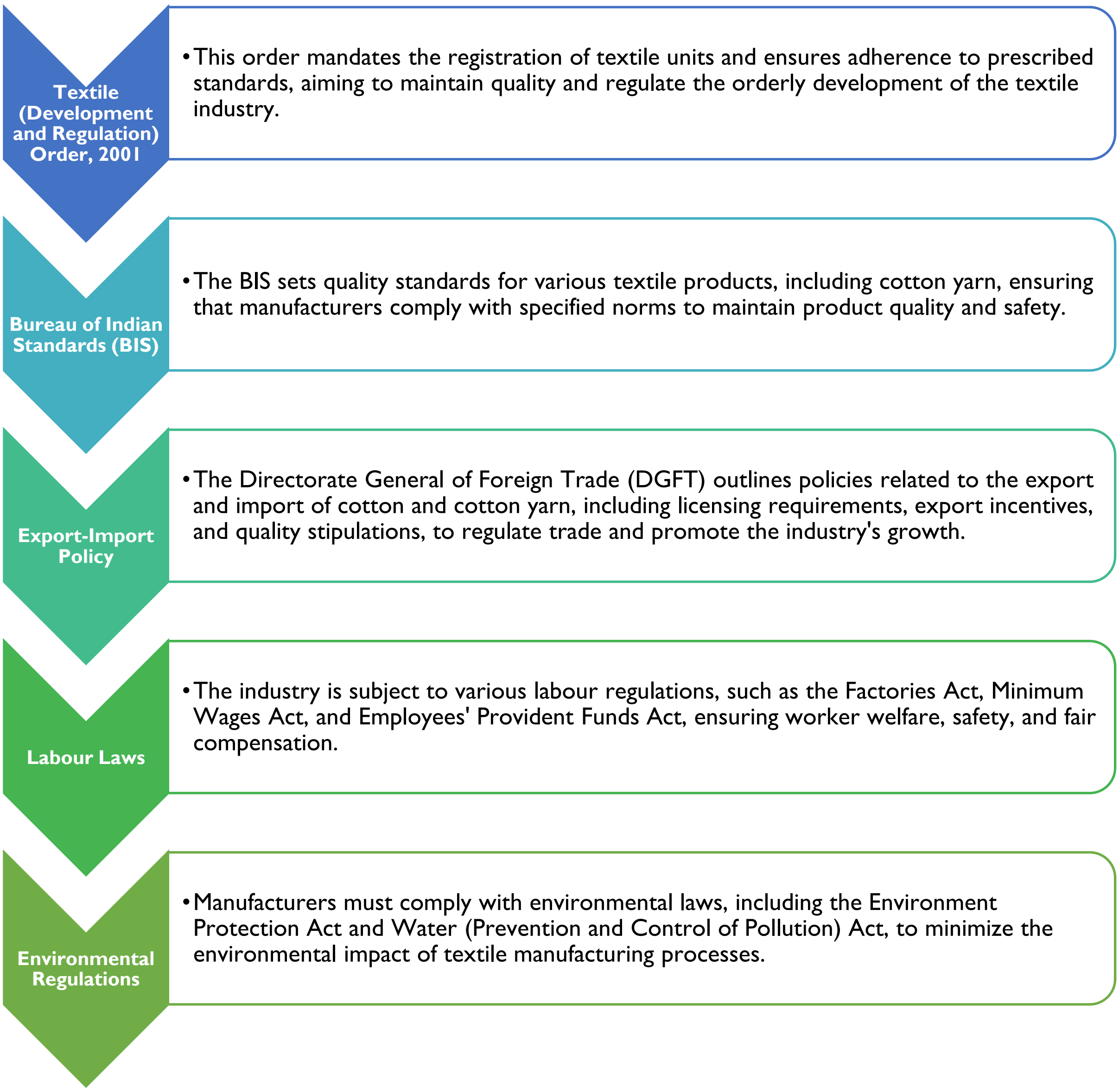
National Technical Textiles Mission

Approved with a total outlay of ₹1,480 crores, this mission aims to position India as a global leader in technical textiles by promoting research, innovation, and indigenous production. The mission focuses on developing the usage of technical textiles in various flagship missions and programs, including strategic sectors, thereby enhancing the domestic production infrastructure

(*The remainder of this page is intentionally left blank*)

Regulatory Framework Governing the Cotton Yarn Manufacturing Sector in India

The cotton yarn manufacturing sector in India operates under a comprehensive regulatory framework designed to ensure quality, promote sustainable practices, and protect the interests of stakeholders:



Union Budget FY 2025: Impact on Textile & Cotton Yarn Sector

The Union Budget FY 2025 introduced several measures impacting the textile and cotton yarn sector:

- **Allocation to the Ministry of Textiles:**

  The budget allocated ₹5,252 crores to the Ministry of Textiles, marking a significant increase from the previous fiscal year's allocation of ₹3,342 crores. This enhanced budgetary support is expected to fund various schemes aimed at boosting the textile sector's infrastructure and competitiveness.

- **Launch of the Cotton Mission:**

  A significant announcement in the budget was the introduction of a six-year program to boost cotton production, particularly focusing on extra-long staple (ELS) cotton varieties. This mission aims to enhance cotton productivity and reduce import dependency by promoting research and development in high-yielding cotton varieties.

- **Customs Duty Adjustments:**

  The budget proposed reductions in customs duty on specific textile machinery, aiming to lower raw material costs for domestic manufacturers and enhance the competitiveness of Indian textile products in international markets.
- **Support for Sustainability Initiatives:**

  Recognizing the global shift towards sustainable practices, the budget emphasized support for eco-friendly textile manufacturing processes, encouraging the industry to adopt sustainable and innovative practices to meet international environmental standards.

Solar & Wind Energy in India

Overview of Ground & Roof-Mounted Solar Power Plant Scenario in India

India has emerged as one of the global leaders in the deployment of solar energy, owing to its abundant solar irradiation, favourable climatic conditions, and a well-structured policy framework that promotes renewable energy adoption. The country's ambitious targets under the **National Solar Mission** have significantly accelerated the pace of solar power development across both large-scale and decentralized formats.

Solar power infrastructure in India is broadly categorized into two formats based on installation type: **ground-mounted solar plants** and **roof-mounted (rooftop) solar systems**.

Ground-Mounted Solar Plants

These installations are typically large-scale solar photovoltaic (PV) systems where solar panels are mounted directly onto the ground, usually across vast stretches of land. They are designed to generate significant volumes of electricity and are primarily deployed by:
- Utility-scale developers who feed the power into the national grid
- Large industrial units that utilize the power for their own operations through captive consumption or group captive models

Such systems are ideal for industries with access to surplus land and high-power demand, enabling them to reduce operational costs and gain better control over energy availability.

Rooftop Solar Plants

Rooftop solar systems are installed on the roofs of industrial buildings, commercial establishments, institutions, and residential complexes. These systems are generally smaller in scale compared to ground-mounted projects but are highly efficient for offsetting on-site electricity consumption. They allow users to directly consume the solar energy generated on their premises, thereby reducing dependency on grid-supplied power.

Installed Capacity (as of May 31, 2025)[4]

As of May 31, 2025, India's total installed solar power capacity has reached **110.83 gigawatts (GW)**. This capacity is derived from two major segments of solar energy installations in the country. The **ground-mounted solar power plants** contribute the largest share, with a total capacity of **84.43 GW**. These are large-scale solar

[4] Ministry of New and Renewable Energy (MNRE)

installations typically deployed on open land for utility-scale electricity generation.

In addition, the **grid-connected solar rooftop segment** has achieved an installed capacity of **18.37 GW**. These rooftop systems are installed on residential, commercial, institutional, and industrial buildings, feeding solar energy directly into the local distribution networks or for captive use. Together, these installations highlight the growing adoption of solar power across different scales in India.

This significant capacity addition has been the result of multiple factors working in synergy to promote solar adoption, including:

- **Declining Solar Module Prices**: Continuous technological advancements and scaled-up production have led to a sharp fall in the cost of solar panels, making installations more economically viable.
- **Supportive Net Metering Policies**: Consumers are allowed to export surplus power back to the grid, effectively reducing their electricity bills and improving the return on investment.
- **Accelerated Depreciation Benefits**: Businesses can claim higher depreciation rates on solar assets, leading to substantial tax savings in the initial years.
- **Financial Incentives and Subsidies**: Central and state governments offer capital subsidies, low-interest loans, and other incentives to encourage solar deployment in the commercial and industrial segments.

Industrial Benefits of Captive Solar Installations

For industries, both rooftop and ground-mounted solar systems are especially advantageous as they help mitigate the burden of rising electricity tariffs and reduce reliance on grid-based or diesel-generated electricity. The ability to generate and consume their own power not only ensures energy cost savings but also supports long-term sustainability goals. Additionally, captive solar installations allow businesses to contribute toward India's national clean energy targets and improve their ESG (Environmental, Social, and Governance) profiles.

Overview of Windmill Power Generation Scenario in India

Wind energy continues to be a cornerstone of India's renewable energy ambitions, ranking as the second-largest source of clean energy after solar power. The country's geographical landscape, particularly in the southern and western regions, offers immense wind potential. States like **Tamil Nadu, Gujarat, Maharashtra, Karnataka**, and **Rajasthan** have emerged as leading destinations for wind energy projects due to their consistent and favorable wind conditions. The adoption of wind energy is aligned with India's broader goals of energy security, sustainability, and decarbonization.

Types of Wind Power Installations

Wind turbines, commonly referred to as windmills, function by converting the kinetic energy of wind into electrical energy. These turbines can be deployed in different configurations depending on the intended use. Broadly, wind power installations in India fall into two categories:

- The first is **utility-scale wind farms**, which are large projects connected directly to the national grid and are mainly developed by independent power producers and energy utilities. These installations contribute significantly to the country's total renewable energy output.
- The second type includes **captive wind projects**, where wind turbines are set up by industries either at their premises or in remote locations under group captive models. These projects are designed to meet the internal energy demands of businesses, enabling them to reduce dependence on grid electricity and benefit from lower power costs.

Installed Capacity and Recent Growth[5]

As of **March 2025**, India's total installed wind power capacity reached **50.04 gigawatts (GW)**. This milestone reflects the country's sustained efforts in scaling up wind energy deployment. The increase in capacity has been supported by both policy initiatives and industry participation.

During **FY 2024–25**, India added **4.15 GW** of new wind power capacity—marking a notable improvement over

[5] Ministry of New and Renewable Energy, Press Information Bureau.

the **3.25 GW** added in the previous fiscal year. This growth signifies not just momentum in project development, but also growing confidence among investors and developers in the sector's long-term viability.

Industrial Adoption of Wind Energy

A noteworthy trend in the Indian wind energy space is the increasing interest from industries in adopting wind power for their operational needs. Businesses, especially those with high energy consumption, are installing wind turbines on-site or entering into **group captive agreements** to lock in long-term power costs.

This approach not only ensures more predictable electricity pricing but also helps companies meet their **sustainability targets** and reduce carbon footprints, contributing to India's climate commitments.

Government Support for Renewable Energy in the Industrial Sector
To accelerate the adoption of clean energy in India's industrial and commercial segments, the Government of India primarily through the **Ministry of New and Renewable Energy (MNRE)** has launched a range of policy measures, schemes, and financial incentives. These initiatives aim to make renewable energy technologies more accessible, affordable, and financially viable for businesses. Below is a detailed overview of key government support mechanisms:

Production-Linked Incentive (PLI) Scheme

The Production-Linked Incentive (PLI) Scheme, launched by the Ministry of New and Renewable Energy (MNRE), is a key initiative aimed at promoting domestic manufacturing of high-efficiency solar photovoltaic (PV) modules and reducing reliance on imports. With a financial outlay of ₹24,000 crore, the scheme targets the creation of gigawatt-scale manufacturing capacity for critical components such as polysilicon, wafers, cells, and modules. Manufacturers are selected through a transparent bidding process and receive performance-linked financial incentives for five years post-commissioning, based on actual production and sales. This initiative is expected to boost vertically integrated solar manufacturing in India, lower the cost of solar energy, improve supply chain resilience, and accelerate the adoption of solar power, particularly in the industrial and commercial sectors.

PM-KUSUM Scheme

While primarily designed for the agricultural sector, the **Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM)** Scheme also has provisions that benefit industries especially those operating in rural or semi-urban areas. The scheme supports the installation of **decentralized solar power plants** (up to 2 MW capacity) on barren or unused land. Industries located near such projects can partner with developers to procure clean power through open access, reducing their reliance on grid electricity and cutting operational costs.

National Solar Mission & Wind Energy Mission

India's long-term renewable energy roadmap is guided by flagship initiatives such as the **Jawaharlal Nehru National Solar Mission (NSM)** and the **National Wind-Solar Hybrid Policy**. These missions aim to establish policy certainty, attract private investment, and create a competitive market environment. They provide visibility on future capacity targets, tariff-based bidding mechanisms, and the availability of grid infrastructure factors that are crucial for industries planning long-term energy strategies.

Renewable Energy Certificates (RECs)

The **Renewable Energy Certificate (REC)** mechanism enables industries to meet their **Renewable Purchase Obligations (RPOs)** even if they are unable to directly procure green power. By purchasing RECs from the power exchange, companies can demonstrate their commitment to clean energy without necessarily setting up their own renewable generation infrastructure. This mechanism creates flexibility and promotes a market-driven approach to renewable energy adoption.

Financial Incentives and Tax Benefits

- Accelerated Depreciation (AD):

  Businesses investing in renewable energy assets are eligible for **accelerated depreciation of up to 40%** in the first year of commissioning. This allows them to significantly reduce their taxable income, thereby improving project returns and shortening the payback period.

- Capital Subsidies & Interest Subsidies:

  Various **state-level policies** offer direct financial support in the form of **capital subsidies** for setting up renewable energy systems, especially in MSMEs. In addition, some states provide **interest subvention schemes** that lower the effective cost of financing renewable projects.

- Net Metering and Group Captive Models:

  Net metering regulations allow commercial and industrial users to feed surplus solar or wind power into the grid and receive credit, reducing their electricity bills. Similarly, **group captive models** allow multiple entities to jointly own a renewable project and consume the generated electricity, offering both cost benefits and regulatory compliance under open access frameworks.

Cost Saving and Industrial Benefits

Captive solar and wind energy systems offer significant benefits for industrial and commercial users by reducing electricity costs, enhancing energy security, and supporting sustainability goals. With solar and wind power costing ₹2.5–₹5 per unit compared to ₹6–₹9 from the grid industries save substantially, especially in energy-intensive sectors. These systems ensure reliable power, reducing dependency on grids prone to outages. They also help meet ESG targets and comply with Renewable Purchase Obligations. Despite upfront costs, a short payback period of 3–5 years, long asset life, and tax incentives make them financially attractive with long-term savings.

Competitive Landscape

The cotton yarn industry in India is a dynamic sector characterized by the presence of established manufacturers, mid-sized enterprises, and smaller spinning units. Competition is shaped by factors such as operational efficiency, production capacity, and compliance with evolving market trends. The industry benefits from the availability of domestic cotton, but challenges related to cost fluctuations, regulatory requirements, and evolving consumer preferences influence market positioning.

Companies in this sector focus on optimizing production efficiency, adopting technological advancements, and meeting quality standards to strengthen their market presence. Export markets play a crucial role, with international demand influencing pricing and production strategies. The ability to maintain cost-effectiveness while ensuring product quality and sustainability is a key aspect of competitiveness. Additionally, government policies, infrastructure development, and industry-specific initiatives impact business operations and future growth opportunities.

Analysis of Nature of Competition in Indian Cotton Yarn Manufacturing Industry

- **Raw Material Sourcing & Price Stability**
  - ❖ Cotton price variations influence cost structures and profitability.
  - ❖ Efficient procurement strategies and supply chain management contribute to cost stability.

- **Export Market Penetration & Trade Policies**
  - ❖ Access to international markets is influenced by trade regulations and currency fluctuations.
  - ❖ Adherence to global quality standards enhances acceptance in export markets.

- **Technology & Automation in Manufacturing**
  - ❖ Process automation and advanced spinning techniques support efficiency improvements.
  - ❖ Investment in monitoring systems and optimized resource utilization enhances production consistency.

- **Product Diversification & Value-Added Yarns**
  - ❖ Demand for specialized yarns, including organic and blended varieties, is growing.
  - ❖ Expanding product offerings to cater to evolving industry requirements strengthens market positioning.

- **Sustainability & Compliance with Global Standards**
  - ❖ Market preference for environmentally responsible production methods is increasing.
  - ❖ Compliance with sustainability certifications enhances credibility in domestic and export markets.

- **Financial Strength & Investment in R&D**
  - ❖ Investment in research and development supports process innovation and product improvement.
  - ❖ Financial resources enable capacity expansion and technology upgrades.

- **Supply Chain & Logistics Efficiency**
  - ❖ Timely and cost-effective distribution enhances competitiveness in both domestic and export markets.
  - ❖ Infrastructure and inventory management strategies impact production continuity.

- **Government Policies & Incentives**
  - ❖ Industry-focused schemes support modernization and infrastructure development.
  - ❖ Regulatory frameworks influence investment decisions and operational compliance.

- **Market Entry Barriers & Competitive Positioning**
  - ❖ Capital-intensive requirements and regulatory approvals affect new market entrants.
  - ❖ Operational experience and adherence to industry standards contribute to market stability.

Profiling of Key Peer Companies

Name of the Company	Business Overview
Shree Ram Twistex Ltd	Incorporated in 2013, located in Gondal, near Rajkot, Gujarat. Shree Ram Twistex Ltd focused on producing high-quality yarn that carries excellence, durability, and craftsmanship. The company offers various products such as 100% Cotton Compact Ring-Spun Combed & Carded Yarns, Compact Eli Twist Combed & Carded Yarns, Compact Slub Yarns and Lycra yarns.
Ambika Cotton Mills Limited	Incorporated in 1988, headquartered in Coimbatore, Southern India, the company is a manufacturer of premium-quality compact yarn catering to both the hosiery and knitting sectors. It has the capability to manufacture yarn for counts varying from 20's to 120's combed which goes for the manufacture of premium branded shirts and t-shirts globally. Moreover, it has manufacturing units in Dindigul, Tamil Nadu
Damodar Industries Limited	Incorporated in 1987, headquartered in Mumbai. The company is a yarn manufacturing company based in India, specializing in synthetic blended yarns and fancy yarns. The Company is having a yarn division with consolidated capacity of around 70,000 spindles. The Company produces variety of products ranging from NE 12, NE16, NE 20, NE 24 NE 30 Carded and Combed and blended varieties of Cotton Yarn. The Spinning mill is equipped with world-class Swiss, Japanese and German equipment. Currently, the Company exports approximately 56% of garment products mainly in Europe, Asia and Latin American countries etc.

Rajapalayam Mills Limited	Rajapalayam Mills Limited, the flagship mill of Ramco Group. Incorporated in 1938, headquarter in Tamil Nadu. The company is engaged in manufacture of cotton yarn and fabrics. The Company is also engaged in generation of electricity from its windmills for its captive requirements. Moreover, the company focus on strengthening its product lines with more value-added customized yarn counts such as Mercerized Yarn, Mélange Yarn, and Core Yarn.

Key Performance Indicators8F6

Companies	CMP*	EPS (₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Revenue from Operation (₹ in Lakhs)	Other Income (₹ in Lakhs)	Total Income (₹ in Lakhs)
Shree Ram Twistex Limited	[●]	2.37	[●]	10.25	21.77	10.00	23,159.12	13.29	23,172.41
Listed peers									
Ambika Cotton Mills Limited	1506.70	110.00	13.70	7.52	1,463.33	10.00	82,345.99	2,275.32	84,621.31
Damodar Industries Limited	35.25	2.24	15.74	4.45	50.39	5.00	71,538.26	2,520.36	74,058.62
Rajapalayam Mills Limited	920.00	31.00	29.68	6.04	508.40	10.00	85,855.86	1,724.00	87,579.86

Current Market Price as on June 19, 2025

Financial Analysis

Indicator	Units	Shree Ram Twistex Limited			Ambika Cotton Mills Limited		
Years		FY'24	FY'23	FY'22	FY'24	FY'23	FY'22
Total Income	₹ in Lakh	23,172.41	21,357.93	21,837.35	84,621.31	86,134.97	92,547.98
Total Revenue from Operation	₹ in Lakh	23,159.12	21,314.05	21,797.20	82,345.99	84,750.14	92,051.80
Current Ratio	Multiple	1.75	1.55	1.61	4.48	5.53	8.21
Debt Equity Ratio	Multiple	1.00	0.91	1.06	N.A.	N.A.	N.A.
Debt Service Coverage Ratio	Multiple	2.26	1.26	1.39	N.A.	N.A.	N.A.
EBDITA	₹ in Lakh	2,018.53	1,740.16	1,801.79	13,202.03	18,869.62	27,460.89
Operating EBDITA Margin	in %	8.72	8.16	8.27	16.03	22.27	29.83
Profit after tax	₹ in Lakh	655.25	205.08	363.76	6,297.36	11,189.40	17,988.78
Net profit	in %	2.83	0.96	1.67	7.44	12.99	19.44

[6] D&B has included the KPI indicators as provided by the Company and as available in public domain.

Indicator	Units	Shree Ram Twistex Limited			Ambika Cotton Mills Limited		
Years		FY'24	FY'23	FY'22	FY'24	FY'23	FY'22
Ratio							
Return on Equity	in %	10.25	3.57	6.94	7.52	14.52	27.89
Return on Capital Employed	in %	12.50	8.61	9.06	15.37	23.11	0.38
Net Cash from/ (used in) Operating Activities	₹ in Lakh	-491.15	1,006.93	1,694.12	-13,775.47	-7,982.38	30,175.77
Net Cash from/ (used in) Investing Activities	₹ in Lakh	-218.83	-465.17	-521.34	-2,587.11	-392.40	-300.58
Net Cash from/ (used in) Financing Activities	₹ in Lakh	679.86	-520.65	-1,176.59	4,286.76	-2,643.43	-2,136.94
No of Customers		49	48	46	N.A.	N.A.	N.A.
Revenue From Top 10 Customers	₹ in Lakh	19,010.50	18,180.67	18,020.63	N.A.	N.A.	N.A.

Indicator	Units	Damodar Industries Limited			Rajapalayam Mills Limited		
Years		FY'24	FY'23	FY'22	FY'24	FY'23	FY'22
Indicator	₹ in Lakh	74,058.62	69,645.56	91,136.09	87,579.86	88,231.85	70,525.97
Years	₹ in Lakh	71,538.26	68,278.88	90,861.49	85,855.86	86,189.43	68,965.47
Total Income	Multiple	1.15	1.29	1.55	1.04	1.08	1.08
Total Revenue from Operation	Multiple	3.31	4.12	4.46	2.23	2.44	1.96
Current Ratio	Multiple	1.73	0.88	1.49	0.72	1.09	1.08
Debt Equity Ratio	₹ in Lakh	5,756.63	5,071.96	8,167.93	16,480.47	15,995.89	17,009.81
Debt Service Coverage Ratio	in %	8.05	7.43	8.99	19.20	18.56	24.66
EBDITA	₹ in Lakh	521.96	79.67	1,835.44	2,830.30	4,238.23	3,827.92
Operating EBDITA Margin	in %	1.15	0.00	0.02	3.00	6.00	11.00
Profit after tax	in %	0.04	0.01	0.17	6.00	9.00	10.00
Net profit Ratio	in %	0.16	0.11	0.19	6.00	6.00	21.00
Return on Equity	₹ in Lakh	7,011.17	5,969.24	4,585.27	14,845.76	-4,564.52	366.66
Return on Capital Employed	₹ in Lakh	-410.18	-1,314.43	36.57	-4,626.70	-30,354.41	-15,202.42

Indicator	Units	Damodar Industries Limited			Rajapalayam Mills Limited		
Years		FY'24	FY'23	FY'22	FY'24	FY'23	FY'22
Net Cash from/ (used in) Operating Activities	₹ in Lakh	-6,215.27	-4,367.49	-4,514.63	-10,228.87	34,880.28	14,931.17

Source: Annual Reports of the respective companies

Notes:

(j) Total income includes revenue from operation and other income
(k) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities
(l) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity.
(m) Debt service coverage ratio is calculated by EBITDA divided by (Principal + Interest)
(n) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.
(o) EBITDA margin is calculated as EBITDA as a percentage of total income.
(p) Net Profit for the year represents the restated profits of our Company after deducting all expenses.
(q) Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income
(r) Return on Equity is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by net worth of the Company at the end of year.
(s) Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt of the current and previous financial year).

Threats & Challenges

Key Threats & Challenges Facing the Industry

Two of the major threats facing the domestic cotton yarn manufacturing industry is the price volatility & availability of cotton yarn, as well as increasing competition from synthetic textile products. In addition, the growing focus on sustainability & increasing scrutiny on environmental issues are also causing some challenges, however those can be at best termed as temporary roadblocks.

- **Raw Material Scenario:** Raw material (cotton) cost is the single biggest cost component in yarn manufacturing and is estimated to account for more than half of the total yarn production cost. Consequently, any deviation in cotton price will have a significant impact on the operations of yarn manufacturers. Although domestic production of cotton is one of the largest in the world, several domestic & international factors have an impact on the product pricing. For example, the recent political unrest in Bangladesh have impacted the textile industry as a whole, and it is believed to have also impacted cotton as well as yarn pricing. Similarly, factors like uneven climatic conditions that impact the cotton yield, any supply chain disruptions, and import/export variations all have an impact cotton supply and in turn its pricing.

- **Competition from Synthetic Textiles:** Cotton textile products faces competition from synthetic textiles owing to the lower cost and some superior attributes of the later. Globally synthetic textile is growing at a faster rate than cotton textiles because of attributes ranging from lower price to specific functionalities (like design & better fitment for the fast fashion industry, durability, quicker drying time, superior wrinkle resistance). Although cotton textile continues to be a preferred choice in India, their dominance is eroding as more and more customers are opting for the functionality offered by synthetic textiles.

- Below are few more challenges:

Regulatory Compliance:

Environmental regulations, and labor laws increase operational challenges. Meeting compliance standards requires additional investment, particularly for small and mid-sized manufacturers.

Global Competition:

Countries like China, Bangladesh, and Vietnam offer lower production costs due to government incentives, cheaper labor, and advanced technology. Indian textile manufacturers struggle to match their efficiency and pricing in global markets.

Trade Barriers & Currency Fluctuations:

Export restrictions, tariffs, and changing trade policies affect India's cotton yarn exports. Additionally, currency fluctuations create uncertainty in international pricing, impacting competitiveness.

Rising Production Costs:

Increasing wages, energy costs, and expensive logistics reduce profit margins. Higher transportation expenses and inefficient infrastructure further add to the cost burden for manufacturers.

Sustainability Concerns:

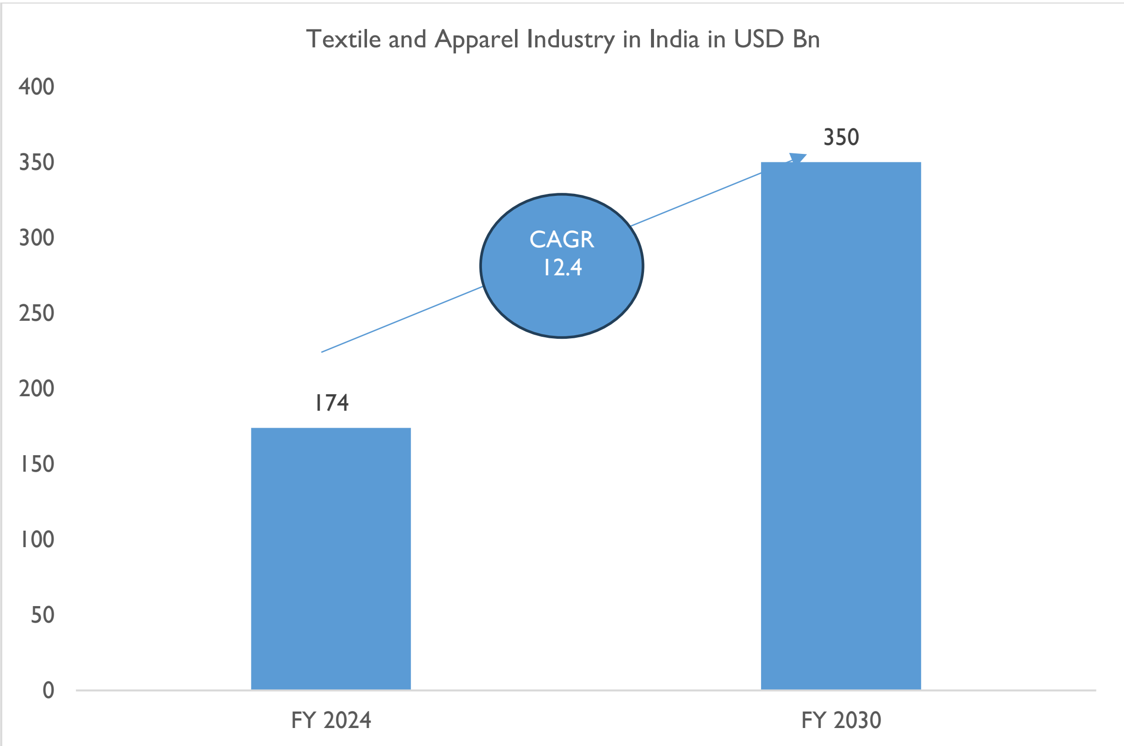
Growing demand for eco-friendly cotton and compliance with global sustainability standards increase production costs.

Growth Forecast

Expected Growth in Indian Textile Industry

India's textile industry plays a crucial role in the global textile and apparel trade, supported by rising per capita income and a large working population. Contributing 4.5% to global trade, the sector benefits from a well-developed value chain and strong craftsmanship, enabling exports to over 100 countries. It provides employment to over 45 million people and produces approximately 22 billion garments annually. The market is expected to grow significantly, reaching $350 billion by 2030, up from the current $174 billion. To accelerate this expansion, the government has introduced the PM MITRA Park Scheme, allocating INR 4,445 crore to develop an integrated textile value chain from spinning to manufacturing. The Indian textile market currently ranks fifth globally, with a projected growth rate of 15-20% over the next five years. The sector serves as a vital link between agriculture and industry, supporting the cultivation of natural fibers like cotton and silk.

To further strengthen the industry, the government has launched several initiatives, including Kasturi Cotton, a branding and traceability program aimed at promoting Indian cotton in both domestic and international markets. This initiative involves key stakeholders across the supply chain, from farmers and spinning mills to textile manufacturers and retailers. Additionally, schemes like the Production-Linked Incentive (PLI) Scheme encourage the production of MMF-based apparel and technical textiles. To enhance workforce skills, the Samarth Scheme has been introduced, providing structured training programs to create sustainable employment opportunities in the textile sector.

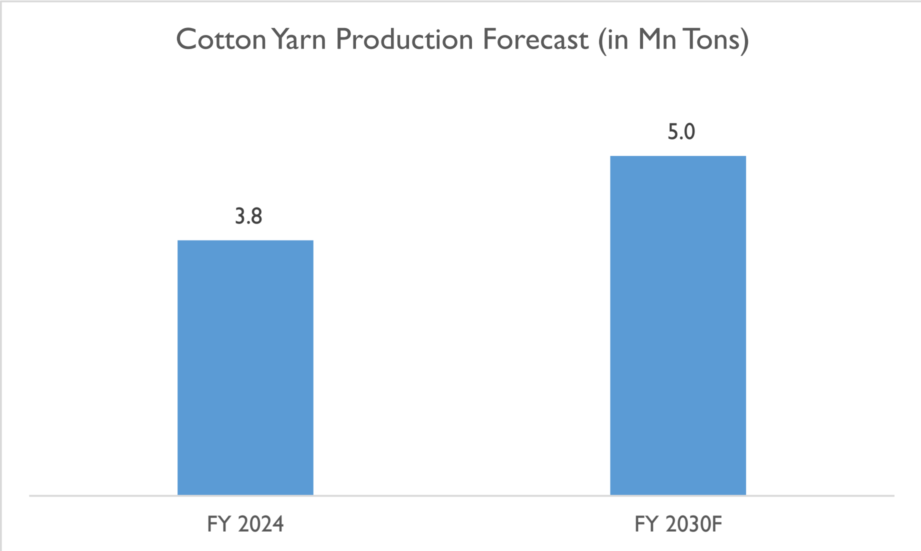


Source: Invest India, D&B Research and Estimates

Demand for textile production, from domestic as well as export markets, is expected to grow strong in the coming years. Higher disposable income and shift in consumption pattern is driving the domestic market. In addition, growing importance of India as a major textile manufacturing hub which have helped in the growth of Indian textile sector would continue to fuel its growth.

Expected Growth in Cotton Yarn Demand in India

Cotton textiles has been the dominant textile segment in India, and it is expected to retain its preeminent position as textile material of choice in the coming years too. Thus, the domestic demand for cotton yarn is expected to remain strong, both from domestic market as well as exports. Accordingly, the domestic production of cotton yarn is expected to grow at a faster rate in the coming years, and annual production is expected to touch nearly 5 million tons by FY 2030, up from the current level of nearly 3.8 million tons (as on FY 2024).



Source: D&B Research and Estimates

OUR BUSINESS

*Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to the Company. To obtain a complete understanding of our Company and business, prospective investors should read this section in conjunction with '**Risk Factors**', '**Industry Overview**', '**Management's Discussions and Analysis of Financial Condition and Results of Operations**' and '**Financial Information**' on pages 36, 139, 304 and 239, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole. Additionally, please refer to '**Definitions and Abbreviations**' on page 1 for certain terms used in this section.*

*Some of the information set out in this section, especially information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled '**Forward Looking Statements**' on page 24 for a discussion of the risks and uncertainties related to those statements and also the section titled '**Risk Factors**' on page 36 for a discussion of certain factors that may affect our business, financial condition or results of operations. We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, some of which may not be derived from our Restated Financial Information or otherwise subjected to an examination, audit or review or any other services by our Statutory Auditor, or any other expert. The manner of calculation and presentation of some of the operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Our financial year ends on March 31 of every year, so all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*'Unless otherwise indicated, industry and market data used in this section has been derived from industry report titled '**Industry Report on Cotton Yarn**' dated June 19 2025, prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on March 6, 2025, and exclusively commissioned and paid for by us in connection with the Issue. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been reordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that have been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at* http://shreeramtwistex.com/ *until the Bid/Issue Closing Date. For more information, see "**Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks**" on page 61.*

Overview

We are engaged in the manufacturing of Cotton Yarns, including Compact Ring Spun and Carded Yarns, both Combed and Carded. Our product range also includes value-added yarns such as Eli Twist (Combed and Carded), Compact Slub Yarns, and Lycra-Blended Yarns. Our Yarns are used in both knitting and weaving, serving a broad range of end-use segments such as denim, terry towels, shirting, sheeting, sweaters, socks, bottom wear, home textiles, and industrial fabrics.

We operate exclusively in the business-to-business (B2B) segment, supplying our products to institutional buyers such as textile manufacturers, garment exporters, bulk purchasers and fabric processors. Our exclusive B2B focus allows us to streamline our production and supply chain processes around the needs of large-scale buyers, ensuring consistent quality, delivery, and efficient order fulfilment. It also allows us to build long-term client relationships and offer customized yarn solutions tailored to specific technical parameters including count, twist, and strength.

Our manufacturing facility in Gondal, Rajkot, Gujarat, houses 17 compact ring-spinning machines with a total spindle count of 27,744. We produce 100% cotton yarns in counts ranging from Ne 8 to Ne 40, including carded and combed varieties (*"Ne" refers to the English Cotton Count System, which is a standard way to measure the fineness or thickness of yarn. The higher the Ne, the finer the yarn).* We also manufacture Compact Eli Twist (Siro) yarns in Ne 40/2 counts ('*Ne 40/2 counts' means two-ply yarn made by twisting together two single yarns of Ne 40 count*), available in both combed and carded forms, known for their strength and smooth finish. In addition, we offer compact Slub Yarns for textured fabric effects and Lycra-blended yarns that combine stretch with comfort, ideal for activewear and fitted garments.

Our operations also generate income from by-products such as cotton waste, which is sold to industries manufacturing non-woven fabrics and open-end yarns. We also sell Viscose-Cotton Mix Yarn, FP Bales, and Open-End Yarn, catering to varied textile segments. These products are sold to fabric manufacturers, weaving units, and traders, based on specific customer needs.

Set out in the table below are the breakdown of our revenues from operations by product categories for the nine months period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(₹ in lakhs except for percentage)

Our operation	For Nine-month period ended December 31, 2024		For Fiscal 2024		For Fiscal 2023		For Fiscal 2022	
	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation
Sale of Products:								
Carded Yarn^	7,526.99	49.68%	11,211.02	48.99%	10,594.14	50.37%	15,399.83	71.74%
Combed Yarn^	1,531.06	10.11%	489.66	2.14%	26.24	0.12%	5,182.10	24.14%
ELI Twist Yarn	4,378.78	28.90%	8,401.84	36.72%	7,987.34	37.98%	0.00	0.00%
Lycra Blended Yarn	822.27	5.43%	1,952.32	8.53%	938.93	4.46%	2.01	0.01%
Compact Slub Yarn	21.66	0.14%	75.62	0.33%	10.28	0.05%	0.00	0.00%
Others								
Cotton Waste	614.35	4.06%	751.74	3.29%	893.20	4.25%	881.39	4.11%
Viscose Cotton Mix Yarn	-	0.00%	0.00	0.00%	368.72	1.75%	0.00	0.00%
FP Bales	-	0.00%	0.00	0.00%	212.19	1.01%	0.00	0.00%
Open Yarn (Oe)	255.12	1.68%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Gross Sales	**15,150.23**	**100.00%**	**22,882.21**	**100.00%**	**21,031.05**	**100.00%**	**21,465.33**	**100.00%**
Add/(Less):								
Debit note/Credit note*	(68.78)	-	40.04	-	17.84	-	23.07	-
Net Sales	**15,081.45**	**100.00%**	**22,922.26**	**100.00%**	**21,048.90**	**100.00%**	**21,488.40**	**100.00%**

As certified by our Statutory Auditor vide certificate dated June 16, 2025.
^*Carded yarn and combed yarn collectively termed as Cotton Compact Ring Spun and Carded Yarns.*
**Debit and credit notes are issued to customers to account for invoice settlements, or agreed discounts.*

We sell our products in both the domestic market and international markets, with overseas sales routed through merchant exporters (*merchant exporter are exporters who procure products from domestic manufacturers or suppliers and sell them in international markets under their own name*). These merchant exporters possess expertise in global trade practices, export documentation and destination compliance requirements, allowing us to serve a wide range of overseas markets with minimal logistical hurdles. Our domestic sales are facilitated through direct sales to institutional customers and a network of brokers and agents who act as key intermediaries between us and institutional customers, helping us expand our market presence while offering localized customer engagement. This dual-channel strategy enables broad market coverage while allowing us to stay focused on our core strength i.e. manufacturing quality cotton yarns with minimal logistical complexity.

Set out in the table below is a breakdown of our revenue from domestic sales and exports during the nine-month ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively:

(*₹ in lakhs, except percentages*)

Particulars	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations
Domestic	13,858.39	91.89%	16,398.94	71.54%	1,9679.22	93.49%	16,316.42	75.93%
Exports (*through merchant exporter*)	1,223.06	8.11%	6,523.31	28.46%	1,369.68	6.51%	5,171.98	24.07%
Net Sales	**15,081.45**	**100.00%**	**22,922.26**	**100.00%**	**21,048.90**	**100.00%**	**21,488.40**	**100.00%**

As certified by our Statutory Auditor vide certificate dated June 16, 2025.
***Note**: Export sales were undertaken opportunistically, typically during periods of low domestic demand or to meet export obligations. As a result, export revenues are not consistent year-on-year.*

In the domestic market, we sell our products across the Indian states of Gujarat, Rajasthan, West Bengal, Maharashtra, Tamil Nadu, Madhya Pradesh, and Punjab, as well as the union territory of Dadra and Nagar Haveli, through a combination of direct sales and a network of brokers.We generate significant revenue from sales from the state of Gujarat which amounts to 13,834.64 lakhs, 19,058.24lakhs, 18,016.78 lakhs and 18,955.05 lakhs constituting 91.73 %. 83.14%, 85.59%, and 88.21% of total revenue from operations during the nine-month period ended December 31, 2024 and Fiscal 2024, 2023 and 2022, respectively.

We commenced the establishment of our manufacturing facility in the first year following incorporation, beginning with the acquisition of land in 2013. Our facility was developed using a combination of promoter funding and bank financing. Construction, machinery installation, and the development of supporting infrastructure were completed by 2016 and commercial production commenced in April 2016.

With nearly a decade of operational experience in the textile industry, we presently operate through our manufacturing facility which is strategically located in Gondal, Rajkot (Gujarat), and spans a built-up area of approximately 29,947 sq. m ("**Manufacturing Facility**"). We commenced our manufacturing operations with 11 compact ring spinning machines, comprising spindle count of 17,952 spindles. In 2020, we expanded by adding six additional compact ring spinning machines, increasing our spindle capacity by 9,792 spindles. This brought our total to 17 compact ring spinning machines and an aggregate spindle count of 27,744 spindles. This increase in spindle count resulted in an increase in our cotton yarn production capacity from 5,500.00 MT/Annum to 9,855.00 MT/Annum. Our Manufacturing Facility operates on a three-shift basis to maximize throughput and ensure uninterrupted operations.

Further, our Manufacturing Facility is designed with 'Zero Liquid Discharge Solution', where no industrial waste-water is discharged into surface waters, thereby minimizing environmental pollution.
Our Manufacturing Facility is equipped with modern spinning machinery and precision engineering equipment sourced from reputed textile machinery manufacturers of Switzerland, Germany and Italy. Our advanced infrastructure includes compact spinning systems, high-speed autoconers, contamination-clearers, electronic yarn clearers, and automated vacuum systems. These technologies are integrated with real-time monitoring tools to ensure the production of high-quality, uniform yarns with minimal defects. Further, to maintain an optimal production environment, our Manufacturing Facility is also equipped with centralized air-conditioning supported by swiss-made air filtration systems, which provides a dust-free and climate-controlled atmosphere that is essential for preserving fibre integrity and enhancing yarn quality. The integration of work force with automated

systems and digital process controls allows us to achieve operational efficiency, and optimized energy consumption across production cycles.

A few Photographsof our Manufacturing Facility is set out below.

To support our operations, our Manufacturing Facility houses five (5) dedicated warehouses two (2) for raw material storage, two (2) for finished goods, and one (1) for general storage, offering a combined storage capacity of 9,855 MT. This warehousing infrastructure enables streamlined inventory management, efficient raw material handling, and timely dispatch of finished goods, ensuring supply chain reliability and responsiveness to customer requirements.

We have, over the years, established long-standing relationship with our institutional customers such as Welspun Living Limited, Jindal Worldwide Limited and other institutional customers and bulk purchasers. During the nine-month period ended December 31, 2024, and the last three Fiscals, we have manufactured 6,060.83, 8,573.85, 6,895.50, and 7,884.00 metric tonnes of yarn, respectively. Over the same periods, we served 36, 49, 48, and 46 customers comprising of institutional customers, bulk purchasers and others. Our top 10 customers contribute 89.93%, 82.94%, 83.36% and 83.86% of the total revenue during the nine-month period ended December 31, 2024 and Fiscal 2024, 2023 and 2022, respectively and out of that we have served 6 customers for more than four years.For details, see "***Our Business – Our Customers***" on page 195.

We procure our principal raw material i.e. cotton bales, through a network of brokers, sourcing from ginning mills and traders located across Indian states of Gujarat, Maharashtra, Haryana and Madhya Pradesh, the cotton-producing regions in India. Over time, we have built strong relationships with a network of reliable brokers and suppliers, allowing us to secure consistent quality, maintain a steady supply of raw materials, and align procurement seamlessly with our production schedules. During the nine-month period ended December 31, 2024 and last three Fiscals, we procured cotton bells from 127Suppliers, 147 Suppliers, 174 Suppliers and 159 Suppliers out of which 6 Suppliers are associated with us overfour years and they contribute 73.27%, 70.68%, 42.01% and 58.98% of the total purchase during the nine-month period ended December 31, 2024 and Fiscal 2024, 2023 and 2022, respectively. For details, see "***Our Business – Raw Material and Our Suppliers***" on page 194.

To ensure uninterrupted production, we maintain a buffer stock of cotton bales during the peak procurement season. This season typically coincides with the cotton harvest period in India i.e. from October to March, when availability is high and prices are relatively low. During this period, we strategically procure and stock cotton bales to secure raw material at optimal prices. These inventories are stored at our Manufacturing Facility in the designated storage facilities. In line with industry practices, we also avail pledge loan facilities against the cotton bales through our lenders. As on date, we have sanctioned pledge limit of ₹2,000 lakhs from our lender i.e. Axis Bank Limited. Under this arrangement, cotton bales stored in our storage facilities or secured warehouses are pledged in favor of the lender, who provides us with short-term credit secured against the value of the pledged inventory. This approach allows us to optimize working capital, manage cash flows efficiently, and secure timely procurement without financial strain during high-demand periods. Our procurement strategy emphasizes sourcing cotton that meets strict technical criteria, which are essential for producing high-quality yarns.

Our founder and Promoter, Bhaveshbhai Bhikhubhai Ramani, supported by Promoter Director, Jay Atulbhai Tilala, plays a pivotal role in shaping the strategic direction and driving the growth of our Company. With deep industry knowledge and strong entrepreneurial skill his emphasis on product quality, integration of advanced technology, and responsiveness to market dynamics continues to guide our expansion and define our core values. Both Promoter Directors, Bhaveshbhai Bhikhubhai Ramani and Jay Atulbhai Tilala, remain actively involved in our operations. Their vision, business acumen, and leadership have been instrumental in sustaining our operations and driving consistent growth. They are supported by an experienced team of Key Managerial Personnel and Senior Management, who have consistently demonstrated the ability to adapt to changing market conditions, scale operations, and maintain customer relationships. For further details, see "***Our Promoters and Promoter Group***" and "***Our Management***" on page 233 and 220, respectively.

We are also an environmentally conscious organization committed to promoting the use of renewable energy. As part of our sustainability efforts, we installed a rooftop solar power plant at our manufacturing facility, which became operational in July 2024. As of March 31, 2025, the installed capacity of this rooftop solar system stands at 1.2 MW. This initiative supports our shift toward clean energy, contributing to our daily power requirements and resulting in a generation of average 10,62,500 units during the period in between July 2024 to December 2024 resulting in reduction of monthly electricity expenses. This green initiative not only helps reduce operational costs but also reinforces our commitment to eco-friendly and energy-efficient manufacturing practices by lowering our overall carbon footprint. To further reduce reliance on grid electricity and enhance long-term cost efficiency, we propose to establish a 6.1 MW ground-mounted solar power plant and 4.2 MW wind power project for captive consumption which is expected to considerably reduce our electricity expenses. We plan to utilize a portion of the Net Proceeds of the Issue to fund these renewable energy projects. For details, see "***Objects of the Issue***" on page 107.

Financial Performance Indicators

On the basis of our Restated Financial Statements: Our revenue from operations has grown at a compound annual growth rate (CAGR) of 2.04%, increasing from ₹21,797.20 lakhs for the fiscal year ended March 31, 2022, to ₹23,159.12 lakhs for the fiscal year ended March 31, 2024. During the same period, our profit after tax (PAT) has also shown robust growth, rising at a CAGR of 21.67% from ₹363.76 lakhs in the fiscal year ended March 31, 2022, to ₹655.25 lakhs in the fiscal year ended March 31, 2024.

The table below summarizes the financial performance indicators and operational parameters for the periods indicated:

(₹ in lakhs expect per share data or unless otherwise specified)

Particulars	For the nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Financial Performance Indicators				
Revenue from Operations(1)	15,259.91	23,159.12	21,310.25	21,797.20
EBITDA(2)	1,783.78	2,018.53	1,740.16	1,801.79
EBITDA Margin (%)(3)	11.69	8.72	8.16	8.27
Profit after Tax (PAT)(4)	6,961.37	655.25	205.08	363.76
PAT Margin (%)(5)	4.56	2.83	0.96	1.67
Total Borrowings(6)	5,140.08	6,704.46	5,570.05	5,696.20
Net Worth(7)	7,318.08	6,679.86	6,111.05	5,387.33
Return on Equity (ROE) (%)(8)	9.95	10.25	3.57	6.94

Particulars	For the nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Return on Capital Employed (ROCE) (%)(9)	12.44	12.5	8.61	9.06
Debt - Equity Ratio(10)	12.44	12.5	8.61	9.06
Fixed Assets Turnover Ratio(11)	2.18	3.28	2.74	2.85
Cash Conversion Cycle (in days)(12)	37	52	71	69
Operational Parameters				
Total installed capacity in metric tonnes per day(13)	7,391.25	9,855	9,855	9,855
Capacity Utilization (%)(14)	82.00	87.00	70.00	80.00
No. of customers(15)	36	49	48	46

**Not Annualized*

As certified our Statutory Auditors, by way of their certificate dated June 16, 2025.

Notes:

1. *Revenue from operation means revenue from operations as per the Restated Financial Statements;*
2. *EBITDA is calculated as profit / (loss) before tax plus Interest cost, depreciation and amortisation expense and less other income.;*
3. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations;*
4. *Profit after Tax (PAT) for the year means the restated profit / (loss) for the year/ period after tax as per the Restated Financial Statements;*
5. *PAT Margin (%) for the year as a % of total Income is calculated as restated profit / (loss) for the year/ period divided by Total Income;*
6. *Total borrowings represent sum of current and non-current borrowings;*
7. *Net Worth means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations;*
8. *ROE is calculated as PAT divided by net worth;*
9. *Return on Capital Employed (ROCE) is calculated as EBIT divided by capital employed where (i) EBIT means EBITDA minus depreciation and amortisation expense and (ii) Capital employed means Net worth as defined in (7) above + total current & non-current borrowings;*
10. *Debt to Equity Ratio is calculated as total borrowings divided by total equity;*
11. *Fixed Assets Turnover Ratio is calculated as revenue from operations for the year/ period divided by property, plant and equipment;*
12. *Cash Conversion Cycle (in days) is calculated as inventory days plus trade receivable days minus Trade payable days. Inventory days are calculated as Inventory divided by cost of goods sold multiplied by 300 days. Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 300 days. Trade payable days are calculated as Trade payable divided by cost of goods sold multiplied by 300 days;*
13. *Total installed capacity is the cotton yarn manufacturing ng capacity of the Company in metric tonnes;*
14. *Capacity utilisation is arrived by dividing the total actual production by total installed capacity during the relevant Fiscal or period, as applicable;*
15. *No. of customers is the aggregate customers served by the Company.*

Market Opportunities

Set forth below are the indicative market opportunity for the industry we deal in;

- *India ranks as the 6th largest exporter of textiles and apparel globally, with the sector, including handicrafts, accounting for a significant 8.21% of the country's total exports in 2023-24. India holds a 3.91% share in the global textile and apparel trade. The USA and the European Union are the primary export destinations, collectively making up approximately 47% of India's total textile and apparel exports.*

- *India's textile industry contributes around 2.3% to the GDP and provides direct and indirect employment to over 65 million people. As a significant textile producer, the sector is projected to reach $350 billion by 2030, with an estimated addition of 35 million jobs.*

- *The demand for cotton yarn is directly related to the demand scenario prevalent in the domestic textile industry. Being the primary input material used for cotton textiles, factors that have an impact on the overall textile as well as cotton textile industry have a direct impact on cotton yarn demand. Access to large urban population, young demography of India, availability of raw materials, existence of total value chain, Government support and technology up-gradation are major factors that contribute to the growth of overall textile sector.*

- *India holds the second-largest spinning capacity in the world, just after China. The cotton yarn industry is a critical component of India's textile value chain, providing raw material to the weaving, knitting, and garmenting sectors. Nearly 70% of India's total cotton yarn production is consumed domestically by textile mills. The knitted and woven fabric industry is the largest consumer of cotton yarn, producing a variety of cotton-based products.*

For details, see "***Industry Overview***" on page 139.

Key Products

100% COTTON COMPACT RING-SPUN COMBED & CARDED YARNS

Description:

Our cotton compact ring-spun yarns offer a refined texture with strength and uniformity, making them the ideal choice for premium fabrics.

Combed Yarn – Made from the long-staple cotton fibers, combed yarn undergoes an additional combing process to remove short fibers and impurities, resulting in smoother, stronger, and softer yarn. Suited for luxury apparel, high-thread-count fabrics, and soft-touch textiles.

Carded Yarn – Processed without the additional combing step, carded yarn offers a natural, slightly textured finish. It is ideal for denim, casual wear, home textiles, and general-purpose fabrics.

Applications:

- **Premium Apparel -** Used for high-end T-shirts, polo shirts, dress shirts, and other garments requiring a smooth, soft feel with minimal pilling.
- **Luxury Home Textiles** - Bedsheets, pillowcases, and fine-quality towels due to their high durability and softness.
- **Denim & Bottom Wear** - Used in high-quality denim and twill fabrics for jeans and trousers to enhance strength and reduce hairiness.
- **Knitted Fabrics -**Used in jerseys and interlock fabrics for improved fabric quality and surface finish.

COMPACT ELI TWIST COMBED & CARDED YARNS

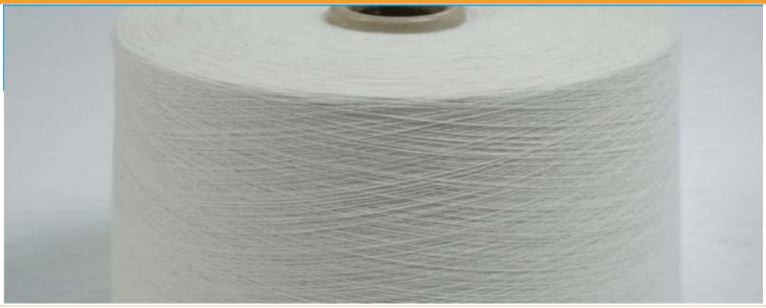
Description:

Eli Twist yarn is a double-twisted, compact yarn that significantly enhances fabric quality by reducing hairiness, increasing durability, and improving abrasion resistance.This makes it an good choice for high-end textile applications.

Applications:

- High-thread-count shirting and suiting fabrics
- Premium knitwear and woven textiles
- Luxury home textiles and bed linen

COMPACT SLUB YARNS



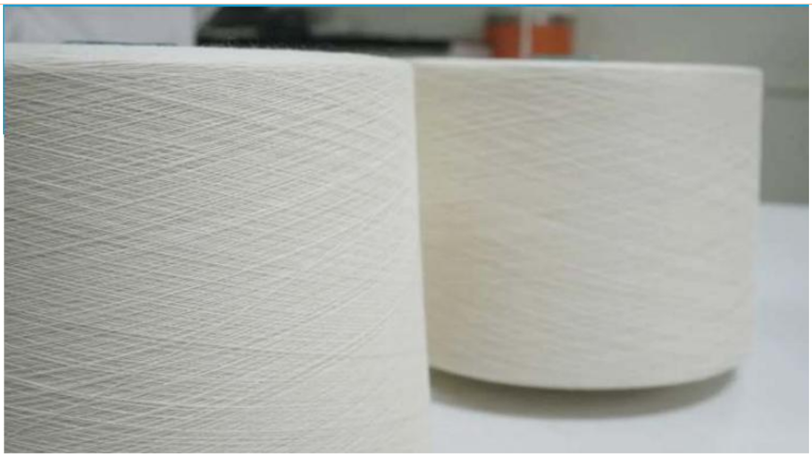
Description:

Our Compact Slub Yarns bring texture and visual interest to textiles by introducing intentional irregularities in thickness, creating a distinctive vintage or rustic appeal. These yarns are widely used in fashion and designer fabrics.

Applications:

- Fashion apparel (denim, casual wear, vintage-look garments)
- Upholstery and home decor textiles
- Artistic and handcrafted textiles

LYCRA BLENDED YARNS



Description:

Our Lycra-blended yarns offer the balance of softness, flexibility, and stretch recovery, making them ideal for applications that require elasticity and durability.

Applications:

- Activewear and sportswear
- Stretch denim and leggings
- Undergarments and intimate wear

Our Strengths

1. ***Fully integrated spinning infrastructure with modern technologies to support a diversified and value added product portfolio.***

We operate a fully integrated spinning manufacturing facility that brings together all key stages of yarn production under one roof, from procurement of raw cotton to finished yarn packaging. This end-to-end integration includes processes such as cotton bale procurement, cleaning, carding, combing, spinning, winding, and final packaging. By centralizing operations within a single location, we minimize material handling, reduce production lead times and enhance coordination across process stages. This results in process control, increased operational efficiency, and better consistency in output quality.

At the core of our manufacturing operations is compact ring spinning technology, a significant upgrade over conventional spinning systems. This technology improves fibre alignment and reduces hairiness and breakage in yarn, producing smoother, stronger, and more uniform yarns. These characteristics are essential for meeting the high-quality standards expected by both domestic and international textile manufacturers.

Our Manufacturing Facility is equipped with advanced machinery sourced from reputed manufacturers based in Switzerland, Germany, and Italy. This includes compact spinning systems, high-speed autoconers, contamination clearers, electronic yarn clearers, and automated vacuum systems, many of which are integrated with real-time digital monitoring tools to ensure uniformity and reduce defects. For details, see "***Our Business – Manufacturing Facility***" on page 197.

As part of our ongoing commitment to operational excellence and product innovation, we are commissioning five (5) in-house TFO (Two-for-One) twisting machines at our manufacturing facility and is scheduled to be operation from July 2025 onwards. Procured in May 2025 from reputed vendors, these machines represent a strategic upgrade to our infrastructure, aimed at strengthening our ability to produce high-performance, value-added yarns. TFO twisting is a precision-driven mechanical process that merges two yarn strands into a single, stronger, and more uniform thread delivering superior strength, durability, and a cleaner finish. This technology is particularly vital for value added products such as Eli

Twist and Lycra-blended yarns, where consistency, balance, and appearance are critical to meeting exacting customer standards. Bringing TFO twisting in-house marks a significant step toward full vertical integration. It will enhance quality control and improve cost efficiency, lead times, and responsiveness to customer demand. By integrating TFO operations within our existing production infrastructure, we aim to unlock operational synergies and elevate our competitive edge in both domestic and global markets.

Further, to maintain the integrity of raw materials and optimize product quality, our Manufacturing Facility is equipped with centralized air-conditioning and air filtration systems. This climate-controlled, dust-free environment supports fiber preservation and contributes to consistent yarn performance across production batches. We also integrate human expertise with automation and digital process controls to drive efficiency and optimize energy use throughout our operations. This technological foundation not only supports high-volume production but also enables responsiveness to changing customer and market needs.

To further support manufacturing and logistics, we operate five dedicated storage facilities within our facility. Our storage infrastructure plays a crucial role in maintaining smooth inventory management, efficient material handling and timely dispatches ensuring end-to-end supply chain reliability.

Our product portfolio is both diversified and technically adaptable, allowing us to serve a wide range of applications across the textile sector.

This range serves the needs of knitting, weaving, and hosiery segments. Our ability to manufacture multiple yarn types from a single facility allows us to efficiently address shifting customer preferences and market trends.

We emphasize product customization, tailoring yarn characteristics, including count, ply, twist, and fibre blend, to meet specific client requirements. This customer-centric manufacturing approach strengthens client relationships, supports long-term partnerships, and enhances our positioning in the market.

Collectively, our fully integrated infrastructure, modern spinning technologies, diversified product line, and focus on customization position us to remain agile, scalable, and competitive.

2. Long standing relationships with key customers and are supported by a network of brokers and agents.

With nearly a decade of experience in the textile industry, we have established cordial relationships with key customers and independent third-party brokers and agents. As of December 31, 2024, we are associated with 8 third-party brokers and agents who play a pivotal role in facilitating our sales efforts. These intermediaries primarily serve as a link between our Company and customers, especially institutional buyers, bulk purchasers, and merchant exporters. Although our products are sold directly to customers pursuant to their purchase orders, these transactions are frequently designed and arranged through our brokers and agents. Their contributions include identifying prospective customers, initiating business leads, and assisting in the finalization of sales orders. This model enables us to maintain a lean internal sales structure while leveraging the market reach and relationships of our agents and broker network.

A key factor that sets us apart from competitors is our customer-centric approach, focusing on delivering products that align precisely with customer specifications. This commitment to customization and quality has not only supported the growth of our business but also strengthened our market presence and reputation within the industry.

We have, over the years, established long-standing relationship with our institutional customers such as Welspun Living Limited, Jindal Worldwide Limited and other institutional customers and bulk purchasers and network of brokers.

During the nine-month period ended December 31, 2024, and in Fiscal 2024, Fiscal 2023, and Fiscal 2022, we served over 36, 49, 48, and 46 customers. Of these, approximately 6 key customers and 26 non-key customers have been associated with us for more than four years. Set forth below is our revenue from such key customers in the nine-month period ended December 31, 2024, and the Fiscals 2024, 2023 and 2022:

(*₹ in lakhs*)

Particulars	Nine-month period ended December 31, 2024			Fiscal 2024			Fiscal 2023			Fiscal 2022		
	No. of Repeated Customers	Revenue from repeated customers	% of revenue from operations	No. of Repeated Customers	Revenue from repeated customers	% of revenue from operations	No. of Repeated Customers	Revenue from repeated customers	% of revenue from operations	No. of Repeated Customers	Revenue from repeated customers	% of revenue from operations
Revenue from repeated customers	5	9,074.55	59.47%	6	15,333.82%	66.21	6	14,141.73	66.36%	6	14,950.54	68.59%
Total	5	9,074.55	59.47%	6	15,333.82%	66.21	6	14,141.73	66.36%	6	14,950.54	68.59%

As certified our Statutory Auditors, by way of their certificate dated June 16, 2025.

For further information, see "***Our Business – Our Customers***" on page 195.

3. Strategically located manufacturing facility with adequate storage facility and scope for future expansion

Our Manufacturing Facility is a strategically located facility with ample scope for expansion option available to us:

- *Large land with ample scope for future expansion*: Our Manufacturing Facility spans a total land area of approximately 29,947 sq. m, with built-up area covering 10,167.94 sq. m i.e. 33.95% of the total land. As of December 31, 2024, the facility has an installed capacity of 9,855 MT per annum, leaving substantial space for future growth and expansion.

- *Strategic Location*: Our Manufacturing Facility is strategically located in Gondal, District Rajkot, Gujarat, offering direct access to a well-established ecosystem of raw material suppliers, logistics providers, and skilled labor. This geographic advantage streamlines procurement, production scheduling, and delivery timelines. Additionally, close proximity to local ginning and spinning units ensures a steady supply of raw cotton, enhancing operational flexibility and raw material management.

  In addition to the same, our Manufacturing Facility enjoys infrastructure connectivity through well-developed road, rail, and port networks. The site is located near National Highway 47, offering direct highway access to major cities in Gujarat and Maharashtra. Rajkot railway station and the Rajkot International Airport provide further connectivity for the movement of goods and personnel. This strategic location not only optimizes our supply chain logistics but also enhances our ability to scale operations, respond promptly to customer requirements, and maintain competitive turnaround times, both for domestic and export orders.

- *Storage Infrastructure*: Our Manufacturing Facility is supported by well-planned and adequately sized storage infrastructure that enables efficient handling of raw materials, semi-finished goods, and finished products. We have designated storage areas within our premises that are equipped to handle bulk inventory in an organized and secure manner. Raw materials such as cotton bales are stored in controlled conditions to preserve quality and avoid contamination, with careful segregation based on quality parameters The storage layout is designed to ensure smooth inward and outward movement of materials, with dedicated zones for loading, unloading, and short-term holding. This organized system contributes to effective inventory rotation and minimization of wastage.

Finished goods are stored in clean, ventilated, and secure sections within our storage facility, allowing us to maintain product integrity until dispatch. We maintain sufficient buffer stock to meet customer orders in a timely manner and reduce the risk of supply disruptions. Our storage practices are aligned with our production schedule and sales commitments, ensuring that material handling is efficient and turnaround time is minimized. Inventory is managed through systematic tracking and documentation, enabling accurate stock control and better decision-making regarding procurement, production, and dispatch. Overall, our robust storage infrastructure plays a critical role in maintaining product quality, ensuring operational efficiency, and supporting our ability to fulfil customer requirements consistently.

4. *Track Record of healthy growth*

We have demonstrated consistent growth in terms of revenues and profitability. Onwards year 2017, we have demonstrated consistent growth in terms of revenues and profitability. Our revenue from operations has grown from ₹6,278.65 lakhs in Fiscal 2017 to ₹23,159.12 lakhs in Fiscal 2024.

Similarly, our profit after tax has grown from ₹ (225.06) lakhs in Fiscal 2017 to ₹655.25 lakhs in Fiscal 2024.

The significant growth of our business during the nine-month period ended December 31, 2024 and the last three Fiscals have contributed significantly to our financial strength.

We achieved revenue from operations of ₹15,259.91 lakhs during the nine-month period ended December 31, 2024. For the full fiscal years, our revenues stood at ₹23,159.12 lakhs in Fiscal 2024, ₹21,310.25 lakhs in Fiscal 2023, and ₹21,797.20 lakhs in Fiscal 2022. While revenue growth over this period has been moderate in value terms, our sales volume has shown a meaningful increase rising from 9,697.59 MT in Fiscal 2022 to 10,668.98 MT in Fiscal 2024. This volume includes both manufactured stock and inventory stock sold during the respective periods. The rise in volume reflects operational efficiency improvements and stronger market demand for our diversified product range.

Our summary financial performance indicator for nine-months period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 are detailed below:

(₹ in lakhs expect per share data or unless otherwise specified)

Particulars	For the nine month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Financial KPI				
Revenue from Operations[1]	15,259.91	23,159.12	21,310.25	21,797.20
EBITDA[2]	1,783.78	2,018.53	1,740.16	1801.79
EBITDA Margin (%)[3]	11.69	8.72	8.16	8.27
Profit after Tax (PAT)[4]	696.37	655.25	205.08	363.76
PAT Margin (%)[5]	4.56	2.83	0.96	1.67

[*]Not Annualised
As certified by our Statutory Auditors, by way of their certificate dated June 16, 2025.
Notes:
1. *Revenue from operation means revenue from operations as per the Restated Financial Statements;*
2. *EBITDA is calculated as profit / (loss) before tax plus finance costs, depreciation and amortisation expense and less other income.;*
3. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations;*
4. *Profit after Tax (PAT) for the year means the restated profit / (loss) for the year/ period after tax as per the Restated Financial Statements;*
5. *PAT Margin (%) for the year as a % of total Income is calculated as restated profit / (loss) for the year/ period divided by Total Income;*

We believe that we have been able to maintain our financial growth, due to an efficient business model. Our balance sheet enables us to fund our strategic initiatives, pursue opportunities for growth and better manage unanticipated cash flow variations.

Further, we believe that we have built a resilient business model that has allowed us to navigate through challenges with resilience and continue to grow our business through adverse events such as the Indian banknote demonetization in 2016, and COVID-19 pandemic.

We believe that our financial performance, demonstrates not only the growth of our operations over the years, but also the effectiveness of our management, our relationship with key customers and cost monitoring that we have implemented. Among other things, our strong financial position and results of operations have enabled us to enhance scale of operation.

5. Strong Promoters and Experienced Management Team

We are led by a qualified and dedicated management team under the guidance of our Board of Directors. Our Promoter-Directors, Bhaveshbhai Bhikhubhai Ramani and Jay Atulbhai Tilala, play a key role in the development and strategic direction of our business. They are instrumental in formulating business strategies, driving modernization, integrating systems and technologies, steering diversification and expansion and also maintaining a strong customer-centric approach.

Our leadership team is also supported by our Key Managerial and Senior Management Personnel. Among them, Kamleshbhai Rambhai Patel, who leads our production operations and oversee quality assurance and supply chain management, brings with him over three decades of experience in the textile industry. Our management approach is collaborative and function-driven, which we believe is central to our competitive edge. The collective expertise of our leadership enables us to anticipate market trends, manage operations efficiently, strengthen customer relationships, and respond proactively to changing industry demands. We will continue to leverage the deep experience of our promoters and management team to pursue future growth opportunities in the textile sector. With the support of a skilled workforce, including a dedicated quality assurance team, we have consistently scaled our operations and maintained stable financial performance year after year. For further details, see "***Our Promoters and Promoter Group***" on page 233 and "***Our Management***" on page 220.

Our Strategies

1. Setting up Ground mounted solar power plant and windmill for captive use

We are an environmentally conscious organization with a strong commitment to integrating sustainable practices into our operations. Recognizing the long-term environmental and economic benefits of renewable energy, we have taken significant steps to reduce our dependence on conventional power sources and move toward a cleaner energy future.

As part of these efforts, we installed a rooftop solar power plant at our manufacturing facility, which became operational in July 2024. As of March 31, 2025, the installed capacity of this rooftop solar system stands at 1.2 MW. The energy generated from this installation contributes directly to meeting our day-to-day operational power needs, resulting in a reduction in our monthly electricity expenses. This initiative not only supports our cost-efficiency goals but also aligns with our broader objective of minimizing our environmental impact by lowering our overall carbon footprint.

Our shift to renewable energy forms a core pillar of our broader sustainability strategy, which is focused on achieving long-term resource efficiency, ensuring energy security, and maintaining compliance with both national regulations and global environmental standards. By investing in clean energy infrastructure, we aim to reduce our carbon footprint, lower operational dependence on non-renewable power sources, and future-proof our energy requirements in a cost-effective and environmentally responsible manner.

Building on the success of our rooftop solar installation, we intend to expand our renewable energy capacity by setting up a 6.1 MW ground-mounted solar power plant and a 4.2 MW wind power project. Both facilities are designed for captive consumption, meaning the energy generated will be used directly within our manufacturing operations. This will significantly reduce our draw from the conventional power grid, further insulating us from fluctuations in energy tariffs and supply uncertainties.

These projects are expected to contribute meaningfully to our long-term energy cost stabilization, enhance operational resilience, and support our ability to scale production without proportionally increasing environmental impact. In addition, integrating solar and wind energy sources into our operations allows us to diversify our energy mix, reduce peak load pressure, and operate more sustainably throughout seasonal and regional variations in power availability. To fund these renewable energy projects, we propose to utilize a portion of the Net Proceeds of the Issue. These initiatives reflect our commitment to responsible growth and our intent to align business expansion with environmental stewardship. For further details, refer to "***Objects of the Issue***" on page 107.

2. Working capital optimization

As we continue to grow, we anticipate an increasing need for working capital to support our expanding operations. Although our turnover has remained relatively consistent across fiscal years, our working capital requirements have risen significantly by 26.53% in Fiscal 2023 compared to Fiscal 2022, and by 47.24% in Fiscal 2024 compared to Fiscal 2023. This growth is primarily driven by higher investments in raw material procurement, finished goods inventory, and extended trade receivables, which are common in a scaling manufacturing business.

To manage this, we plan to adopt a focused working capital strategy that includes optimizing inventory turnover through better demand forecasting and real-time tracking, improving receivable collections by enforcing stricter credit terms and incentivizing early payments, and negotiating extended credit periods with suppliers to ease cash flow pressure. We will continue to leverage pledge loans against cotton stock during peak procurement periods and explore expanding working capital limits with financial institutions.

In addition, a portion of the Net Proceeds of the Issue is proposed to be utilized toward meeting working capital requirements, ensuring we maintain sufficient liquidity to support operational continuity. For further details, refer to "***Objects of the Issue***" on page 107.

Regular monitoring of key liquidity and efficiency metrics will help us maintain a balanced working capital cycle and align resource use with business growth, thereby strengthening our financial resilience and operational scalability.

3. Maintain and expand long-term relationships with customers and brokers

We believe that business is a by-product of relationship. The business model is based on client relationships that are established over period of time rather than a order-based execution approach. We believe that long-term client relationship fetches better dividends. Long-term relations are built on trust and continuous satisfaction of the customers. It helps understanding the basic approach of our Company, our products and our market. It also forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely. We intend to focus on expanding our customer base and forming new long-term relations with our customers and brokers by catering to their needs and demands in a timely, efficient and effective ost-effective manner.

4. Operational Efficiency and Manufacturing Excellence

We are committed to continuously enhancing our operational efficiency by investing in modern, high-performance spinning infrastructure and advanced quality control systems, including in-house testing laboratories. These facilities ensure that every yarn batch meets stringent quality standards, enabling consistent delivery and high customer satisfaction. Our focus remains on streamlining manufacturing processes to reduce waste, optimize resource utilization, and lower production costs, all without compromising on product quality. We are actively implementing process improvements and adopting best practices across departments to improve productivity and drive profitability.

Additionally, we are exploring sustainable cost optimization measures and investing in equipment and automation that contribute to more efficient operations. These efforts not only strengthen our ability to meet customer specifications reliably and consistently but also improve our responsiveness to market demands. Through disciplined execution and operational agility, we aim to reinforce our position in both domestic and international markets while supporting long-term business growth.

5. ***Focus on rationalizing our indebtedness***

As part of our strategy to enhance financial stability and improve capital efficiency, we intend to utilize a portion of the Net Proceeds to repay part of the financing obtained from SIDBI for the financing our ground mounted solar power plant. This repayment is a key step in our broader plan to rationalize our borrowings, reduce interest expenses, and improve our debt-to-equity ratio.

By lowering our overall indebtedness, we aim to strengthen our balance sheet, reduce dependence on external debt, and improve our credit profile. This will enable us to achieve greater financial flexibility, allowing us to reinvest more effectively in core business operations and pursue future growth opportunities with reduced financial pressure.

The repayment of the SIDBI loan originally secured to support our shift toward renewable energy and cost-efficient power generation also reinforces our commitment to sustainable operations and responsible capital management. For further details on the proposed use of the Net Proceeds, see "***Objects of the Issue***" on page 107.

The strategies of our Company listed above have been adopted by a resolution passed by our Board on June 20, 2025.

Raw Material and Our Suppliers

Cotton bales are the principal raw material in our manufacturing process. We source them from through brokers/agents who help us to procure from reputed ginning mills located across Gujarat, Maharashtra, Madhya Pradesh, and other key cotton-growing regions. Over the years, we have built strong, trust-based relationships with our agents/brokers and suppliers to ensure a consistent and reliable supply of high-grade cotton with the desired characteristics. Our dedicated in-house procurement team rigorously evaluates each lot on critical quality parameters such as fibre length, micronaire, and impurity content. This stringent assessment process helps us maintain our internal production standards.

Set out below are the details of expense incurred toward procurement of raw materials during the nine month period ended December 31, 2024 and Fiscal 2024, 2023 and 2022.

(₹ in lakhs)

Particulars	Nine-month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Expenses towards purchase of raw materials	11,746.47	17,631.29	15,571.01	17,864.88
Total Revenue	15,259.91	23,159.12	21,310.25	21,797.20
% of revenue from operation	76.98 %	76.13%	73.07%	81.96%

As certified by our Statutory Auditor vide certificate dated June 16, 2025.

All the raw material suppliers of our Company are domestically located and our Company does not procure any raw material from suppliers located overseas. Further, our Company does not enter into any long term contracts / agreements with its raw material suppliers. For further, details, please refer to "***Risk Factors – We are dependent on a limited number of suppliers for procurement of cotton bales, our principal raw material, and any disruption in supply or adverse movement in cotton prices may materially affect our business, results of operations, and financial condition***" on page 38 of this Draft Red Herring Prospectus.

The details of top five (5) and top (10) raw material suppliers vis-à-vis our total purchases as per our Restated Financial Statements are set out below:

(₹ in lakhs)

Particulars	Nine month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations
Top 5 suppliers	8,191.44	74.08%	10,707.92	61.71%	8,097.62	47.59%	14,226.47	81.33%
Top 10 suppliers	9,840.95	88.99%	14,198.66	81.84%	10,768.21	63.28%	11,832.08	67.64%
Total Purchase	11,058.38	100%	17,352.66	100%	17,018.13	100%	17,490.85	100%

As certified by our Statutory Auditor vide certificate dated June 16, 2025

The following table provides a breakdown of our top 10 suppliers that constituted more than 50% of our total supplies for the nine month period ended December 31, 2024:

Sr. No.	Name of the Supplier	% of revenue from operations
1.	Supplier No. 1	32.05%
2.	Supplier No. 2	14.45%
3.	Supplier No. 3	13.86%
4.	Supplier No. 4	7.18%
5.	Supplier No. 5	6.54%
6.	Supplier No. 6	4.38%
7.	Supplier No. 7	3.14%
8.	Supplier No. 8	2.88%
9.	Supplier No. 9	2.59%
10.	Supplier No. 10	1.92%

As certified by our Statutory Auditor vide certificate dated June 16, 2025.
Note: Name of our top five and top ten suppliers of our Company has not been separately disclosed due to non-reciept of their consent.

Our Customers

In the domestic market, we sell our products across the Indian states of Gujarat, Rajasthan, West Bengal, Maharashtra, Tamil Nadu, Madhya Pradesh, and Punjab, as well as the union territory of Dadra and Nagar Haveli, through a combination of direct sales and through network of brokers and agents.

We generate significant revenue from sales from the state of Gujarat, Maharashtra and Punjab and other states

Set out in the table below is a breakdown of Statewise revenue during the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively:

(*₹ in Lakhs*)

Our operation	Revenue as on December 31, 2024	As % of Revenue from Operation	Revenue as on March 31, 2024	As % of Revenue from Operation	Revenue as on March 31, 2023	As % of Revenue from Operation	Revenue as on March 31, 2022	As % of Revenue from Operation
State name								
Gujarat	13,834.64	91.73%	19,058.24	83.14%	18,016.78	85.59%	18,955.05	88.21%
Haryana	46.27	0.31%	19.96	0.09%	0	0.00%	54.48	0.25%
Rajasthan	15.56	0.10%	415.56	1.81%	2,182.1	10.37%	319.32	1.49%
West Bengal	0	0.00%	0	0.00%	0	0.00%	158.04	0.74%
Maharashtra	688.13	4.56%	2,201.85	9.61%	402.71	1.91%	1,495.53	6.96%
Karnataka	0	0.00%	96.24	0.42%	220.55	1.05%	161.29	0.75%
Tamil Nadu	0	0.00%	89.2	0.39%	0	0.00%	344.69	1.60%
Madhya Pradesh	0	0.00%	0	0.00%	84.2	0.40%	0	0.00%

Our operation	Revenue as on December 31, 2024	As % of Revenue from Operation	Revenue as on March 31, 2024	As % of Revenue from Operation	Revenue as on March 31, 2023	As % of Revenue from Operation	Revenue as on March 31, 2022	As % of Revenue from Operation
Dadra & Nagar Haveli	0	0.00%	0	0.00%	142.56	0.68%	0	0.00%
Punjab	496.85	3.29%	1,041.21	4.54%	0	0.00%	0	0.00%
Net Sales	**15,081.45**	**100.00%**	**22,922.26**	**100.00%**	**21,048.90**	**100.00%**	**21,488.40**	**100.00%**

In addition to serving the domestic market, our products were exported through merchant exporters, during the nine-month period ended December 31, 2024, and in Fiscal 2024, Fiscal 2023, and Fiscal 2022 through merchant exporters.

Set out in the table below is a breakdown of our revenue from domestic sales and exports during the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively:

(*₹ in lakhs, except percentages*)

Particulars	Nine month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations
Domestic Sales	13,858.39	91.89%	16,398.94	71.54%	1,9679.22	93.49%	16,316.42	75.93%
Exports Through Merchant Exporter#	1,223.06	8.11%	6,523.31	28.46%	1,369.68	6.51%	5,171.98	24.07%
Total	**15,081.45**	**100.00%**	**22,922.26**	**100.00%**	**21,048.90**	**100.00%**	**21,488.40**	**100.00%**

As certified by our Statutory Auditor vide certificate dated June 16, 2025.
***Note**: Export sales were undertaken opportunistically, typically during periods of low domestic demand or to meet export obligations. As a result, export revenues tend to vary and are not consistent year-on-year.*

The details of top five (5) and top (10) customers vis-à-vis our total sales as per our Restated Financial Statements are set out below:

(*₹ in lakhs, except percentages*)

Particulars	Nine-month period ended December 31, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operations	Revenue from Operations	% of revenue from operations
Top 5 customers	11,381.97	75.47%	15,271.96	66.63%	15,535.32	73.79%	15,394.71	71.64%
Top 10 customers	13,563.48	89.93%	19,010.50	82.94%	18,180.67	86.36%	18,020.65	83.86%
Total Sales	**15,081.45**	**100%**	**22,922.26**	**100%**	**21048.90**	**100%**	**21,488.4**	**100%**

The following table provides a breakdown of our top ten (10) customers that constituted more than 50% of our total supplies for the nine-month period ended December 31, 2024:

Sr. No.	Name of the customer	% of revenue from operations
1.	Customer No. 1	38.80%
2.	Welspun Living Limited	17.80%
3.	Jindal Worldwide Limited	11.38%
4.	Customer No. 4	4.09%
5.	Customer No. 5	3.40%
6.	Customer No. 6	3.29%
7.	Customer No. 7	3.10%
8.	Customer No. 8	2.80%
9.	Customer No. 9	2.66%
10.	Customer No. 10	2.61%

***Note**: Except for the details of our second and third largest customers, whose consent has been obtained, the names of our customers falling under top ten customers and the individual revenue contribution have not been separately disclosed due to the non-receipt of their approval.*

Manufacturing Facility

Our state-of-the-art manufacturing facility is located in Gondal, Rajkot district, Gujarat. This location offers us a strategic advantage in terms of proximity to high-quality raw cotton suppliers, skilled labor, and transportation infrastructure, including road, rail and port connectivity. The facility is situated on freehold industrial land and spans a built-up area of approximately 29,947 sq. m. It has been developed with an integrated layout to house spinning, warehousing, and utility functions under one roof, enhancing operational coordination and material flow efficiency. Our operations run 24x7 on a three-shift basis and currently have an installed capacity to produce approximately 32 metric tonnes of yarn per day.

The plant is equipped with advanced and semi-automated machinery sourced from internationally reputed manufacturers in Switzerland, Germany, and Italy. Our spinning line includes high-speed compact ring spinning frames, pre-spinning blow room systems, and precision winding units with auto-coners integrated with electronic yarn clearers and splicers. These systems are supported by contamination detectors and online quality control mechanisms to ensure uniformity, strength, and minimal imperfection across all yarn output. The facility also includes advanced humidification and air filtration systems to maintain optimum environmental conditions, which are critical to both yarn quality and equipment longevity. The technology we deploy enables the production of a diverse range of yarn counts, finishes, and specialty products.

We follow a modular production model, allowing for flexibility in manufacturing different product variants without major downtimes. Each process from carding and combing to drawing, roving, spinning, and winding is streamlined through in-line automation where feasible, supported by real-time monitoring. We employ statistical process control (SPC) techniques to track quality at each stage, and our workforce is trained periodically to operate machinery in accordance with OEM standards. The plant layout has been optimized for lean manufacturing practices, ensuring minimal wastage, efficient movement of materials, and adherence to occupational safety norms.

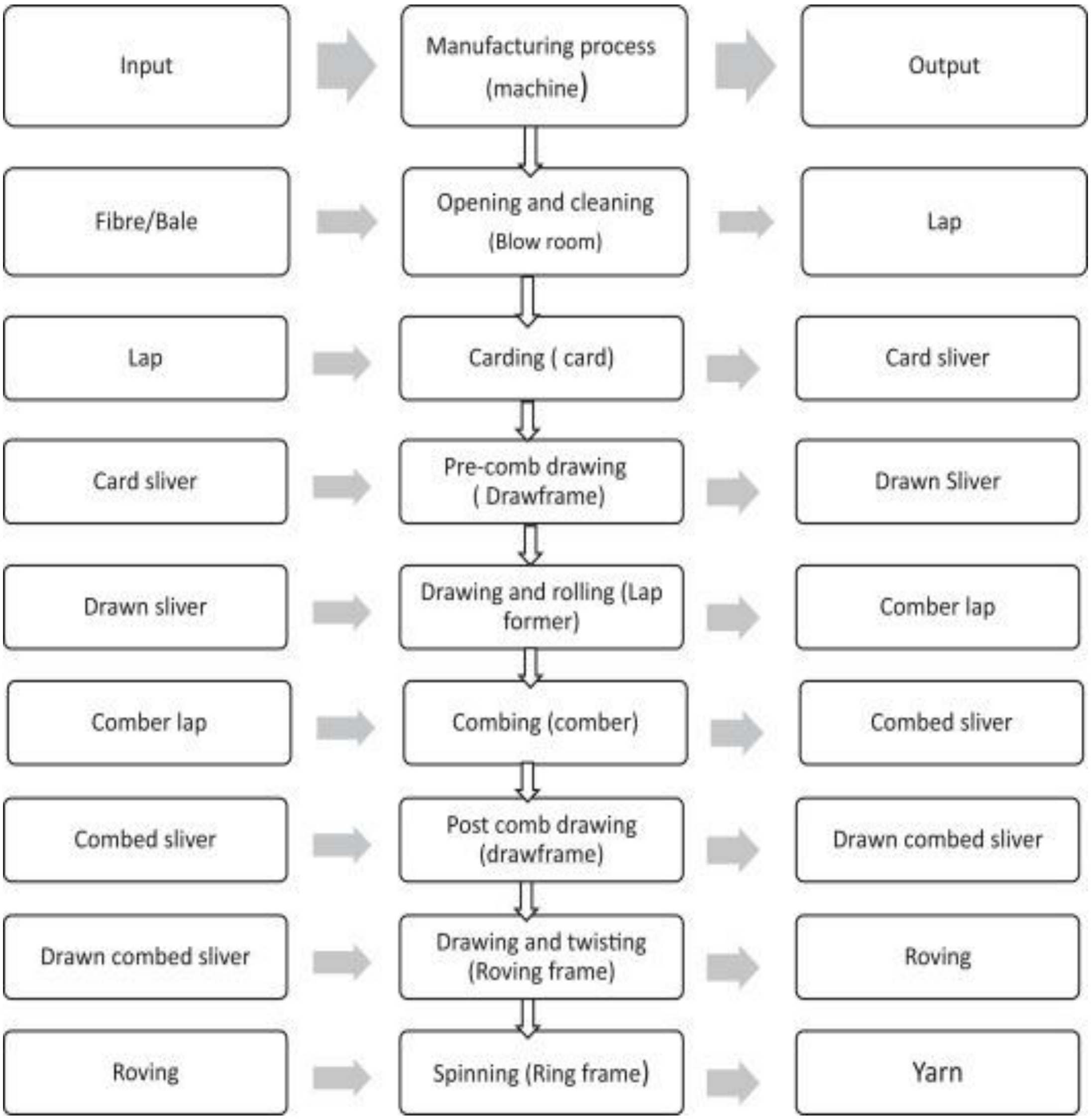
We set out below a few photographs of our manufacturing facility.




To support our production activities and manage inventory seamlessly, we have developed a combined storage facilities system integrated within the same industrial premises. This comprises two dedicated storage facility for raw material storage, two for finished goods storage, and one for general and maintenance inventory. This in-house storage infrastructure enables us to maintain adequate buffer stock, reduce procurement lead times, and respond promptly to customer dispatch schedules. The layout of the facility ensures that raw material movement from storage to production lines and finished goods movement to dispatch bays is executed with minimal manual handling, thereby reducing damage risks and enhancing turnaround times. Our inventory management is digitized using ERP systems, ensuring accurate tracking and reconciliation.

As part of our broader commitment to sustainability and energy efficiency, our Company has installed a rooftop solar power plant at the manufacturing facility. This renewable energy installation contributes to our electricity consumption and enables us to reduce reliance on conventional power sources, thereby lowering operating costs and reducing greenhouse gas emissions. The system has been designed in compliance with state and central renewable energy guidelines and is regularly maintained to ensure optimum efficiency. The use of solar energy also positions us favorably with international clients who prioritize sustainable sourcing practices. Taken together, our facility's modern machinery, optimized layout, in-house logistics capabilities, and sustainable energy integration position us strongly to meet the growing demand for high-quality cotton yarns in both domestic and global markets.

Manufacturing Process



Set out below is brief description of the manufacturing process of cotton yarn.

The journey of cotton yarn starts with raw cotton bales, which are first opened and cleaned in what's called the blow room. This step loosens up the fibers and removes dust and impurities, turning them into soft, manageable sheets known as laps. These laps then move to the carding machine, where the fibers are further straightened and separated, producing what's called a card sliver, a continuous, fluffy strand of aligned cotton fibers.

From there, several card slivers (*Silver is a technical term that refers to a loose, untwisted strand of cotton fiber*) are combined and gently drawn out in a machine called the draw frame. This helps align the fibers even more and ensures consistency, resulting in what's known as drawn sliver. The next stop is the lap former, where the drawn sliver is compacted into neat rolls called comber laps, setting the stage for more precise processing.

These laps go through the comber, a machine that fine-tunes the fiber quality by removing the shortest fibers and any remaining impurities. What comes out is combed, cleaner, finer, and ideal for making high-quality yarn. This sliver goes through another drawing process to improve its uniformity, resulting in drawn combed sliver.

The fibers then move into the roving frame, where they're drawn out once more and given a gentle twist to form roving, a soft, slightly twisted strand that's almost ready to become yarn. Finally, the spinning frame takes over. Here, the roving is spun into yarn with the necessary strength and twist, ready to be used in everything from fabrics to garments.

Capacity and Capacity Utilization

Information relating to our manufacturing facility and the historical installed capacity and capacity utilization of our Manufacturing Facility as included in this Draft Red Herring Prospectus, is based on various assumptions and estimates of our management, which have been reviewed and considered by Babulal A. Ughreja, Chartered Engineer, by certificate dated June 25, 2025.

The following table sets forth our installed capacity, actual utilization and capacity utilization for our manufacturing unit for nine-month period ended December 31, 2024 and Fiscals 2024, 2023 and 2022:

Particulars	Unit of Measurement	Upto December 31, 2024*	Fiscal 2024	Fiscal 2023	Fiscal 2022
Cotton Yarn					
Install Capacity	MT per Annum	9,855	9,855	9,855	9,855
Utilize Capacity	MT Per Annum	6,060.83	8,573.85	6,898.50	7,884
% Install Capacity	MT	**61.50%**	87.00%	70.00%	80.00%

**Not Annualized*
As Certified by Independent Chartered engineer dated June 25, 2025.

Our Equipment
The details of some of our key equipment, plant and machineries operating at our Manufacturing Facility are given below**:**

Department	Machine name	No. of machines
Blow room	Blendomate	2
	Pre-cleaner	2
	Muilt mixer	2
	Separomate	2
	Universal cleaner	2
	Contaminatation clearer	2
	Condensor	2
Card	Card - Trutzschler -	10
	Card - Trutzschler -	18
Braker	Breaker draw frames – Rieter	4
Lap former	Omega lap – Rieter	1
Comber	Comber – Rieter	5
	Comber – Rieter	1
Finisher	Finisher d/f Rieter	4
	Finisher d/f Rieter	4
Speed frame	Speed frame Zinser	8
Ring frame	Ring frame Rieter compact	8
	Ring frame rocos compact	3
	Ring frame g-37 sussen Elli Twist	4
	Ring frameg-37 coarse count	1
	Ring frame g-37 slub attachment	1
Link coner	Link coner - savio with water spicer. With loepfe yarn clearer zenith +	8
	With loepfe pp clearer yarn clearer	3
	Link coner - savio with air spicer.	6
Ring frame	Bobbin transport system	1

Department	Machine name	No. of machines
	Bobbin transport system	1
Packing	Yarn conditioning	1
	Yarn conditioning	1
Laboratory	Mag count test tester	1
	Mag TPI tester	1
	Mag trash analiser	1
	Premier HFT cotton testing	1
	Primier aqura testing m/c	1
	Premier iq2 uster testing m/c	1
	Primier tensomax RKM testing	1
Humidification	H-plant , waste collection plant auto controlled H-plant	2

As certified by Independent Chartered Engineer vide certificate dated June 25, 2025.

Quality control:

Quality assurance and control are central to our manufacturing operations. We view quality not merely as a standard, but as an ongoing process that builds and sustains customer trust. Guided by a skilled and experienced team, all raw material procurement and production processes are executed in strict compliance with customer specifications and evolving market requirements. Our Manufacturing Facility is equipped with a dedicated quality control unit that oversees inspections at every stage, from raw material intake to final product dispatch. All products are rigorously tested by our quality control department to ensure they meet defined specifications. We conduct in-process checks during production and implement a final inspection protocol before yarn is dispatched to customers. This multi-layered approach ensures consistent quality and supports our customers in maintaining their brand standards.

We adhere strictly to quality standards as prescribed by our customers which we believe has helped us to secure repeat orders. Our ability to meet and exceed expected quality benchmarks reinforces long-term relationships and strengthens our position in the markets.

Recognizing that the quality of yarn begins with raw materials, we procure high-grade cotton bales from reputed ginning mills and traders. Over the years, we have developed deep expertise in cotton bales procurement, which enables us to select material that ensures superior spinnability and finished yarn quality. Our raw material inspection process includes detailed evaluation of staple length, micronaire value, uniformity index, moisture content, and trash content, all critical parameters for high-performance yarn.

We are also supported by our fully equipped in-house laboratory to ensure quality control. The laboratory is staffed by trained technicians and outfitted with precision instruments to test fiber, yarn, and process parameters in real time.

This rigorous screening allows us to maintain consistency in production, minimize processing losses, and ensure that our products meet the performance expectations of our clients. By aligning our quality practices with global standards, we have created a reliable and efficient manufacturing process that drives customer satisfaction and supports our long-term growth.

Utilities

Power

Our manufacturing process is energy-intensive and relies heavily on electricity, which we currently procure primarily from Paschim Gujarat Vij Company Limited (**PGVCL**), a DISCOM under the Gujarat Electricity Board. To meet our energy needs, presently we have a contract demand of 2.8 MW with an average billed demand of approximately 2.7 MW, incurring an annual power cost of around ₹1,717.57 lakhs (as per FY 2024) at an average tariff of ₹8.92 per unit. In addition to grid power, we in the July 2024 have installed rooftop solar systems at our Manufacturing Facility with a capacity of 1.2 MW.

Water

The water requirement for the manufacturing process is met both from borewells in our manufacturing unit and from third-party water suppliers.

Waste Management

All our Manufacturing Facility is equipped with suitable in-house waste disposal and treatment systems, in compliance with the applicable environmental laws and regulations. Furthermore, our processing facility is equipped with a zero-discharge effluent treatment plant for treating the wastes generating during the dying process.

Human Resources

We are dedicated to the development of the expertise, skill sets and know-how of our employees and labourers. As on May 31, 2025 we had 58 employees. The following table provides information about our permanent employees, as of May 31, 2025:

Department	Employees
HR / Admin / Account	9
Store	1
Packing	4
Electric	5
Quilty Department	7
Production	30
Procurement	2
Total	**58**

As on date, our Company has not engaged any contract labour.

Our employees are not unionised into any labour or workers' unions and have not experienced any major work stoppages due to labour disputes or cessation of work in Fiscals 2024, 2023, 2022. During the COVID period, the management took proactive measures to ensure uninterrupted production by providing housing in labor accommodation, offering food facilities, and granting additional salary incentives to retain the workforce.

Our Company has developed in-house residential infrastructure to support the well-being and productivity of its workforce. We maintain 60 dedicated rooms within our manufacturing premises to accommodate male and female staff and labour personnel. These facilities are segregated appropriately to ensure safety, privacy, and comfort for all occupants, with separate lodging arrangements for male and female employees.

Our Company regularly conducts training for fire and safety drills, for our employees; technical training for our workers; and soft skill training sessions for our worker and engineers. [

Export and Export Obligations

As on the date of this Draft Red Herring Prospectus, our Company does not have any export obligations.

(*₹ in Lakhs*)

Sr. No.	EPCG No.	EPCG Date	Total Duty Saved Value	Export Value 6 Time Of Duty Saved Value	75% Of Total Export Obligation
1	2430003208	19-10-2015	453.75	2722.50	2041.88
2	2430003622	17-06-2016	13.82	82.90	62.17
3	2430003720	29-07-2016	20.25	90.84	90.84
4	2430004073	03-01-2017	1.70	9.68	9.68
5	2430003206	19-10-2015	218.70	1312.20	1312.20

Sr. No.	EPCG No.	EPCG Date	Total Duty Saved Value	Export Value 6 Time Of Duty Saved Value	75% Of Total Export Obligation
6	2430003207	19-10-2015	225.51	1353.06	1014.80
7	2430003246	09-11-2015	109.08	654.50	490.88
8	2431000067	30-12-2020	323.96	1943.76	1457.82
9	2431000140	13-01-2021	68.15	408.91	306.68
10	2431000145	15-01-2021	43.55	261.28	195.96
11	2431000178	29-01-2021	197.98	1187.89	1187.89
	Total		**1676.45**	**10027.52**	**8170.80**

Information Technology

We rely on information technology infrastructure in order to maintain consistency in production chain and safeguard our operations. We have implemented Miracal 9.0 across our operations to streamline our record keeping and track our business operations on real-time basis pursuant to which various financial, analytical and MIS reports are generated. Further, this system also enables us to track timely procurement of raw materials, payment to vendors and contract suppliers, and receivables from customers.

Insurance

We maintain insurance coverage for our inventory to address standard risks associated with our operations, including fire, accidents, theft, and loss in transit**.** We typically secure standard fire and special perils coverage for our manufacturing facility including raw material, inventory stock, our solar roof top plant, building, plant and machineries etc. Additionally, we have obtained Employee's Compensation Insurance Policy covering work contract liability. As on May 31, 2025, the total insurance coverage maintained by the Company was ₹17,510 Lakhs

Our insurance policies include standard exclusions and deductibles. However, they may not fully protect us against all material risks, as the coverage might be insufficient to cover all potential economic losses. For further details, see "***Risk Factors – Our insurance policies may not be adequate to cover all losses incurred in our business. An inability to maintain adequate insurance cover to protect us from material adverse incidents in connection with our business may adversely affect our operations and profitability***" on page 60.

Distribution and Marketing

On the distribution side, our finished products are distributed through direct sales and through a network of brokers/agents who maintain strong connections with buyers across both domestic and international markets. This agent-driven approach allows us to maintain flexibility and responsiveness in a competitive market.

As of December 31, 2024, we are associated with 8 third party brokers and agents who play a pivotal role in facilitating our sales efforts. These intermediaries primarily serve as a link between our Company and customers, especially institutional buyers, bulk purchasers, and merchant exporters. Although our products are sold directly to customers pursuant to their purchase orders, these transactions are frequently designed and arranged through our brokers and agents. Their contributions include identifying prospective customers, initiating business leads, and assisting in the finalization of sales orders. This model enables us to maintain a lean internal sales structure while leveraging the market reach and relationships of our agents and broker network.

Set out below are the details of the number of brokers and agents engaged, the commission paid to them during the nine-month period ended December 31, 2024, as well as for the last three fiscal years;

Particulars	Upto December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
No. of Agents/Brokers	8	20	14	16
Commission on Sales (in lakhs)	62.69	72.48	87.16	213.05

Particulars	Upto December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Commission on Sales as a % of total revenue from operation	0.42%	0.32%	0.41%	0.99%[#]

[#]The higher brokerage in FY 2021–22 was due to increased reliance on agents during the COVID-19 period to facilitate sales under challenging market conditions.

Also, see "***Risk Factor – We rely significantly on brokers and agents for the sale of our yarn. Any disruption in our relationships with such intermediaries or failure to manage their performance may adversely affect our business, results of operations, and financial condition***" on page 41.

Competition

The cotton yarn industry in India is a dynamic sector characterized by the presence of established manufacturers, mid-sized enterprises, and smaller spinning units. Competition is shaped by factors such as operational efficiency, production capacity, and compliance with evolving market trends. The industry benefits from the availability of domestic cotton, but challenges related to cost fluctuations, regulatory requirements, and evolving consumer preferences influence market positioning.

Companies in this sector focus on optimizing production efficiency, adopting technological advancements, and meeting quality standards to strengthen their market presence. Export markets play a crucial role, with international demand influencing pricing and production strategies. The ability to maintain cost-effectiveness while ensuring product quality and sustainability is a key aspect of competitiveness. Additionally, government policies, infrastructure development, and industry-specific initiatives impact business operations and future growth opportunities For details, see "***Industry Overview***" on page 139.

Environmental, Health and Safety Management

We strive to operate our Facilities in a manner that protects the environment and the health and safety of our employees and communities. The safety and security of our employees, customers, facilities and assets is of utmost importance. We are also subject to various environmental laws and regulations. For further details, see "***Key Regulation and Policies"*** on page 206.

In this regard, we have adopted a dedicated Environmental, Health and Safety Management Policy (the "**EHS Policy**"). The EHS Policy is required to be communicated to all persons working under the control of our Company with the intent that they be made aware of their individual environmental, health and safety ("**EHS**") obligations. This includes all contractors, visitors, suppliers working for or on behalf of our Company.

Specifically, the goals of the EHS Policy are:

(a) minimizing environmental impacts, health and safety hazards of our activities, products and services;
(b) reduction and prevention of pollution, accidents and ill health due to activities by implementation of good work practices through continual improvement program and proper disposal of waste;
(c) complying with applicable legal and other requirements in respect of environment, health and safety aspects, objectives and targets;
(d) conservation of natural resources like energy, water by implementation of resource management program;
(e) involvement of company employees and public in overall enhancement of environment performance of the company; and
(f) communication to all persons working under the control of the organization including vendors, suppliers and sub-contractors with the intent that they are made aware of their individual obligations.

Corporate Social Responsibility

We believe in contributing to the communities in which we operate. While being focused on sustained economic performance, we are also aware of the necessity and importance of social stewardship. In furtherance of the same, we have been spending on CSR activities undertaken by the Company.

The provisions of Corporate Social Responsibility under the Companies Act became applicable to our Company starting from Fiscal 2024. In compliance with these requirements, we constituted a CSR Committee of the Board of Directors and adopted a formal CSR Policy. During the year, the Company spent ₹13.06 lakhs towards medical and healthcare initiatives as part of its CSR obligations, reflecting our commitment to community welfare and responsible corporate citizenship.

For further details on the composition of the CSR committee and its terms of reference, see '***Our Management – Corporate Social Responsibility Committee***' on page 229.

Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has registered of the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Particulars of the Mark	Trade Mark No.	Class of Registration
July 29, 2021	TWISTEX	5065242	40

For details, see "***Risk Factor – We may not be able to adequately protect our intellectual property, which may adversely affect us***" on page 59.

Our Properties

The following table sets forth the location and other details of the material properties owned/ leased:

Address of Premises	Purpose	Date of Purchase/ Tenure	Purchased or leased from	Owned/ Leased/	Total consideration/Rent/ Lease(Rs.in Lakhs)	Ara (in Sq.Mts)
Survey No 566 Paiki 1, Village Gondal, Tal. Gondal, Dist Rajkot	Factory	March 12, 2014	Maheshkumar Popatbhai Patodia	Owned	49.94	14,974
Survey No 566 Paiki 5, Village Gondal, Tal. Gondal, Dist Rajkot	Factory	March 12, 2014	Bhaveshbhai Bhikhubhai Ramani	Owned	49.94	14,973
Khata No. 995, Block/survey No 114/1 Villag Dalkhania, Tal, Dhari, Dist. Amreli	For proposed Ground Mounted Solar Power Plant	November 21, 2024	Bhaveshbhai Bhikhubhai Ramani and Rameshchandra Mohanlal Hirani	Lease for a period of 30 years.	₹10,800 yearly	78,960

There is no conflict of interest between the lessors of immovable properties (crucial for operations of our Company) and our Promoters, members of our Promoter Group, Directors and Key Managerial Personnel.

KEY REGULATIONS AND POLICIES IN INDIA

*In carrying on our business as described in the "**Our Business**" on page* 179*, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see "**Government and Other Statutory Approvals**" on page* 325.

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company's businesses. Our Company is required to obtain and regularly renew certain licenses/ registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

A. Industry Related Laws

The Textiles Committee Act, 1963

The Textile Committee Act, 1963 (the "Act") was enacted in 1963 to provide for the establishment of a committee for ensuring the quality of textiles and textile machinery and for matters connected therewith. The Act prescribes for establishment of a textile committee (hereinafter referred to as the "Textile Committee") with the general objective of ensuring a standard quality of textiles both for internal marketing and export purposes as well as standardization of the type of textile machinery used for manufacture. In addition to the general objection as mentioned above, the function of the Textile Committee inter alia include, to undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery, promotion of export of textile and textile machinery, establishing or adopting or recognising standard specifications for textile and packing materials used in the packing of textiles or textile machinery for purpose of export and internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials, specify the type of quality control or inspection which will be applied to textile or textile machinery, provide for training in the techniques of quality control to be applied to textiles or textile machinery, provide for inspection and examination of textiles, textile machinery and packing material used in the packing of textile and textile machinery, establishing laboratories and text houses for testing of textiles and data collection and such other matters related to the textile industry.

Gujarat Textile Policy, 2024

Gujarat's Textile Policy 2024, launched by Chief Minister Bhupendra Patel, aims to strengthen the state's textile sector with a focus on garments, apparel, and technical textiles. The policy emphasizes women's empowerment through self-help groups, anticipates ₹30,000 crore in investment, and aims to create employment opportunities, aligning with the Prime Minister's GYAN approach. It builds upon previous textile policies and seeks to position Gujarat as a key contributor to India's economic growth by 2047.

Textile Development and Regulation Order, 2001 ("Textile Order")

The Central Government in exercise of the powers conferred upon it under section 3 of the Essential Commodities Act, 1955 and in supersession of the Textile (Development and Regulation) Order, 1993 brought in force the Textile Order. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles is required to maintain books of accounts, data and other records relating to the business in the matter of production, processing, import, export, supply, distribution, sale, consumption etc. and shall furnish such returns or information in respect to the business as and when required by the Textile Commissioner. The Textile Order confers upon the Textile

Commissioner powers to issue directions by notification with the prior approval of Central Government to any manufacturer regarding the specification or class of textiles which shall not be manufactured, dyes and chemicals which shall not be used in the manufacture of textile, maximum and minimum quantity of textiles which shall be manufactured, maximum ex-factory or wholesale or retail price at which textiles shall be sold, markings to be made on textiles by manufacturers and the time and manner of such markings and direct the officer in charge of any laboratory to carry out or cause to be carried out such tests relating to any textiles as may be specified by the Textile Commissioner.

National Textile Policy, 2000

The National Textile Policy, 2000 ("NTP") aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. The objective is sought to be achieved by liberalising controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of its objectives, the strategic thrust of the NTP is on technological upgradation, enhancement of productivity, quality consciousness, product diversification, maximising employment opportunities, and so on. The NTP also envisages certain sector specific initiatives, including the sector of raw materials, spinning, weaving, powerloom, handloom, jute and textile. The Policy also lays down certain delivery mechanisms for the implementation of the policy and to enable the Indian textile industry to realise its full potential and achieve global excellence.

Salient objective of NTP is as follows:

- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Develop a strong multi-fiber base with thrust on product upgradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose to revitalize the institutional structure;
- Make Information Technology (IT), an integral part of the entire value chain of textile;
- Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing; and
- Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfilment of these objectives, vide the NTP, the Government has conveyed it's commitment towards providing a conducive environment to enable the Indian textile industry to realise its full potential, achieve global excellence, and fulfil its obligation to different sections of society

Textiles (Development and Regulation) Order, 1992.

The order was brought into force by central Government under section 3 of the Essential Commodities Act, 1955 and repeal the Textile (Control) Order, 1986. The order requires every person on installing the powerloom machine and Spinning Machine, Knitting machine or Lace-making machine subject to the provisions of any Central or State law shall submit an Information Memorandum to the State Government under whose territory the powerloom has been installed and copy to Textile Commissioner, Government of India, Bombay. The order provides that every manufacturer of, and every dealer in yarn or cloth or other textile products shall keep such books of accounts and other records relating to his business and shall furnish such returns or information at such intervals as the Textile Commissioner may require.

Production-Linked Incentive Scheme in Textiles Products

In November 2020, the Union Cabinet approved the introduction of the Production-Linked Incentive Scheme in Textiles Products to enhance India's Manufacturing Capabilities as well as Exports. An amount of ₹10,683 crore has been approved as an outlay for a period of 5 years. This initiative will be implemented by the Ministry of Textile and is expected to cover forty product categories under man-made fibre.

Consumer Protection Act, 2019 (the "Consumer Protection Act")

The Consumer Protection Act provides for the protection of the interests of consumers and the establishment of authorities for the timely and effective administration and the settlement of consumer disputes. The Act empowers the Central Government to constitute the Central Consumer Protection Authority to regulate matters relating to the violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of the public and consumers, and to promote, protect and enforce the rights of consumers as a class, and conduct inquiries or investigations under the Consumer Protection Act. Further, the Consumer Protection Act enables complainants to file complaints in respect of, inter alia, goods suffering defects, services suffering deficiencies, and goods or services hazardous to life and safety. Consumers are also empowered to file product liability actions, for claiming compensation for the harm caused to them by defective products or deficient services, in respect of which such product manufacturers or sellers may be held responsible.

Consumer Protection (E-Commerce) Rules, 2020 (the "E-commerce Rules")

The E-Commerce Rules regulate the marketing, sale and purchase of goods and services over a digital or electronic network. It restricts the use of any unfair trade practice by e-commerce entities and mandates the establishment of an adequate grievance redressal mechanism and the appointment of a grievance officer. Further, the E-Commerce Rules required all e-commerce entities to appoint a nodal person of contact or an alternate senior designated functionary to ensure compliance with its provisions. Contravention of the E-Commerce Rules will attract penal action in accordance with the Consumer Protection Act, 2019.

Legal Metrology Act, 2009 ("LM Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 ("Packaged Commodity Rules")

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, appointment of government-approved test centres for verification of weights and measures used, and lists penalties for offences and compounding of offences under it. Any non-compliance or violation under the LM Act may result in, inter alia, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases. The Packaged Commodity Rules define "pre-packaged commodity" as a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The Packaged Commodity Rules prescribes the regulations for imports, pre-packing and the sale of commodities in a packaged form intended for retail sale, whole sale and for export and import, certain rules to be adhered to by importers, wholesale and retail dealers, the declarations to be made on every package, the size of label and/or importers and the manner in which the declarations shall be made, etc. These declarations that are required to be made include, inter alia, the name and address of the manufacturer, the dimensions of the commodity, the maximum retail price, generic name of the product, the country of origin and the weight and measure of the commodity in the manner as set forth in the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers especially relating to e-commerce entities. Pursuant to the amendments, the inventory e-commerce entity itself will be made liable and punishable for failure to make relevant declarations on its platform as required under the Act and the Rules.

The Factories Act, 1948 ("Factories Act")

The Factories Act defines a "factory" to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers even though there is no electrically aided manufacturing process being carried on. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories.

The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied.

Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016 provides for the establishment of a national standards body for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto. The Act provides for the establishment of bureau for the standardisation, marking and quality certification of goods. Functions of the bureau include, inter alia, (a) recognizing as an Indian standard, any standard established for any article or process, system or service by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process, system or service in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license. A person may apply to the bureau for grant of license or certificate of conformity, if the articles, goods, process, system or service confirms to an Indian Standard.

Companies Act 2013

The Companies Act 2013 is the law covering incorporations, dissolution and the running of companies in India. The Act came into force across India on 12th September 2013 and has a few amendments to the previous act of 1956. It has also introduced new concepts like a One Person Company.

Indian Contract Act 1872

The Indian Contract Act 1872 is a comprehensive guide that governs contracts and agreements in India. The act was passed to provide a legal framework for contract law and has been amended several times over the years to keep up with changing economic conditions. The Indian Contract Act of 1872 is a comprehensive legal framework that controls all commercial relationships in India. The act lays down the rules and regulations that need to be followed while entering into a contract and also provides remedies for breach of contract.

The Sale of Goods Act, 1930 (the "Sale of Goods Act")

Sale of Goods Act governs contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts i.e. the Indian Contract Act, 1872. A contract for sale of goods has, however, certain peculiar features such as, transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract, conditions and warranties implied under a contract for sale of goods, etc. which are the subject matter of the provision of the Sale of Goods Act.

B. Laws Relating to Employment

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) Contract Labour (Regulation and Abolition) Act, 1970; (ii) Relevant state specific shops and commercial establishment legislations; (iii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) Employees' State Insurance Act, 1948; (v) Minimum Wages Act, 1948; (vi)

Payment of Bonus Act, 1965; (vii) Payment of Gratuity Act, 1972; (viii) Payment of Wages Act, 1936; (ix) Maternity Benefit Act, 1961; (x) Apprenticeship Act, 1961; (xi) Equal Remuneration Act, 1976; (xii) Employees' Compensation Act, 1923; and (xiii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

Industries (Development and Regulation) Act, 1951

The Industries (Development and Regulation) Act, 1951 (the "Act") governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the 'Scheduled Industries' which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

Code on Wages, 2019

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

Code on Social Security, 2020

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker'' Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organizations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of

Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

C. Environmental Laws

The Environment (Protection) Act, 1986 (the "EPA")

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

The Environmental Impact Assessment Notification, 2006 (the "Notification")

As per the Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme 'Housing for All by 2022'and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant bye-laws of the concerned State authorities.

The Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Municipal Solid Wastes (Management and Handling) Rules, 2000 ("Waste Management Rules, 2000") as superseded by Solid Waste Management Rules, 2016 ("Waste Management Rules, 2016")

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

D. Intellectual Property Laws

The Trademarks Act, 1999 ("Trademarks Act")

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewals.

The Designs Act, 2000 ("Designs Act")

The objective of Designs Act it to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

E. Foreign Investment Regulations

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("FEMA Rules") and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion ("FDI Policy"), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e. direct foreign investment and indirect foreign investment) in an Indian company**.**

Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), the Foreign Trade (Regulation) Rules, 1993 ("FTRR") and the Foreign Trade Policy 2015-2020 ("Foreign Trade Policy")

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number ("**IEC**") granted by the director general or any other authorised person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions. The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license. The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect in 2017 and requires all importers and exporters to obtain an IEC. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes. India's current Foreign Trade Policy (2015-20) (as extended until September 30, 2022 and thereafter, extended till March 31, 2023) envisages helping exporters leverage benefits of GST, closely monitoring export performances, increasing ease of trading across borders, increasing realization from India's agriculture-based exports and promoting exports from MSMEs and labour-intensive sectors.

Foreign Exchange Management Act, 1999 ("the FEMA") and Rules and Regulations thereunder

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999, read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 (last amended on June 23, 2017). The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

F. Other Applicable Laws

The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("**MSME**"). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

Information Technology Act, 2002 ("Information Technology Act")

The Information Technology Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data.

The Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("**DoIT**"), on April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**IT Security Rules**") which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 ("**IT Intermediaries Rules**") requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries.

The Personal Data Protection Bill, 2019 (the "Bill")

The Bill, which proposes to supersede the Information Technology Act deals with the provisions relating to compensation payable by companies for failure to protect personal data. The Bill also establishes a Data Protection Authority of India. Currently, the Bill categorises two kinds of data, (a) "Personal Data" data about or relating to a natural person who is directly or indirectly identifiable, having regard to any characteristic, trait, attribute or any other feature of the identity of such natural person, whether online or offline, or any combination of such features with any other information, and shall include any inference drawn from such data for the purpose of profiling; and (b) "Sensitive Personal Data" includes such personal data, which may, reveal, be related to, or constitute: (i) financial data;(ii) health data;(iii) official identifier;(iv) sex life;(v) sexual orientation; and (vi) biometric data. The applicability of the Bill also extends to foreign companies that handle data of individuals in India. The Bill accords certain rights to individuals with respect to the protection of their data. However, there are certain exceptions to protection offered under the Bill, such as, acts done in interest of security of state, public order, sovereignty and integrity of India and friendly relations with foreign states, and acts done for preventing incitement to commission of any cognisable offence relating to the above matters. Processing of personal data is also exempted from provisions of the Bill under certain conditions, as long as such processing is for a specific, clear and lawful purpose, this includes an act undertaken for prevention, investigation, or prosecution of any offence, or personal, domestic, or journalistic purposes. As on date, the Bill is pending with Joint Parliament Committee, and is yet to be notified and take effect.

Municipality Laws

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

Shops and Establishments Legislations in various states

The provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up require such establishments to be registered. The state shops and establishments legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments legislations, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fines or imprisonment for the violation of their provisions, as well as procedures for appeals in relation to such contraventions.

Fire Prevention Laws

State governments have enacted laws that provide fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to fire prevention and life safety measures and imposing penalties for non-compliance.

Taxation Laws

The tax related laws that are applicable to our Company include the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017 and the relevant state legislation for goods and services tax.

Professional Tax

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

Competition Act, 2002

The Competition Act, 2002 came into effect on June 1, 2011, and has been enacted to "prohibit anti-competitive agreements, abuse of dominant positions by enterprises" and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "CCI") as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

The Insolvency and Bankruptcy Code, 2016 (the "Code")

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days

Other Laws

In addition to the above, our Company is required to comply with the provisions of the Prevention of Corruption Act, 1988, Rent Control Act, Information technology act and other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as a limited company in the name of 'Shree Ram Twistex Private Limited' vide Certificate of Incorporation dated December 31, 2013, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Upon the conversion of our Company to a public limited company, pursuant to a resolution passed by our Board dated July 1, 2024 and a special resolution passed by our Shareholders dated July 26, 2024, the name of our Company was changed from 'Shree Ram Twistex Private Limited' to 'Shree Ram Twistex Limited ' and a fresh certificate of incorporation dated September 18, 2024, was issued by the Registrar of Companies, Central Processing Centre.

Changes in the Registered Office

Except as stated below, there has been no change in the address of our registered office since incorporation.

Date of Board resolution	Details for change	Reasons for change
May 20, 2025	The registered office of our Company was shifted from "'VRUJ', 4/2 MAHADEV WADI, Rajkot, GONDAL, Gujarat – 360 311, India," to "566P1, Umwada Road, Near Bajrang Cotspin, Gondal Market yard, Gondal, Rajkot, Gujarat – 360 311, India".	Administrative convenience

Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

To carry on the business of trading, manufacturing, producing, processing, ginning, pressing, baling, packing, spinning, weaving, doubling, blending, combing, crimping, sizing, stretching, bleaching, dyeing, knitting, printing, buying, selling, importing, exporting and storing of cotton, silk, wool, rayon, jute, polyester, chiffon, acrylic, wool, shoddy, hemp, other natural & synthetic fiber, man-made fibers substitutes of all kinds and other fibers, yarns, fabrics or textile products not specified above and and to act as manufacturer, trader, broker, dealer, stockiest, C & F agent, distributor, job worker, exporter, importer, agent or otherwise deal in textile raw materials, intermediate products, byproducts, residue, finished products of all types of textile goods, yarns & fabrics.

The main objects clause as contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association for the past ten years of our Company till the date of this Draft Red Herring Prospectus.

Date of Shareholder's resolution/ Effective date	Particulars
May 01, 2014	Clause V of the Memorandum of Association was amended to reflect the Alteration of the Capital Clause to increase of the authorized share capital of our Company from ₹1,00,000 (Rupees One Lakh) consisting of 10,000 Equity Shares of ₹10 each to ₹4,90,00,000 (Rupees Four Crores Ninety Lakhs) consisting of 49,00,000 Equity Shares of ₹10 each.
February 29, 2016	Clause V of the Memorandum of Association was amended to reflect the Alteration of the Capital Clause to increase of the authorized share capital of our Company from ₹ 4,90,00,000 (Rupees Four Crores Ninety Lakhs) consisting of 49,00,000 Equity Shares of ₹10 each to ₹10,00,00,000 (Rupees

Date of Shareholder's resolution/ Effective date	Particulars
	Ten Crores) consisting of 1,00,00,000 Equity Shares of ₹10 each.
March 01, 2021	Clause V of the Memorandum of Association was amended to reflect the Alteration of the Capital Clause to increase of the authorized share capital of our Company from ₹ 10,00,00,000 (Rupees Ten Crores) consisting of 1,00,00,000 Equity Shares of ₹10 each to ₹12,00,00,000 (Rupees Twelve Crores) consisting of 1,20,00,000 Equity Shares of ₹10 each.
January 12, 2024	Clause V of the Memorandum of Association was amended to reflect the Alteration of the Capital Clause to increase of the authorized share capital of our Company from ₹ 12,00,00,000 (Rupees Twelve Crores) consisting of 1,20,00,000 Equity Shares of ₹10 each to ₹ 16,00,00,000 (Rupees Sixteen Crores) consisting of 1,60,00,000 Equity Shares of ₹10 each.
February 12, 2024	Clause V of the Memorandum of Association was amended to reflect the Alteration of the Capital Clause to increase of the authorized share capital of our Company from ₹ 16,00,00,000 (Rupees Sixteen Crores) consisting of 1,60,00,000 Equity Shares of ₹10 each to ₹ 40,00,00,000 (Rupees Forty Crores) consisting of 4,00,00,000 Equity Shares of ₹10 each.
July 26, 2024	Clause I of the Memorandum of Association of our Company was amended to reflect the change in our name from 'Shree Ram Twistex Private Limited' to 'Shree Ram Twistex Limited'

Major events and milestones of our Company

The table below sets forth some of the key events in the history of our Company:

Calander Year	Events
2016	Setting up of and commencing operations at the Manufacturing Facility with imported plant & Machineries.
2020	Expanded our production capabilities by addting 6 additional spinning machines to the existing 11 compact ring spinning machines, increasing our production capacity from 5,500.00 Metric tonnesMT/Annum per annum to 9,855.00 Metic tonnes per annum.MT/Annum
2024	Conversion of our Company from a private limited company to public limited company and the consequent change in its name from 'Shree Ram Twistex Private Limited' to 'Shree Ram Twistex Limited'

Awards, Accreditations and Recognitions

As on the date of this Draft Red Herring Prospectus our Company has not received any awards, accreditations and recognition.

Significant financial and strategic partnerships

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships.

Time/cost overrun

There has been no time or cost over-run in respect of our business operations.

Lock-out and Strikes

As on the date of this Draft Red Herring Prospectus, there have been no lockouts or strikes at any time in our Company.

Accumulated Profits or Losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses that have not been accounted for or consolidated by our Company.

Capacity/facility creation, location of facilities

For details regarding capacity and locations of our Manufacturing Facility, and Storage Facility, see "***Our Business***" on page 179.

Launch of key products or services, entry into new geographies or exit from existing

For details of key products launched by our Company, entry into new geographies or exit from existing markets, see "***Our Business***" on page 179.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

There have been no instances of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years.

Holding company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary company.

Joint Ventures or Associates of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

Summary of key agreements

Inter-se Arrangement/ Agreement

There are no inter-se agreements/ arrangements to which the Company or any of its Promoters or Shareholders are a party to and therefore, there are no clauses/ covenants which are material and which needs to be disclosed, and that there are no other clauses / covenants in the inter-se agreements or arrangements or the Articles of Association which are adverse / pre-judicial to the interest of the minority / public shareholders of the Company and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus. There are no other agreements, deed of assignments, acquisition agreements, SHA, inter-se agreements, agreements of like nature to which the Company or any of its Promoters or Shareholders are a party.

For details with respect to agreements in relation to the business and operations of our Company, see "***Our Business***" on page 179.

Details of shareholders' agreement

There are no subsisting shareholders' agreements as on the date of this Draft Red Herring Prospectus.

Key terms of other subsisting material agreements

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners or any other subsisting material agreements other than in the ordinary course of the business of our Company or which are otherwise material and need to be disclosed in this Draft Red Herring Prospectus in context of the Offer.

Details of Agreements required to be disclosed under Clause 5A of paragraph A of part A of Schedule III of SEBI Listing Regulations

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Shareholders, Promoters, entities forming part of the Promoter Group, related parties, Directors, Key Managerial Personnel, employees of our Company with our Company or amongst themselves, solely or jointly, which either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company.

Agreements with our Key Managerial Personnel, Senior Management Personnel, Directors, Promoters or any other employee

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Details of Special Rights

There are no special rights available to any shareholder of our Company or any other person as per the Articles of Association of the Company.

Other confirmations

There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on the Offer or this Draft Red Herring Prospectus.

No Directors or KMPs of our Company are appointed pursuant any inter-se agreement/agreement to which our Company or any of its Promoters or Shareholders are a party to.

Except as detailed in "***Our Management – Business Interest***" and "***Our Promoter – Confirmations***" on page 225 and 203 respectively, there is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and the Company, Promoters, Promoter Group, Key Managerial Personnel and Directors.

There is no conflict of interest between the lessor of immovable properties and the Company, Promoters, Promoter Group, Key Managerial Personnel and Directors.

Guarantees given by the Promoter(s) offering its shares in the offer for sale

This is a fresh issue of Equity Shares and our Promoters are not offering their Equity Shares in the Issue.

OUR MANAGEMENT

Board of Directors

In terms of our Articles of Association and subject to the provisions of the Companies Act, our Board shall comprise of not less than three (3) Directors and not more than fifteen (15) Directors, provided that the Company may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of this Draft Red Herring Prospectus, we have Six (6) directors on our Board, comprising of One (1) Chairman and Managing Director, One (1) Executive Director, and One (1) Non-Executive Director and Three (3) Non-Executive Independent Directors including One (1) Women Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the Companies Act, 2013, and SEBI Listing Regulations.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, date of birth, age, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
Bhaveshbhai Bhikhubhai Ramani **Date of birth**: June 22, 1978 **Age (years):** 46 **Address**: Vraj, 6/4, Near Rilance Pretol Pump, Mahadev Vadi, Gondal, Rajkot – 360 311, Gujarat, India **Occupation**: Business **Term**: For a period of 5-year w.e.f November 07, 2024 **Period of directorship**: Since December 31, 2013 **DIN**: 00534813	Chairman and Managing Director	*Indian Companies* • Goldsun Ceramic Private Limited *Foreign Companies* *Nil*
Jay Atulbhai Tilala **Date of birth**: May 18, 1995 **Age (years):** 30 **Occupation**: Business **Term**: Liable to retire by rotation **Period of directorship**: Since August 10, 2020 **DIN**: 08362902	Executive Director and CFO	***Indian Companies*** Nil ***Foreign Companies*** Nil

Name, date of birth, age, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
Rameshchandra Mohanlal Hirani **Date of birth**: July 09, 1973 **Age (years):** 51 **Address**: Block No. B\101, Cosmos Pride Tower, Near Pentagon, Opp, Speed Well Party Plot, Rajkot – 360005, Gujarat, India **Occupation**: Business **Term:** Liable to retire by rotation **Period of directorship**: Since January 04, 2014 **DIN**: 06775835	Non-Executive Director	***Indian Companies*** Nil ***Foreign Companies*** Nil
Amita Chhaganbhai Pragada **Date of birth**: January 16, 1989 **Age (years):** 36 **Address**: G 7, Shreedhar Appt, Shyamal Cross Road, Satelite Nr Jivraj Bridge, Manekbag, Ahmedabad – 380 015, Gujarat, India **Occupation**: Professional **Term**: From November 07, 2024 till November 06, 2029 **Period of directorship:** For 5 consecutive years w.e.f November 07, 2024 **DIN**: 09578592	Non-Executive Independent Director	***Indian Companies*** • Mahan Industries Limited • Arunaya Organics Limited • Valencia India Limited • Vrundavan Plantation Limited • JFL Lifescience Limited ***Foreign Companies*** Nil
Bhuvnesh Kumar **Date of birth**: July 13, 1992 **Age (years):** 32 **Address**: High school ke piche tekarawas, Bhinmal Jalor – 343 029, Rajasthan, India **Occupation**: Professional	Non-Executive Independent Director	***Indian Companies*** • Ravelcare Limited • Valencia India Limited • Siyram Recycling Industries Limited ***Foreign Companies*** Nil

Name, date of birth, age, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
Term: From November 07, 2024 till November 06, 2029 **Period of directorship**: For 5 consecutive years w.e.f November 07, 2024 **DIN**: 10581722		
Chirag Kantilal Patel **Date of birth**: April 19, 1985 **Age (years):** 40 **Address**: A/1st Flr/105, Khushi Palace, Mayur Estate, Nikol Odhav Road, Ahmedabad-382415, Gujarat, India **Occupation**: Service **Term**: From November 07, 2024 till November 06, 2029 **Period of directorship**: Since November 07, 2024 **DIN**: 10682219	Non-Executive Independent Director	***Indian Companies*** • Inditalia Refcon Limited ***Foreign Companies*** Nil

Brief profiles of our Directors

Bhaveshbhai Bhikhubhai Ramani is the Chairman and Managing Director of our Company. He has been associated with the Company since incorporation. He has completed matriculate exam. He has over 14 years of experience in the fields of cotton yarn production and oil refining. He is a partner at Ravi Oil Refineries and Ravi Solvex and Oil Industries. He was also associated with Nano-Agor Foods Private Limited. His roles and responsibilities include looking after the day-to-day affairs of the Company, planning for expansion, marketing and contributing to the overall growth and expansion of the Company.

Jay Atulbhai Tilala is an Executive Director and Chief Financial Officer of our Company. He has been associated with the Company since 2017 initially overseeing the accounts and productions departments. He was appointed as Executive Director on August 10, 2020, and subsequently as Chief Financial Officer on October 15, 2024. He has completed his degree in Bachelor of Mechanical Engineering from the Gujarat Technological University. He has over 7 years of experience in the fields of accountancy and cotton yarn production. His roles and responsibilities include managing financial reporting, overseeing budgeting and cost control and supporting strategic decisions in textile manufacturing operations.

Rameshchandra Mohanlal Hirani is the Non-Executive Director of our Company. He has been associated with the Company since January 04, 2014. He has completed his Diploma in Civil Engineering from the Technical Examination Board, Gujarat. He has nearly two decades of experience in the textile industry. He also has 27 years of experience in the construction industry. He is associated with Uniroyal Sthaptya, Rachna Print and Vastu Buildcon.

Pragada Amita Chhaganbhai is an Independent Director of our Company. She has been associated with the Company from November 07, 2024. She is an associate of the Institute of Company Secretaries of India. She has also completed her degree in Bachelor of Law from Gujarat University. Additionally, she has also completed her degree in Bachelor of Commerce from the Saurashtra University. She possesses over 5 years of experience in the field of secretarial compliance. She been associated with organizations such as Viaz Tyres Limited, Mahan Industries Limited, Jignesh A. Shah Practicing Company Secretary, NDVR & Co. Chartered Accountant. She is Company Secretary in Anlon Healthcare Limited.

Bhuvnesh Kumar is an Independent Director of our Company. He has been associated with our Company since November 07, 2024. He is a qualified Company Secretary and is an associate member of Institute of Company Secretary of India. He has also completed his degree in Bachelor and Master of Commerce from the Jai Narain University. He possesses over 5 years of experience in secretarial and corporate compliance. He is the Company Secretary at Maruti Spintex Private Limited since July 21, 2020, and as a Director at Ravelcare Limited from June 17, 2024.

Chirag Kantilal Patel is an Independent Director of our Company. He has been associated with the Company since November 07, 2024. He has completed his degree in Bachelor of Commerce from Indira Gandhi National Open University. He possesses 14 years of experience in the field of secretarial and legal compliances. He has been associated with Zenith Healthcare Limited.

Relationship between Directors and Key Managerial Personnel or Senior Management

None of Our Directors are related to each other or to any of the KMPs as per the definition of "Relative" under the Companies Act, 2013.

Terms of appointment of our Executive Directors

Bhaveshbhai Bhikhubhai Ramani, Chairman and Managing Director

The following table sets forth the terms of appointment of Bhaveshbhai Bhikhubhai Ramani with effect from November 07, 2024, till November 06, 2029

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Managing Director shall be entitled to basic salary amounting up to ₹ 1.50 Lakhs per month
2.	Other Benefits	Nil -

Jay Atulbhai Tilala, Executive Director and Chief Financial Officer

The following table sets forth the terms of appointment of Jay Atulbhai Tilala with effect from August 10, 2020.

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Executive Director shall be entitled to basic salary amounting up to ₹ 1.00 Lakhs per month.
2.	Other Benefits	Nil-

Terms of appointment of our Non-executive Directors (including Independent Directors)

Expect for our Non-executive Director, Rameshchandra Mohanlal Hirani who has drawn a salary of ₹4.50 Lakhs in Fiscal 2025, our Non-executive Independent Directors are not entitled to receive any remuneration or compensation from our Company.

Our Non-executive Independent Directors are entitled to receive a sitting fee for attending each meeting of our Board and attending each committee meeting of our Board as set out below:

Pursuant to the Board resolution dated October 15, 2024, each Independent Director, is entitled to receive sitting fees of ₹ 10,000 (Rupees ten thousand) per meeting for attending meetings of the Board and ₹10,000 (Rupees ten thousand) per meeting for attending meetings of the committees of the Board of Directors.

Compensation of Whole-time Director/ Managing Directors

The details of the Remuneration paid to our Whole-time Director/ Managing Directors in the Fiscal 2025 is set out as below:

Name of Director	Designation	Remuneration (₹ in Lakhs)
Bhaveshbhai Bhikhubhai Ramani	Chairman and Managing Director	14.22
Jay Atulbhai Tilala	Executive Director and Chief Financial Officer	6.00

Remuneration paid or payable to our Directors from our Subsidiaries or Associate Companies

Our Company does not have any Subsidiaries or Associate Companies as on date.

Bonus or profit-sharing plan for the Directors

Our Company does not have any bonus or profit-sharing plan for our Directors.

Shareholding of our Directors

Our Articles of Association do not require our Directors to hold any qualification shares.

The details of shareholding of our Directors as on the date of this Draft Red Herring Prospectus is set out below.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Bhaveshbhai Bhikhubhai Ramani	60,82,675	20.71
2.	Jay Atulbhai Tilala	11,96,613	4.07
3.	Rameshbhai Hirani	15,05,000	5.12
Total		**87,84,288**	29.90

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed on our Board or as member of Senior Management pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Service Agreement with Directors

As on the date of filing of this Draft Red Herring Prospectus, our Company has entered into service Agreement with the Managing Director Mr. Bhaveshbhai Bhikhubhai Ramini Dated November 07, 2024.

Contingent and/or deferred compensation payable to our Whole-time Director

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Directors, which does not, form part of their remuneration.

Borrowing Powers of our Board

In accordance with the applicable provisions of the Companies Act and our Articles of Association and pursuant to resolution passed by our shareholders dated November 07, 2024, our Board is authorized to borrow from time to time any sum or sums of money, where the money / monies to be borrowed, together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of our Company's paid-up share capital, free reserves and securities premium, but the total amount that may be borrowed by the Board and outstanding at any point of time shall not exceed ₹ 50,000.00 Lakhs.

Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company for attending meetings of our Board or committees thereof.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees and any dividend and other distributions payable in respect of such Equity Shares.

For further details, please see "***Our Business – Properties***" and "***Restated Financial Statements – Related Party Transactions***" on page 205 and 284, respectively.

None of our Directors have availed any loan from our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Interest in land and property acquired or proposed to be acquired by our Company

Expect for Bhaveshbhai Bhikubhai Ramani from who Company has taken land on lease our Directors do not have any interest in any property acquired or proposed to be acquired of our Company or by our Company except other than as disclosed in "***Our Promoters and Promoter Group - Interest in the Properties of our Company***" on page 225.

Interest in promotion or formation of our Company

Except our Promoters, none of the Directors have an interest in the promotion or formation of our Company. For further details is regarding our Promoters, see ***"Our Promoters and Promoter Group"*** on page 233.

Business interest

Except as stated in the sections titled ***"Restated Financial Statements – Related Party Transactions"*** on page 284, our Directors do not have any other business interest in our Company.

Confirmation

None of our Directors is or was a director of any listed company whose shares have been or were suspended from being traded on any stock exchanges in India during the term of their directorship in such companies, in the last five years preceding the date of this Draft Red Herring Prospectus.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges, during the term of their directorship in such Companies.

None of our Directors have been declared as Willful Defaulters.

Neither our Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Directors are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and the Company, its Directors, its Promoters and the Promoter Group.

There is no conflict of interest between the lessors of immovable properties (crucial for operations of our Company) and our Directors.

Confirmation in relation to RBI Circular dated July 1, 2016

Neither our Company nor any of our Directors have been declared as Fraudulent Borrowers by RBI in terms of the RBI circular dated July 1, 2016.

Changes in our Board during the last three years

The changes in our Board of our Company during the last three years till the date of this Draft Red Herring Prospectus are set forth below.

Name of Director	Date of appointment/ cessation	Nature of Event	Reasons
Bhavesh Savjibhai Kothari	January 22, 2024	Cessation	Cessation due Pre-Occupation activity
Bhaveshbhai Bhikhubhai Ramani	October 15, 2024	Appointed as a chairman and Executive Director	Change in designation from director to Chairman and Executive Director
Bhaveshbhai Bhikhubhai Ramani	November 07, 2024	Appointed as Chairman and Managing Director	Change in designation from chairman and Executive Director to Chairman and Managing Director
Rameshchadra Mohanlal Hirani	November 07, 2024	Appointed as Non-executive Director	Change in designation from Executive Director to Non-executive Director
Jay Atulbhai Tilal	November 07, 2024	Appointed as Chief Finnancial Officer	Change in designation from Executive director to Executive Director and Chief Financial Officer
Amita Chhaganbhai Pragada	November 07, 2024	Appointment as independent director	Appointment as independent director
Bhuvnesh Kumar	November 07, 2024	Appointment as independent director	Appointment as independent director
Chirag Kantilal Patel	November 07, 2024	Appointment as independent director	Appointment as independent director
Jaydeep Vitthalbhai Ramani	November 15, 2024	Cessation	Cessation due to pre-occupation in other activities.

Corporate Governance

As on the date of this Draft Red Herring Prospectus, we have Six (6) directors on our Board, comprising of one (1) Chairman and Managing Director, One (1) Executive Director and One (1) Non- Executive Directors and Three (3) Independent Directors including One (1) Women Independent Director. The present composition of our Board of Directors and its committees are in accordance with the Companies Act, 2013, and SEBI Listing Regulations.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations in relation to the composition of our Board and constitution of committees thereof. Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act.

Board committees

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

a. Audit Committee;
b. Nomination and Remuneration Committee;
c. Stakeholders Relationship Committee;
d. Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

Audit Committee

The Audit Committee was constituted pursuant to a meeting of our Board held on April 04, 2025.

The Audit Committee currently consists of:
a) Chirag Kantilal Patel;*(Chairperson)*
b) Bhuvnesh Kumar;*(Member) and*
c) Pragada Amita Chhaganbhai *(Member)*;

Further, the Company Secretary of our Company shall act as the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

The role of the audit committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
    (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    (b) Changes, if any, in accounting policies and practices and reasons for the same;
    (c) Major accounting entries involving estimates based on the exercise of judgment by management;
    (d) Significant adjustments made in the financial statements arising out of audit findings;
    (e) Compliance with listing and other legal requirements relating to financial statements;
    (f) Disclosure of any related party transactions;
    (g) modified opinion(s) in the draft audit report
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate

recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non – payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary (if any) exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further, the Audit Committee shall mandatorily review the following:

(a) Management discussion and analysis of financial condition and results of operations;
(b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
(c) Internal audit reports relating to internal control weaknesses; and
(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
(e) Statement of deviations:
1. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1);
    (a) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Nomination and Remuneration Committee:

The Nomination and Remuneration committee was constituted by a resolution of our Board dated April 04, 2025.

The Nomination and Remuneration Committee currently consists of:

a) Chirag Kantilal Patel;*(Chairperson)*
b) Bhuvnesh Kumar;*(Member)and*
c) Rameshchandra Mohanlal Hirani *(Member)*;

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of Nomination and Remuneration Committee shall include the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
(2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates;
(3) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
(4) Devising a policy on diversity of board of directors;
(5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
(6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
(7) Recommend to the board, all remuneration, in whatever form, payable to senior management

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted pursuant to a meeting of our Board held on April 04, 2025. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

a) Rameshchandra Mohanlal Hirani;*(Chairperson)*
b) Bhuvnesh Kumar;*(Member)and*
c) Chirag Kantilal Patel *(Member)*;

Role of Stakeholders' Committee

The role of Stakeholder Relationship Committee, together with its powers, is as follows:

(1) Resolving grievances of our security holders, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
(2) Review of measures taken for effective exercise of voting rights by shareholders;
(3) Review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
(4) Review of various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Corporate Social Responsibility Committee

The CSR Committee was constituted by a resolution of our Board dated April 04, 2025. The current constitution of the CSR Committee is as follows:

a) Bhaveshbhai Bhikhubhai Ramani;*(Chairperson)*
b) Chirag Kantilal Patel;*(Member)and*
c) Jay Atulbhai Tilala *(Member)*;

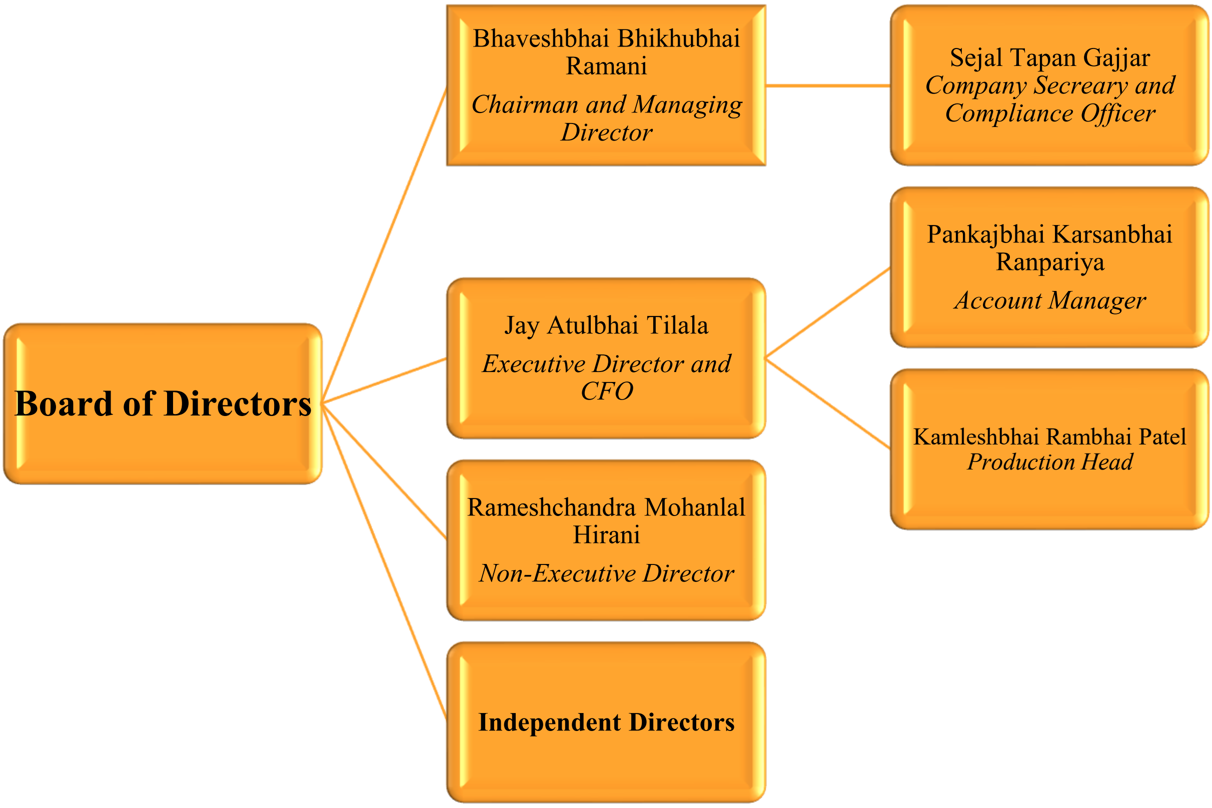
The terms of reference of the Corporate Social Responsibility Committee shall include the following:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013

and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
3. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (i) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
7. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Management Organization Structure:



Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel

Other than Bhaveshbhai Bhikhubhai Ramani, Chairman and Managing Director and Jay Atulbhai Tilala, Executive Director and Chief Financial Officer whose details are provided hereinabove, the details of our Key Managerial Personnel, as on the date of this Draft Red Herring Prospectus are set forth below.

Sejal Tapan Gajjar is the Company Secretary and Compliance Officer of our Company and has been associated with the company since March 30, 2024. She is an associate of the Institute of Company Secretaries of India. She has completed her Master of Commerce degree and Master of Law degree from Gujarat University. She has previously been associated with organisations Varia Engineering Works Private Limited and has also trained for 6 months with the Official Liquidator, High Court of Gujarat. She has over 8 years of experience in the field of secretarial compliance. She looks after the secretarial compliance of our Company. He received a gross remuneration of ₹ 2.16 lakhs in Fiscal 2025

Senior Management

In addition to the Chief Financial Officer and the Company Secretary and Compliance Officer of our Company, whose details are provided in "***Our Management – Key Managerial Personnel***" on page 230, the details of our other Senior Management are set out below:

Kamleshbhai Rambhai Patel is the Production head of our Company and has been associated with our Company since 2015. He has completed his Diploma in Textile Manufacture from Technical Examination Board, Gujarat State. He has more than 30 years of experience in the textile industry. He has previously been associated with Aarvee Denims Exports Limited, Arvind Intex Limited, Gozaria Spintex Limited, Birla Cotsyn (India) Limited and Morden Terry Towels Limited. His roles and responsibilities include overseeing manufacturing operations and production, quality assurance and supply chain management. He is also responsible for development and implementation of operational strategies and improving product quality. He received a gross remuneration of ₹18.14 lakhs in Fiscal 2025.

Ranpariya Pankaj Karshanbhai is the Accounts head of our Company and has been associated with our Company since 2017. He has completed his Bachelor of Commerce and Master of Commerce degrees from Saurashtra University. He has 12 years of experience as an accountant. He has been previously associated with Patel Infrastructure Limited and Helix Technologies. His roles and responsibilities include overseeing all accounting operations, including financial reporting, budgeting and forecasting, ensuring compliance with statutory regulations and accounting standards, implementing effective internal controls, and coordinating both internal and external audits. He received a gross remuneration of ₹ 4.83 lakhs in Fiscal 2025.

Service Contracts with Key Managerial Personnel and Senior Management Personnel

No Key Managerial Personnel and Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Interest of Key Managerial Personnel and Senior Management Personnel

For details of the interest of our Managing Director and Whole-time Directors in our Company, see "***Our Management – Interest of Directors***" on page 225.

Other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel and Senior Management Personnel have no other interest in the equity share capital of the Company.

No loans have been availed by our Key Managerial Personnel and Senior Management Personnel from our Company as on the date of this Draft Red Herring Prospectus.

Relationship amongst Key Managerial Personnel and Senior Management Personnel

Except as disclosed in the "***Our Management - Relationship between Directors and Key Managerial Personnel or Senior Management***", none of our Key Managerial Personnel and Senior Management Personnel are related to each other.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Payment or benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given to any officer of our Company including Key Managerial Personnel or Senior Management within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management Personnel.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel

There is no bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management Personnel.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management Personnel

For details, please see "***Our Management - Shareholding of our Directors***" on page 224. There is no shareholding of Key Managerial Personnel and Senior Management Personnel

Changes in Key Managerial Personnel and Senior Management Personnel during the last three years

The changes in our Key Managerial Personnel and Senior Management Personnel during the last three years till the date of this Draft Red Herring Prospectus are set forth below.

Name of KMP/SMP	Date	Nature of Event	Reason
Sejal Tapan Gajjar	March 30, 2024	Appointment as Company Secretary and Compliance Officer.	Appointment
Jay Atulbhai Tilala	October 15, 2024	Appointment as Chief Financial Officer.	Appointment

Attrition of Key Managerial Personnel and Senior Management Personnel

The average attrition of Key Managerial Personnel and Senior Management Personnel is not high in our Company as compared to the industry.

Employee Stock Options and Stock Purchase Schemes

As on date of this Draft Red Herring Prospectus, our Company does not have any Employee Stock Options, Stock Purchase Schemes and other Equity-Based Employee Benefit Schemes.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

Bhaveshbhai Bhikhubhai Ramani, Jay Atulbhai Tilala, and Nidhi Bhaveshbhai Kothari are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Name of the Promoter	No. of Equity Shares	% of pre-Issue issued, subscribed and paid-up Equity Share Capital
Bhaveshbhai Bhikhubhai Ramani	60,82,675	20.71
Jay Atulbhai Tilala	11,96,613	4.07
Nidhi Bhaveshbhai Kothari	32,31,250	11.00
Total	**1,05,10,538**	**35.78**

For further details, see ***"Capital Structure – The aggregate shareholding of our Promoters and Promoter group"*** on page 103.

Details of our individual Promoters

Bhaveshbhai Bhikhubhai Ramani

Bhaveshbhai Bhikhubhai Ramani, aged 46 years, is the Chairman and Managing Director of our Company.

Permanent Account Number: AESPR4117B

For his complete profile along with the details of his date of birth, personal address, educational qualifications, experience in business or employment, positions / posts held in the past, other directorships held, special achievements, his business and financial activities, please see ***"Our Management"*** on page 220.

Other ventures promoted:
1. Goldsun Ceramic Private Limited
2. Ravi Oil Refineries
3. Ravi Solvex & Oil Industries

Jay Atulbhai Tilala

Jay Atulbhai Tilala, aged 30 years, is the Executive Director and Chief Financial Officer of our Company.

Permanent Account Number: AUDPT8431F

For his complete profile along with the details of his date of birth, personal address, educational qualifications, experience in business or employment, positions / posts held in the past, other directorships held, special achievements, his business and financial activities, please see ***"Our Management"*** on page 220.

Other ventures promoted: N.A.

Nidhi Bhaveshbhai Kothari

Nidhi Bhaveshbhai Kothari, aged 43 years, is a Promoter of our Company.

Permanent Account Number: CDRPK7423F

Date of Birth: December 25, 1981

Personal Address: Desai Wadi, B/H Devyani Appartment Jetpur, Rajkot - 360 370, Gujarat, India

She has completed her Bachelor of Arts degree from Saurashtra University.

Other ventures promoted:
1. Shree Ram Munchies (India) LLP
2. Shree Ram Elite Industrial Services LLP
3. Shree Ram Tradebiz (India) LLP
4. Tecfine Knittex LLP

Our Company confirms that the permanent account number, bank account number(s), passport number, aadhar card number and driving license number, as applicable, of each of our Promoters shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Change in control of our Company

Our present Promoters are the original promoters of our Company and there has been no change in the control of our Company in the five (5) years immediately preceding the date of this Draft Red Herring Prospectus.

Interest of our Promoters

(i) Our Promoters are interested in our Company (a) to the extent that they have promoted our Company; (b) to the extent of their shareholding in our Company and the shareholding of their relatives in our Company, for details, see "***Capital Structure***" on page 88; and (c) the dividends payable, if any, upon such shareholding and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives. Additionally, our Promoters may be interested in transactions entered into or to be entered into by our Company with them, their relatives or other entities (a) in which our Promoters are members or hold shares; or (b) which are controlled by our Promoters. For further details, please see *"**Restated Financial Information- Notes to Restated Financial Information - Related Party Disclosures**"* on page 284.

(ii) Our Promoters, Bhaveshbhai Bhikhubhai Ramani and Jaybhai Atulbhai Tilala are also interested in our Company as Directors and may be deemed to be interested in the remuneration and benefits payable to them and reimbursement of expenses incurred by them in their capacity as Directors or Senior Management Personnel and Key Managerial Personnel of our Company. For further details, please see *"**Our Management**"* on page 220 and *"**Restated Financial Information - Notes to Restated Financial Information – Related Party Disclosures**"* on page 284.

(iii) Our Promoters, Bhaveshbhai Bhikhubhai Ramani and Jay Atulbhai Tilala, have given personal guarantees towards financial facilities availed by our Company from some of its lenders, therefore, they are interested to the extent of the said guarantees. For further information, please see *"**Financial Indebtedness**"* and *"**Restated Financial Information**"* on pages 297 and 239, respectively.

(iv) Our Promoters collectively hold 1,05,10,538 Equity Shares, constituting 35.78% of the issued, subscribed and paid-up Equity Share capital of our Company, as of the date of this Draft Red Herring Prospectus.

(v) Expect for Bhaveshbhai Bhikubhai Ramani from who Company has taken land on lease for the installation of Solar plant. Our Promoters have no interest in any property acquired by our Company during the three (3) years preceding the date of this Draft Red Herring Prospectus, or proposed to be acquired by it, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery: For further details, please see *"**Our Business** – **Properties**"* on page 205.

(vi) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become or qualify them as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

(vii) Except as set out below, none of our Promoters or natural persons forming part of the Promoter Group are persons appearing in the list of directors of struck-off companies by the respective Registrar of Companies or the MCA.

Persons	**Struck-off Entities**
Bhaveshbhai Bhikhubhai Ramani	Ecore Spinning Private Limited*

**Voluntary Strike-off*

Payment or benefits to our Promoters or our Promoter Group

Except in the ordinary course of business, there has been no payment or benefits given by our Company to our Promoters or the members of our Promoter Group during the two (2) years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefits to our Promoters or members of our Promoter group, other than in ordinary course of business as on the date of this Draft Red Herring Prospectus. For further details, please see ***"Our Management"*** on page 220 and ***"Restated Financial Information- - Notes to Restated Financial Information - Related Party Transactions"*** on page 284.

Other Confirmations

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority / court.

Our Promoters are not a promoter of any other company which is debarred from accessing the capital market by SEBI.

Our Promoters have not been identified as wilful defaulters or as fraudulent borrowers under the SEBI ICDR Regulations.

Our Promoters have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018, as amended.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the Company) and the Company, Promoters and the Promoter Group.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

Our Promoters and members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Material guarantees given to third parties:

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Details of companies / firms from which our Promoters have disassociated

None of our Promoters have disassociated themselves from any other company or firms in the 3 (three) years preceding the date of this Draft Red Herring Prospectus.

Our Promoter Group

Persons constituting the Promoter Group (other than our Promoters) of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations 2018 are set out below:

Natural persons forming part of our Promoter Group (other than our Promoters):

Sr. No.	Name of Individuals	Relationships
Bhaveshbhai Bhikhubhai Ramani		
1.	Bhikhabhai Mohanbhai Ramani	Father
2.	Jyotshnaben Bhikhubhai Ramani	Mother
3.	Nidhi Bhaveshbhai Kothari	Sister
4.	Dipmalaben Ramani	Spouse
5.	Yug Ramani	Son
6.	Ramani Aisha Bhaveshbhai	Daughter
7.	Hirana Mangala Vallabhai	Spouse Mother
Jay Atulbhai Tilala		
8.	Atulbhai Tilala	Father
9.	Bhavnaben Tilala	Mother
10.	Mohit Tilala	Brother
11.	Shruti Abhangi	Sister
12.	Bina Tilala	Spouse
13.	Rameshbhai Thummar	Spouse’s Father
14.	Shobhanaben Thummar	Spouse’s Mother
15.	Dharmesh Thummar	Spouse's Brother
Nidhi Kothari		
16.	Ramani Bhikhabhai M	Father
17.	Jyotshnaben Ramani	Mother
18.	Bhavesh Ramani	Brother
19.	Bhavesh Kothari	Spouse
20.	Yajurva Kothari	Son
21.	Irva Kothari	Daughter
22.	Late. Savajibhai Kothari	Spouse’s Father
23.	Lilaben Kothari	Spouse’s Mother
24.	Mintuben Kothari	Spouse's Sister
25.	Nikhil Kothari	Spouse's Brother

Entities forming part of our Promoter Group (other than our Promoters):

Sr. No.	Name of entities	Nature
1.	Ramani Bhaveshbhai Bhikhubhai (HUF)	HUF
2.	Bhavesh Savjibhai Kothari (HUF)	HUF
3.	Atulbhai Govindbhai Tilala (HUF)	HUF
4.	Ramani Bhikhubhai Mohanbhai (HUF)	HUF
5.	Ravi Oil Refineries	Partnership Firm
6.	Goldsun Ceramics Private Limited	Company
7.	Ravi Solvex & Oil Industries	Partnership Firm
8.	Shree Ram Munchies (India) LLP	LLP
9.	Shree Ram Elite Industrial Services LLP	LLP
10.	Shree Ram Tradebiz (India) LLP	LLP
11.	Tecfine Knittex LLP	LLP

OUR GROUP COMPANIES

Pursuant to Board resolution dated May 09, 2025, our Board formulated a policy for identification of group companies ("**Materiality Policy**") and has noted that in accordance with the SEBI ICDR Regulations, the term "Group Companies", includes (i) such companies (other than promoter(s) and subsidiary(ies), if any) with which there were related party transactions during the period for which financial information is disclosed, in accordance with Ind AS 24, as disclosed in the Restated Financial Statement ("**Relevant Period**"), including any additions or deletions in such companies, after the Relevant Period and until the date of the respective offer documents; and (ii) any other companies considered material by the Board of Directors, in accordance with the Materiality Policy.

With respect to the above, all such companies with which the Company had related party transactions, in accordance with Ind AS 24, during the Relevant Period and as disclosed in the Restated Financial Statement, which is contained in Draft Red Herring Prospectus, shall be considered as group companies of the Company for the purpose of disclosure in this Draft Red Herring Prospectus to be filed in relation to the Issue.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, we do not have any group companies.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules issued thereunder.

The declaration and payment of dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, financial commitments and financial requirements including business expansion and/or diversification, acquisition of new businesses, liquidity position, applicable legal restrictions, cost of raising funds from alternate sources, cash flows, the prevailing taxation policy or any amendments expected thereof, with respect to distribution of dividend, capital expenditure requirements considering opportunities for expansion and acquisition, cost and availability of alternative sources of financing, prevailing macroeconomic and business conditions, and overall financial position of our Company and other factors considered relevant by our Board. We may retain all our future earnings, if any, for use in the operations and expansion of our business. Our Company may not distribute dividend when there is absence or inadequacy of profits. For further details, see "***Risk Factors - Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements***" on page 66.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. We have neither declared nor paid any dividends on the Equity Shares in any of the three Financial Years preceding the date of this Draft Red Herring Prospectus and the period from December 31, 2024 until the date of this Draft Red Herring Prospectus. There is no guarantee that any dividends will be declared or paid by our Company in the future. We cannot assure you that we will be able to pay dividendsin the future.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR’S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors
Shree Ram Twistex Limited
"Vruj",4/2 Mahadev Wadi,
Gondal, Rajkot,
Gujarat-360311

Dear Sirs,

1. We have examined the attached Restated Financial Information of Shree Ram Twistex Limited (the “**Company**” or the “**Issuer**”) comprising the Restated Statement of Assets and Liabilities as at December 31, 2024, March 31 ,2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit and Loss (including other comprehensive income) for the nine month period ended December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Changes in Equity and the Restated Cash Flow Statement for nine month period ended December 31, 2024, and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, and a summary of Significant Accounting Policies, and other explanatory information (collectively, the “**Restated Financial Information**”), as approved by the Board of Directors of the Company at their meeting held on 08 May 2025 for the purpose of inclusion in the Draft Red Herring Prospectus (“**DRHP**”), Red Herring Prospectus (“**RHP**”) and Prospectus to be prepared by the Company in connection with its proposed initial public offer of equity shares (“**IPO**”) prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the “**Act**");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**ICDR Regulations**"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the “**ICAI**”), as amended from time to time (the “**Guidance Note**”)

2. The Company’s management is responsible for the preparation of the Restated Financial Information which have been approved by the Board of Directors for the purpose of inclusion in the DRHP, RHP and Prospectus to be filed with the Securities and Exchange Board of India (“**SEBI**”), NSE Limited and BSE Limited and (collectively, the “**Stock Exchanges**”) and the Registrar of Companies, Ahmedabad, Gujarat (the “**ROC**”), in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note 3(2) to the Restated Financial Information.

3. The Board of Directors of the Companies are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information by the management of the Company, as aforesaid. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note read with SEBI Communication, as applicable.

4. We have examined such Restated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated February 01, 2025 in connection with the proposed IPO;

   b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note as applicable in connection with the proposed IPO of equity shares of the Company.

5. These Restated Financial Information have been compiled by the management from:

(a) the audited special purpose Ind AS financial statements of the Company as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (collectively, the "Special Purpose Ind AS Financial Statements"), which have been approved by the Board of Directors at their meeting held on April 28, 2025. The Special purpose financial statements for the year ended 31 March 2024, 31 March 2023, and 31 March 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies (both mandatory exceptions and optional exemptions) availed as per Ind AS 101 for the transition date of April 1, 2021 and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended 31 March 2024, 31 March 2023 and 31 March 2022.

(b) the audited Special Purpose Interim Ind AS financial statements as at and for the nine months ended December 31, 2024 including comparative figures for the year ended March 31, 2024 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015, as amended, and other accounting principles generally accepted in India (collectively, the "Special Purpose Interim Ind AS Financial Statements") which have approved by the Board of Directors at their meeting held on April 28, 2025.

The Special Purpose Ind AS Financial Statements and Special Purpose Interim Ind AS Financial Statements are prepared to assist the Company in complying with the financial reporting provisions of the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, for the purpose of forming a basis for the preparation of Restated Financial Information to be included in the DRHP, RHP and the Prospectus with respect to its Offer.

6. For the purpose of our examination, we have relied on:

a) Auditors' reports issued by us dated April 28, 2025 on Special Purpose Interim Standalone Ind AS Financial Statements of the Company as at and for the 9 months ended on December 31,2024;

7. As indicated in our reports referred above, in para 5(a) and 5(b):

a) We did not audit the standalone financial statements of the Company for the year ended March 31, 2024, March 31, 2023 and March 31, 2022. The standalone financial statements of the Company for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, have been audited by the RPC & Co. and whose reports with unmodified opinion have been furnished to us by the Company's management and our auditors' report referred to in above para 4, in so far as it relates to the said years is based solely on the audit reports of the other auditors.

8. Based on our examination and according to the information and explanations given to us, we report that Restated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and 2022 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the period ended December 31, 2024, as applicable;
b) does not contain any qualifications requiring adjustments; and
c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note read with

SEBI Communication.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Financial Statements as at and for the period ended December 31, 2024 and years ended March 31, 2024, 2023 and 2022 as mentioned in paragraph 5 above.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP, RHP and Prospectus to be filed with SEBI, Stock Exchanges and ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M/S. Doshi Doshi & Co.
FRN: 153683W
Chartered Accountants

Chintan Doshi
Partner
M. No. 158931
UDIN:25158931BMIFWE5856
Date: 08 May 2025
Place: Ahmedabad

Annexure-I Restated Statement of Assets and Liabilities

Rs. in lakhs, unless otherwise stated

Particulars		Notes	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
ASSETS						
Non-Current Assets						
a)	Property, Plant and Equipment	4	6,991.84	7,071.33	7,781.32	7,640.52
b)	Capital work-in-progress	4	-	220.62	-	-
c)	Intangible assets	4	-	-	-	1.10
d)	Financial Assets					
	(i) Investments	5	50.16	47.31	43.49	41.55
	(ii) Other Financial Assets	6	285.22	247.60	122.68	163.62
e)	Other Non-current assets	7	91.28	283.58	0.36	152.30
Total Non-Current Assets			**7,418.50**	**7,870.44**	**7,947.86**	**7,999.08**
CURRENT ASSETS						
a)	Inventories	8	2,446.73	2,400.05	2,848.61	2,311.97
b)	Financial Assets					
	(i) Investments		**-**	**-**	**-**	-
	(ii) Trade Receivables	9	4,838.31	4,450.13	2,080.68	2,220.45
	(iii) Cash & Cash Equivalents	10	50.38	8.62	38.75	17.64
	(iv) Bank Balances other than (iii) above		-			-
	(v) Loans		-	-	-	-
	(vi) Other Financial Assets	11	518.90	335.64	209.61	277.82
c)	Current Tax Assets	12	-	-	0.13	0.53
d)	Other Current Assets	13	314.31	365.58	445.84	250.41
Total Current Assets			**8,168.63**	**7,560.02**	**5,623.62**	**5,078.82**
Total Assets			**15,587.13**	**15,430.45**	**13,571.47**	**13,077.90**
Equity and Liabilities						
Equity						
a)	Equity Share capital	14	2,937.50	2,937.50	1,175.00	1,175.00
b)	Other Equity	15	4,380.58	3,742.36	4,936.05	4,212.33
			7,318.08	**6,679.86**	**6,111.05**	**5,387.33**
Liabilities						
Non-Current Liabilities						
a)	Financial Liabilities					
	(i) Borrowings	16	2,977.15	3,918.90	3,476.49	4,383.05
b)	Deferred Tax Liabilities (Net)	36	421.23	484.98	340.21	137.78
c)	Provisions	21	33.90	27.56	19.37	12.49
Total Non-Current Liabilities			**3,432.28**	**4,431.44**	**3,836.07**	**4,533.32**
Current Liabilities						
a)	Financial Liabilities					
	(i) Borrowings	17	2,162.93	2,785.55	2,093.56	1,313.16
	(ii) Trade payables	18				
	Total outstanding dues of micro enterprises and small enterprises		2,333.56	1,280.68	1,338.34	1,576.09
	Total outstanding dues other than micro and small enterprises		32.24	35.24	42.60	22.38
	(iii) Other Financial Liabilities	19	2.43	19.47	23.73	24.56
b)	Other Current Liabilities	20	75.82	14.26	15.21	104.65
c)	Provisions	21	81.47	123.73	110.91	116.41
d)	Current Tax Liabilities (Net)	22	148.30	60.22	-	-
Total Current Liabilities			**4,836.75**	**4,319.15**	**3,624.35**	**3,157.25**
Total Equity & Liabilities			**15,587.13**	**15,430.45**	**13,571.47**	**13,077.90**

Significant Accounting Policies 3

The Accompanying Notes are an Integral part of the Financial Statements. 4-54

As per our report of even date	For and on behalf of board of directors	
For M/S. Doshi Doshi & Co. FRN: 153683W Chartered Accountants	Sd/- Bhaveshbhai Bhikhubhai Ramani Managing Director DIN : 00534813	Sd/- Jay Atulbhai Tilala Director and CFO DIN : 08362902
Sd/- Chintan Doshi Partner Membership No: 158931 Place: Ahmedabad Date: 08 May 2025	Sd/- Sejal Tappan Gajjar Company Secretary PAN: BICPG4830M	

Annexure-II Restated Statement of Profit and Loss

Rs. in lakhs, unless otherwise stated

	Particulars	**Notes**	**For the Nine months period ended December 31, 2024**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
	Revenue:					
I	Revenue from Operations	23	15,259.91	23,159.12	21310.25	21,797.20
II	Other Income	24	15.76	13.29	47.69	40.15
III	**Total Income (I + II)**		**15,275.67**	**23,172.41**	**21,357.93**	**21,837.35**
IV	**Expenses:**					
a)	Cost of material consumed	25	13,683.39	20,125.20	18,025.77	20,670.18
b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	-734.74	355.69	937.48	-1,447.91
c)	Employee Benefits Expense	27	327.04	423.88	412.27	398.43
e)	Finance Costs	28	483.13	454.55	394.49	419.61
d)	Depreciation And Amortization Expenses	29	446.13	629.34	883.87	902.74
f)	Other Expenses	30	207.87	221.21	213.56	401.92
	Total Expenses (IV)		**14,412.82**	**22,209.87**	**20,867.43**	**21,344.96**
V	**Profit/(loss) before exceptional items and tax (III - IV)**		862.86	962.54	490.50	492.39
VI	Exceptional Items		-	-	-	-
VII	**Profit/ (loss) before tax (V+VI)**		**862.86**	**962.54**	**490.50**	**492.39**
VIII	**Tax Expense**					
	Current Tax		230.23	278.78	167.54	82.19
	MAT Credit Entitlement		-	-	-	-72.46
	Deferred Tax		-63.74	28.51	117.89	118.90
			166.48	**307.29**	**285.43**	**128.63**
IX	**Profit/(loss) for the period (VII-VIII)**		**696.37**	**655.25**	**205.08**	**363.76**
X	**Other Comprehensive Income**	31				
i.	Items that will not be reclassified to Statement of Profit and Loss		1.67	1.51	0.92	0.98
ii.	Income tax relating to items that will not be reclassified to Statement of Profit and Loss		(0.46)	(0.42)	(0.26)	(0.26)
iii.	Items that will be reclassified to Statement of Profit and Loss		-	-	-	-
iv.	Income tax relating to items that will be reclassified to Statement of Profit and Loss		-	-	-	-
	Other Comprehensive Income for the year (X)		**1.21**	**1.09**	**0.66**	**0.73**
XI	**Total Comprehensive Income for the year (IX + X)**		**697.58**	**656.34**	**205.74**	**364.49**
XII	**Earnings per Equity Share**	32				
	(i) Basic (in Rs.)		2.37	2.23	0.70	1.24
	(ii) Diluted (in Rs.)		2.37	2.23	0.70	1.24

Significant Accounting Policies 3

The Accompanying Notes are an Integral part of the Financial Statements. 4-54

As per our report of even date	For and on behalf of board of directors	
For M/S. Doshi Doshi & Co. FRN: 153683W Chartered Accountants	Sd/- Bhaveshbhai Bhikhubhai Ramani Managing Director DIN : 00534813	Sd/- Jay Atulbhai Tilala Director and CFO DIN : 08362902
Sd/- Chintan Doshi Partner Membership No: 158931 Place: Ahmedabad Date: 08 May 2025	Sd/- Sejal Tappan Gajjar Company Secretary PAN: BICPG4830M	

Annexure-III Restated Statement of Cash Flows

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before taxation	**864.53**	**964.05**	**491.42**	**493.37**
Adjustments for:				
Interest Expenses	483.13	454.55	394.49	419.61
(Gain)/loss on fair value of investment through P&L	(2.85)	(3.82)	(1.95)	(2.19)
Interest Received	(12.67)	(8.67)	(40.41)	(27.61)
MAT Credit	-	116.26	84.54	(72.46)
Depreciation and Amortisation Expenses	446.13	629.34	883.87	902.74
Operating Profit before working capital changes	**1,778.27**	**2,151.71**	**1,811.96**	**1,713.46**
Increase/(Decrease) in Provisions	(35.91)	21.00	1.39	52.13
(Increase)/Decrease in Current tax assets	-	0.13	0.40	(0.53)
Increase/(Decrease) in Current tax liabilities	88.08	60.22	-	-
(Increase)/Decrease in Other Current financial Assets	(183.26)	(126.03)	68.21	450.48
(Increase)/Decrease in Other current assets	51.27	80.26	(195.43)	(155.77)
Increase/(Decrease) in Trade Payables	1,049.88	(65.01)	(217.54)	602.64
Increase/(Decrease) in Other Financial Liability	(17.05)	(4.26)	(0.83)	(4.30)
Increase/(Decrease) in Other Current Liability	61.56	(0.95)	(89.44)	98.65
(Increase)/Decrease in Inventories	(46.68)	448.56	(536.64)	(1,130.37)
(Increase)/Decrease in other non-current Assets	192.30	(283.22)	151.94	(64.57)
(Increase)/Decrease in other non-current financial Assets	(37.62)	(124.92)	40.93	(76.03)
(Increase)/Decrease in Trade Receivable	(388.18)	(2,369.45)	139.77	218.32
Cash Generated from Operations	**2,512.67**	**(211.95)**	**1,174.72**	**1,704.11**
Income Taxes paid	(230.69)	(279.20)	(167.79)	(9.99)
Net Cash from Operating Activities	**2,281.97**	**(491.15)**	**1,006.93**	**1,694.12**
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(621.96)	(227.50)	(505.58)	(548.95)
Disposal of Property, Plant & Equipment	416.58	-	-	-
Interest Received	12.67	8.67	40.41	27.61
Net Cash from Investing Activities	**(192.72)**	**(218.83)**	**(465.17)**	**(521.34)**
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Loan availed/ (Repayed) in Borrowings	(1,564.38)	1,134.41	(126.16)	(756.98)
Interest Paid	(483.13)	(454.55)	(394.49)	(419.61)
Net Cash from Financing Activities	**(2,047.50)**	**679.86**	**(520.65)**	**(1,176.59)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**41.75**	**(30.12)**	**21.11**	**(3.81)**
Cash and Cash Equivalents at the beginning of the period	8.62	38.75	17.64	21.45
Reconciliation of Cash and Cash equivalents at the end of the period	**50.38**	**8.62**	**38.75**	**17.64**

Significant Accounting Policies 3

The Accompanying Notes are an Integral part of the Financial Statements. 4-54

As per our report of even date
For M/S. Doshi Doshi & Co.
FRN: 153683W
Chartered Accountants

Sd/-
Chintan Doshi
Partner
Membership No: 158931
Place: Ahmedabad
Date: 08 May 2025

For and on behalf of board of directors

Sd/-
Bhaveshbhai Bhikhubhai Ramani
Managing Director
DIN : 00534813

Sd/-
Jay Atulbhai Tilala
Director and CFO
DIN : 08362902

Sd/-
Sejal Tappan Gajjar
Company Secretary
PAN: BICPG4830M

Annexure-IV Restated Statement of Changes in Equity

(a) Equity share capital

Rs. in lakhs, unless otherwise stated

Particulars	Face Value	Number of Shares	Value of Shares
Balance at the 01.04.2021	Rs. 10	**1,17,50,000**	**1,175.00**
Changes in the equity share capital during the year: -			
- Addition of shares during the year		-	-
- Reduction of shares during the year		-	-
Balance at the 31.03.2022	Rs. 10	**1,17,50,000**	**1,175.00**
Changes in the equity share capital during the year: -			
- Addition of shares during the year		-	-
- Reduction of shares during the year		-	-
Balance at the 31.03.2023	Rs. 10	**1,17,50,000**	**1,175.00**
Changes in the equity share capital during the year: -			
- Bonus shares issued during the year		1,76,25,000	1,763
- Reduction of shares during the year		-	-
Balance at the 31.03.2024	Rs. 10	**2,93,75,000**	**2,937.50**
Changes in the equity share capital during the year: -			
- Addition of shares during the year		-	-
- Reduction of shares during the year		-	-
Balance at the 31.12.2024	Rs. 10	**2,93,75,000**	**2,937.50**

(b) Other equity

Rs. in lakhs, unless otherwise stated

Particulars	Reserve & Surplus				Total
	Securities Premium Account	Revaluation Reserve	Other Comprehensive Income	Surplus i.e. Balance in Statement of Profit and Loss	
Balance as at 01.04.2021 as per IGAAP	**974.00**	**-**	**-**	**1,413.54**	**2,387.54**
Ind AS adjustments	-	1,662.68	(5.41)	(127.20)	1,530.07
Balance as at 01.04.2021 as per Ind AS	**974.00**	**1,662.68**	**(5.41)**	**1,286.35**	**3,917.62**
Profit / (Loss) for the period	-	-	-	363.76	363.76
Other Comprehensive Income / (Loss)	-	-	-	-	-
Total Comprehensive Income	**-**	**-**	**-**	**363.76**	**363.76**
Equity Dividend				-	-
Ind AS adjustments	-	(69.77)	0.73	-	(69.05)
Balance as at 31.03.2022	**974.00**	**1,592.91**	**(4.69)**	**1,650.11**	**4,212.33**
Profit / (Loss) for the period	-	-	-	205.08	205.08
Other Comprehensive Income / (Loss)	-	-	0.66	-	0.66
Total Comprehensive Income	**974.00**	**1,592.91**	**(4.03)**	**1,855.18**	**4,418.07**
Equity Dividend	-	-	-	-	-
Ind AS adjustments	-	517.98	-	-	517.98
Balance as at 31.03.2023	**974.00**	**2,110.89**	**(4.03)**	**1,855.18**	**4,936.05**
Profit / (Loss) for the period	-	-	-	655.25	655.25
Other Comprehensive Income / (Loss)	-	-	1.09	-	1.09
Total Comprehensive Income	**-**	**-**	**1.09**	**655.25**	**656.34**
Equity Dividend	-	-	-	-	-
Ind AS adjustments	-	(87.53)	-	-	(87.53)
Other Addition/ deletion	-	-	-	(1,762.50)	(1,762.50)
Balance as at 31.03.2024	**974.00**	**2,023.36**	**(2.93)**	**747.93**	**3,742.36**
Profit / (Loss) for the period	-	-	-	696.37	696.37
Other Comprehensive Income / (Loss)	-	-	1.21	-	1.21
Total Comprehensive Income	**-**	**-**	**1.21**	**696.37**	**697.58**

Equity Dividend	-	-	-	-	-
Ind AS adjustments	-	(59.36)	-	-	(59.36)
Other Addition/ deletion	-	-	-	-	-
Balance as at 31.12.2024	**974.00**	**1,964.00**	**(1.73)**	**1,444.31**	**4,380.58**

Annexure-VII Notes to the Restated Financial Information

Note 3: Significant Accounting Policies

1. Company Information

1.1. Company Overview

Shree Ram Twistex Limited (Formerly known as Shree Ram Twistex Private Limited) ("the Company"), was originally incorporated as a private limited company on December 31, 2013 and is converted into a public limited company on September 18, 2024 with CIN: U17120GJ2013PLC078074. The registered office of the Company is located at "VRUJ", 4/2 Mahadev wadi, Gondal, Rajkot, Gujarat, India, 360311.

The company is engaged in the business of manufacturing of cotton yarn.

2. Basis of Preparation & Presentation of Restated Financial Information of Company

2.1. Statement of Compliance

The Restated Financial Information of the company are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Act.

2.2. Basis of Preparation & Presentation

The Restated Financial Information of the Company comprises the Restated Statement of Assets and Liabilities as at December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and, the Restated Statement of Profit and Loss (including Other Comprehensive Income) for nine month period ended December 31, 2024, Fiscal 2024, 2023, 2022, the Restated Statement of Cash Flows for nine month period ended December 31, 2024, Fiscal 2024, 2023, 2022, the Restated Statement of Changes in Equity and the of Significant Accounting Policies and explanatory notes (collectively referred to as "the Restated Financial Information").

These Restated Financial Information have been prepared by the Management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") to be prepared by the Company in connection with its proposed Initial Public Offer ("IPO"). The Restated Financial Information have been prepared by the Company in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note") read with the general directions dated October 28, 2021 received from Securities and Exchange Board of India (SEBI) by the Company through the Book Running Lead Managers (the "SEBI Communication"), as applicable.

For the purpose of preparation of Restated Financial Information for the period ended 31st December 2024, 31st March 2024, 31st March 2023, 31st March 2022 of the Company, the transition date is considered as April 01, 2021 which is different from the transition date adopted by the Company at the time of first time transition to Ind AS (i.e. April 01, 2023) for the purpose of preparation of Statutory Ind AS Financial Statements as required under Companies Act. Accordingly, the Company have applied the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101, as applicable) as on April 01, 2021 for the 2022 and 2023 Special Purpose Ind AS Financial Statements, as initially adopted on transition date i.e. April 01, 2023.

As such, 2022 and 2023 the Restated Financial Information are prepared considering the accounting principles stated in Ind AS, as adopted by the Company and described in subsequent paragraphs.

As such, these 2022 and 2023 the Restated Financial Information are not suitable for any other purpose other than for the purpose of preparation of Restated Financial Information and are also not financial statements prepared pursuant to any requirements under section 129 of the Act.

Further, since the statutory date of transition to Ind AS is April 01, 2023 and that the 2022 and 2023, the restated financial information have been prepared considering a transition date of April 1, 2021, the closing balances of items included in the Special Purpose Balance Sheet as at March 31, 2023 may be different from the balances considered on the statutory date of transition to Ind AS on April 01, 2023, due to such early application of Ind AS principles with effect from April 01, 2021 as compared to the date of statutory transition.

Management have compiled the Restated financial information from the Special Purpose financial statements of the Company as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 28 April 2025, 28 April 2025 and 28 April 2025 respectively. The aforesaid Special purpose financial statements of the Company as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 were prepared for the special purpose of converting the IGAAP financials, that were audited by statutory auditors into IND AS financials. Thereby, the Compilation of Restated financial information for FY 2021-22, FY 2022-23 and FY 2023-24 were from IGAAP financial statements audited by statutory auditors and then converting the IGAAP financials to IND AS financials being special purpose financial statements in IND AS.

Management have compiled the Restated financial information from the Special Purpose Interim financial statements of the Company as at and for the year ended December 31, 2024, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 28 April 2025.

These Restated Financial Information have been approved by the Board of Directors of the Company vide resolution dated08 May 2025.

2.3. Functional and Presentation Currency

The Restated Financial Information of the Company is presented in Indian Rupees (₹) which is the functional and the presentation currency of the Holding Company and all value are rounded to the nearest lakh with two decimals, except when otherwise indicated.

2.4. Basis of Measurement

The Restated Financial Information have been prepared on accrual basis following historical cost convention except for certain financial instruments that are measured at fair values.

A historical cost is a measure of value used for accounting in which the price of an asset on the balance sheet is based on its historical cost, it is generally fair value of consideration given in exchange for goods and services at the time of transaction or original cost when acquired by the Company.

Fair value is the price that is likely to be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 – Share Based Payment and leasing transactions that are within the scope of Ind AS 116 – Leases.

Fair value measurements under Ind AS are categorised into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are prescribed as follows:

- Level one quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access on measurement data;

- Level two inputs, other than quoted price is included within level one, that are observable for the asset or liability, either directly or indirectly; and

- Level three where observable inputs are used for the valuation of assets or liabilities.

2.5. Key Accounting Estimates & Judgements

In preparing these Restated Financial Information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in the Restated Statement of Profit and Loss in the year in which the estimates are revised and in any future periods affected.

The areas involving critical estimates or judgements are:

a) Estimation of Deferred Tax Asset;
b) Fair Value of financial instruments;
c) Impairment of financial assets;
d) Measurement of defined benefit obligation;
e) Determination of incremental borrowing rate;
f) Provision for expected credit losses of trade receivables;
g) Recognition and measurement of provisions and contingencies;

3. Significant Accounting Policies

These Restated Financial Information have been prepared using the significant accounting policies summarised below. These were used throughout all the periods presented in the said statements.

3.1. Current and non-current classification

The Company presents assets and liabilities in the restated statement of assets and liabilities based on current / non-current classification.

<u>An asset is classified as current when it is:</u>

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within 12 months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

<u>A liability is classified as current when:</u>

- It is Expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has determined its operating cycle, as explained in schedule III of the Companies Act, 2013, as twelve months, having regard to the nature of business being carried out by the Company. The same has been considered for classifying assets and liabilities as current and non-current while preparing the financial statements.

3.2. Revenue Recognition

Revenue from sale or goods is recognized on transfer of significant risk and rewards of ownership to buyer that coincides with the delivery of goods. The company present revenue net of goods and service tax in its Statement of Profit and Loss.

Revenue from operations includes sale of goods, services and other income from operations.

Export incentives on sales under various schemes notified by the Government has been recognised on accrual basis in the year of export. Other incentives and subsidies under various schemes notified by the Government has been recognised on the basis of amount received.

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

Other items of income are accounted as and when the right to receive such income arises and t is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

3.3. Other Income

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.4. Effects of Changes in Foreign Exchange Rates

Foreign Currency Transaction

Initial recognition and measurement

Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of transaction.

Subsequent measurement

Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction.

Any gains or losses on account of exchange differences either on settlement or on translation is recognized in Statement of Profit and Loss, unless as per company's accounting general policy on borrowing cost, they are regarded as borrowing cost as adjustment to interest cost.

Exchange differences arising from foreign currency borrowing and considered as borrowing costs are those exchange differences which arise on the amount of principal of the foreign currency borrowings to the extent of the difference between interest on local currency borrowings and interest on foreign currency borrowings.

3.5. Property, Plant and Equipment

Items of property, plant and equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any.

Cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, including import duties and non – refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Material items such as spare parts, stand-by equipment and service equipment are classified as property, plant and equipment when they meet the definition of property, plant and equipment as specified in Ind AS 16 – Property, Plant and Equipment.

An item of property, plant and equipment is derecognised upon its disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal of the item of property, plant and equipment is included in the Statement of Profit and Loss.

Transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment except Land and factory building recognised as of April 1, 2021 (transition date for the purpose of restatement) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.6. Capital work in progress and Capital advances

Cost of assets not ready for intended use, as on the end of the reporting period, is shown as capital work in progress.

Advances given towards acquisition of Property, Plant and Equipment outstanding at end of each reporting period are disclosed as other non-current assets.

3.7. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Internally generated intangibles, excluding eligible development costs are not capitalized and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2021 (transition date for the purpose of restatement) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Amortization:

Amortization of intangible assets is done during its estimated useful life on basis of Straight line Method (SLM).

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Restated Statement of Profit and Loss when the asset is derecognized.

3.8. Impairment

Impairment of Financial Assets
In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are measured at amortised cost
- Financial assets that are measured at FVTOCI
- Trade or other contractual receivables resulting from transactions that are within the scope of Ind AS 115

The Company for recognition of impairment loss allowance on Trade or other contractual receivables resulting from transactions that are within the scope of Ind AS 115 uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.

The Company follows 'general approach' for recognition of impairment loss allowance, on other financial assets, wherein the Company provides for 12-month ECL on 'Low Credit Risk' financial assets and lifetime time ECL on 'Moderate Credit Risk' and 'High Credit Risk' financial assets.

If, in a subsequent period, credit quality of the financial asset improves such that there is no longer a significant credit risk, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Copany does not reduce impairment allowance from the gross carrying amount.

Impairment of Non-Financial Assets

The Company assesses at each reporting date as to whether there is any indication that any non-financial asset or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of the asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Restated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.9. Inventories

Item of inventories are valued at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-product / scrap / wastage which are valued at net realisable value. However, materials and other items held for use in the production of finished goods are not valued below cost, if finished products in which they will be incorporated are expected to sold at or above cost.

Cost of inventories comprises or cost of purchase, duties and taxes (other than those subsequently recoverable), cost of conversion and other cost including manufacturing overheads net of recoverable taxes incurred in bring them to their respective location and condition.

Cost of raw materials, process materials, stores and spares, packing materials, trading and other products are determined on latest purchase price (FIFO) basis.

Work-in -progress and finished and semi-finished goods are valued at lower of cost or net realisable value. Provision of obsolescence on inventories is considered on market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

3.10. Cash and Cash Equivalents

Cash and cash equivalents in the Restated Statement of Assets and Liabilities and Restated Statement of Cash Flows comprise cash on hand and at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.11. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

<u>**Financial Assets**</u>

Classification
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

Initial recognition and measurement
The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement
<u>*Financial assets carried at amortised cost*</u>
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset for collecting contractual cash flows and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

<u>***Financial assets carried at fair value through other comprehensive income (FVTOCI)***</u>
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals in the Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI asset is reported as interest income using the EIR method.

Equity instruments, except for the ones held for trading, could also be classified as at FVTOCI, if the Company makes an irrevocable election to do so at the time of initial recognition. Such election is made on instrument-to-instrument basis. In case of equity instruments classified as at FVTOCI, all the fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. The Company has designated certain equity instruments as at FVTOCI.

<u>***Financial assets carried at fair value through profit or loss (FVTPL)***</u>
A financial asset which is not categorized as at amortised cost or as FVTOCI, is classified and subsequently measured as at FVTPL.

As per the requirements of Ind AS 109 - "Financial Instruments", all investments in equity instruments and contracts on those instruments are to be measured at FVTPL unless designated at FVTOCI. However, there might be situations where cost may be an appropriate estimate of fair value. That may be the case if insufficient information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

De-recognition
A financial asset (or, where applicable, a part of a financial asset) is primarily de-recognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Comapny continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Comapny also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

<u>Financial Liabilities</u>

Classification
Financial liabilities are classified, at initial recognition, as subsequently measured at amortised cost, except for financial liabilities specifically classified and subsequently measured as at fair value through profit and loss.

Initial recognition and measurement
The Company initially measures a financial liability at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs.

Subsequent measurement
<u>Financial liabilities carried at amortised cost</u>
The Company measures its financial liabilities at amortised cost using the effective interest rate method. The effective interest rate is the rate that exactly discounts, estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost on initial recognition.

The interest expense (calculated based on effective interest method) and any gain or loss on derecognition is recognised in the Restated Statement of Profit and Loss.

<u>Financial assets carried at fair value through profit or loss (FVTPL)</u>
Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL. Gains or losses, including

any interest expense on liabilities held for trading are recognised in the Restated Statement of Profit and Loss.

De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Restated statement of profit and loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the Restated Statement of Assets and Liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.12. Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the enterprise expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

3.13. Taxes

Current Income Tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re- assessed at each reporting date and are recognised to the extent that it has become reasonably certain that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

3.14. Employee Benefit Expenses

Short-term Employee Benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-employment Benefits

Defined Contribution Plans
The Company recognises contribution payable to the provident fund scheme as an expense, during the period in which employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

Defined Benefit Plans
The Company pays gratuity to the employees who have completed five years of service with the Company at the time of retirement / resignation / death while in employment. The gratuity is paid @ 15 days basic salary for every completed year of service up to ₹20,00,000/-. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

3.15. Finance Costs

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing cost are being incurred. A qualifying asset is an asset that necessarily takes a substantial time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period they are incurred.

Borrowing cost includes interest expense, amortisation of discounts and ancillary costs incurred in connection with borrowing of funds.

3.16. Depreciation

Depreciation is the systematic allocation of the depreciable amount of property, plant and equipment over its useful life and is provided on a written down value (WDV) over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 ("the Act") or as per technical assessment by the Management.

Depreciable amount for property, plant and equipment is the cost of property, plant and equipment less its estimated residual value. The useful life of property, plant and equipment is the period over which it is expected to be available for use by the Company or the number of production or similar units expected to be obtained from it by the Company.

Depreciation on property, plant and equipment which are added / disposed of during the year, is provided on pro-rata basis with reference to the date of addition / deletion.

3.17. Contingent Assets & Liabilities

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent asset are disclosed in the restated financial statements.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non—occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets and liabilities are reviewed at each balance sheet date.

3.18. Government Grants and Subsidies

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income. Government grant related to assets are presented by deducting the grant from the carrying amount of the asset.

3.19. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The average weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

But while calculating basic earnings per share and diluted earnings per share for the purpose of Restated Financial Information, the number of shares has been adjusted for the bonus issue made till the date of signing these Restated Financial Information.

3.20. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows for the year are classified by operating, investing and financing activities.

Note 4: Property, Plant and Equipment (PPE)

Rs. in lakhs, unless otherwise stated

Particulars	**Factory Land**	**Building**	**Plant & Machinery**	**Electrification**	**Furniture**	**Office Equipments**	**Computer System**	**Vehicles**	**Capital Work in Progress** *(Refer Note 33 for Ageing)*	**Total**
At Cost or Deemed Cost										
Gross block										
Balance as at 31 March 2021	**99.88**	**832.20**	**4,920.51**	**197.16**	**9.86**	**2.58**	**3.51**	**0.63**	**2,991.08**	**9,057.41**
Ind AS transition adjustments	1,074.32	267.40	-2,170.40	-152.66	-7.33	-1.93	-3.34	-0.49		-994.43
Balance as at April 1 2021	1,174.20	1,099.60	2,750.11	44.49	2.53	0.65	0.18	0.14	2,991.08	8,062.98
Additions	-	607.78	2,927.51	-	-	4.74	-	-	-	3,540.03
Disposals	-	-	-	-	-	-	-	-	-2,991.08	(2,991.08)
Balance as at 31 March 2022	**1,174.20**	**1,707.38**	**5,677.63**	**44.49**	**2.53**	**5.39**	**0.18**	**0.14**	**-**	**8,611.93**
Additions	-	-	502.16	-	-	-	3.42	-	-	505.58
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	**1,174.20**	**1,707.38**	**6,179.78**	**44.49**	**2.53**	**5.39**	**3.60**	**0.14**	**-**	**9,117.51**
Ind AS transition adjustments	117.42	140.76	-	-	-	-	-	-	-	258.18
Balance as at 1 April 2023	**1,291.62**	**1,848.13**	**6,179.78**	**44.49**	**2.53**	**5.39**	**3.60**	**0.14**	**-**	**9,375.68**
Additions	-	-	6.72	-	-	0.16	-	-	220.62	227.50
Disposals	-	-	-	-	-		-	-		-
Balance as at 31 March 2024	**1,291.62**	**1,848.13**	**6,186.50**	**44.49**	**2.53**	**5.56**	**3.60**	**0.14**	**220.62**	**9,603.18**
Additions			418.14				7.87		195.96	621.96
Disposals									-416.58	-416.58
Balance as at 31 Dec 2024	**1,291.62**	**1,848.13**	**6,604.64**	**44.49**	**2.53**	**5.56**	**11.46**	**0.14**	**-**	**9,808.57**
Accumulated depreciation and impairment										
Balance as at 31 March 2021	**-**	**320.97**	**2,170.40**	**152.66**	**7.33**	**1.93**	**3.34**	**0.49**	**-**	**2,657.12**
Ind AS transition adjustment		-320.97	-2,170.40	-153	-7.33	-1.93	-3.34	-0.49		-2,657.12
Balance as at April 1 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation expenses	-	92.47	795.82	11.51	0.65	1.14	-	0.04	-	901.64
Ind AS transition adjustment	-	69.77	-	-	-	-	-	-	-	69.77

Balance as at 31 March 2022	**-**	**162.25**	**795.82**	**11.51**	**0.65**	**1.14**	**-**	**0.04**	**-**	**971.41**
Depreciation expenses	-	97.56	773.63	8.53	0.48	1.97	0.56	0.03	-	882.77
Ind AS transition adjustment	-	49.29	-	-	-	-	-	-	-	49.29
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	**-**	**309.10**	**1,569.45**	**20.04**	**1.14**	**3.11**	**0.56**	**0.06**	**-**	**1,903.46**
Ind AS transition adjustment	-	**-309.10**	-	-	-	-	-	-	-	**-309.10**
Balance as at 1 April 2023	**-**	**-**	**1,569.45**	**20.04**	**1.14**	**3.11**	**0.56**	**0.06**	**-**	**1,594.36**
Depreciation expenses	**-**	87.99	531.80	6.30	0.36	1.06	1.82	0.02	-	629.34
Ind AS transition adjustment	**-**	87.53	**-**	**-**	**-**	**-**	**-**	**-**	-	87.53
Disposals	**-**	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	**-**	**175.52**	**2,101.25**	**26.34**	**1.50**	**4.17**	**2.38**	**0.08**	**-**	**2,311.24**
Depreciation expenses	**-**	60.03	380.33	3.53	0.20	0.45	1.59	0.01	**-**	446.13
Ind AS transition adjustment	**-**	59.36	**-**	**-**	**-**	**-**	**-**	**-**	**-**	59.36
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
Balance as at 31 Dec 2024	**-**	**294.90**	**2,481.58**	**29.87**	**1.70**	**4.61**	**3.97**	**0.09**	**-**	**2,816.73**
Balance as at 1 April 2021	**1,174.20**	**1,099.60**	**2,750.11**	**44.49**	**2.53**	**0.65**	**0.18**	**0.14**	**2,991.08**	**8,062.98**
Balance as at 31 March 2022	**1,174.20**	**1,545.13**	**4,881.80**	**32.98**	**1.87**	**4.25**	**0.18**	**0.10**	**-**	**7,640.52**
Balance as at 31 March 2023	**1,291.62**	**1,848.13**	**4,610.34**	**24.45**	**1.39**	**2.28**	**3.03**	**0.08**	**-**	**7,781.32**
Balance as at 31 March 2024	**1,291.62**	**1,672.61**	**4,085.25**	**18.15**	**1.03**	**1.39**	**1.22**	**0.06**	**220.62**	**7,291.94**
Balance as at 31 Dec 2024	**1,291.62**	**1,553.23**	**4,123.06**	**14.62**	**0.83**	**0.94**	**7.49**	**0.05**	**-**	**6,991.84**

Note 4: Intangible Assets

Rs. in lakhs, unless otherwise stated

Particulars	Software
At Cost or Deemed Cost	
Gross block	
As at 31 March 2021	**5.51**
Ind AS transition adjustment	(3.31)
Disposals	-
As at 1 April 2021	**2.20**
Additions	-
Disposals	-
As at 31 March 2022	**2.20**
Additions	-
Disposals	-
As at 31 March 2023	**2.20**
Additions	-
Disposals	-
As at 31 March 2024	**2.20**
Additions	-
Disposals	-
As at 31 Dec 2024	**2.20**
Accumulated depreciation and impairment	
As at March 31 2021	**3.31**
Ind AS transition adjustment	(3.31)
Disposals	-
As at April 1 2021	**-**
Amortisation expenses	1.10
Disposals	-
As at 31 March 2022	**1.10**
Amortisation expenses	1.10
Disposals	-
As at March 31 2023	**2.20**
Amortisation expenses	-
Disposals	-
As at 31 March 2024	**2.20**
Amortisation expenses	-
Disposals	-
As at 31 Dec 2024	**2.20**
Carrying amount	
As at April 1 2021	**2.20**
As at March 31 2022	**1.10**
As at March 31 2023	**-**
As at 31 March 2024	**-**
As at 31 Dec 2024	**-**

Note 5: Non-Current Investments

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(a) Investments Measured at Fair Value through Profit & Loss				
Other Investments (Unquoted)				
SBI Credit Risk Fund Reg Growth				
- Value	50.16	47.31	43.49	41.55
- No. of units	1,14,900.71	1,14,900.71	1,14,900.71	1,14,900.71

Total	**50.16**	**47.31**	**43.49**	**41.55**
Aggregate Amount of Quoted Investments	-	-	-	-
Aggregate Market Value of Quoted Investments	-	-	-	-
Aggregate Amount of Unquoted Investments	50.16	47.31	43.49	41.55

Note 6: Non-current- Other Financial Assets

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Bank Deposits (With Original Maturity for more than 12 Months) *(Marked as Lien)*	283.52	247.40	122.48	124.38
Security Deposits	1.70	0.20	0.20	39.23
	285.22	**247.60**	**122.68**	**163.62**

Note 7: Other Non-current Assets

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Capital Advances	91.28	**283.58**	**0.36**	**152.30**
	91.28	**283.58**	**0.36**	**152.30**

Note 8: Inventories

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Raw material	1,234.58	1,922.67	2,201.30	754.17
Finished goods	941.52	206.78	562.47	1,499.94
Packing Materials and others	270.63	270.60	84.84	57.85
	2,446.73	**2,400.05**	**2,848.61**	**2,311.97**

Note 9: Trade Receivables

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Unsecured				
Considered Good	4,838.31	4,450.13	2,080.68	2,220.45
Credit Impaired	-	-	-	-
	4,838.31	**4,450.13**	**2,080.68**	**2,220.45**
(Less): Allowance for Credit Impaired	-	-	-	-
(Refer Note 34 for ageing)				
	4,838.31	**4,450.13**	**2,080.68**	**2,220.45**

(Note: Trade receivables from related party is mentioned in related party transaction - Refer note no. 46)

Note 10: Cash and Cash Equivalents

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cash and cash equivalents				
Balances with banks- in current account	-	-	5.55	-
Cash on hand	50.38	8.62	33.20	17.64
	50.38	**8.62**	**38.75**	**17.64**

Note 11: Other Current Financial Assets

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Interest accrued but not due on bank deposits	10.21	5.15	6.69	3.28
Subsidy Receivable	508.70	330.49	202.92	274.54
	518.90	**335.64**	**209.61**	**277.82**

Note 12: Current Tax Assets

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Advance Income tax*	-	-	0.13	0.53
	-	**-**	**0.13**	**0.53**

Note 13: Other Current Assets (Unsecured and Considered Good)

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Advances to suppliers	76.40	65.84	65.10	67.19
Balance with Govt authorities	210.06	277.23	362.46	163.96
Pre-Paid Expenses	27.85	22.51	18.28	19.25
	314.31	**365.58**	**445.84**	**250.41**

Note 14: Equity Share capital

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Authorised Shares				
4,00,00,000 equity shares of Rs. 10/- each	4,000.00	4,000.00	1,200.00	1,200.00
Issued, Subscribed and Fully Paid-Up Shares				
Equity Shares				
2,93,75,000 equity shares of Rs. 10/- each	2,937.50	2,937.50	1,175.00	1,175.00
	2,937.50	**2,937.50**	**1,175.00**	**1,175.00**

Terms and Rights:

1. The company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share and is entitled to dividend, declared if any. The paid up equity shares of the Company rank pari-pasu in all respects, including dividend.
2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders (after due adjustment in case of shares that are not fully paid up), after distribution of all preferential amounts.
3. On March 12, 2024, 17,625,000 Equity shares having face value of Rs 10 each were issued in the form of bonus issue by capitalising the general reserve of the company.

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Rs. in lakhs, unless otherwise stated

Equity Shares	Face Value	No.	Amount
At the beginning of the period at 01.04.2021	Rs. 10	**1,17,50,000**	**1,175.00**
Other Adjustments		-	-
Outstanding at the end of the period at 31.03.2022	Rs. 10	**1,17,50,000**	**1,175.00**
Other Adjustments		-	-
Outstanding at the end of the period at 31.03.2023	Rs. 10	**1,17,50,000**	**1,175.00**
Bonus issue		1,76,25,000	1,762.50
Outstanding at the end of the period at 31.03.2024	Rs. 10	**2,93,75,000**	**2,937.50**
Bonus issue		-	-

Outstanding at the end of the period at 31.12.2024	Rs. 10	**2,93,75,000**	**2,937.50**

b) Details of shareholders holding more than 5% shares in the company:

Rs. in lakhs, unless otherwise stated

Particulars	**As at 31st Dec 2024**		**As at 31st March 2024**	
	No. of Shares (FV Rs.10 each)	**% of holding in the class**	**No. of Shares (FV Rs.10 each)**	**% of holding in the class**
Bhaveshbhai Bhikhubhai Ramani	60,82,675	20.71%	60,82,675	20.71%
Nidhiben Bhaveshbhai Kothari	32,31,250	11.00%	32,31,250	11.00%
Rajeshkumar Mohanbhai Hirani	15,05,025	5.12%	15,05,025	5.12%
Rameshbhai Mohanbhai Hirani	15,05,000	5.12%	15,05,000	5.12%
Vithalbhai Mohanbhai Ramani	26,74,775	9.11%	26,74,775	9.11%
Total	**1,49,98,725**	**51.06%**	**1,49,98,725**	**51.06%**

Particulars	**As at 31st March 2023**		**As at 31st March 2022**	
	No. of Shares (FV Rs.10 each)	**% of holding in the class**	**No. of Shares (FV Rs.10 each)**	**% of holding in the class**
Bhaveshbhai Bhikhubhai Ramani	21,68,070	18.45%	21,68,070	18.45%
Bhaveshbhai Savjibhai Kothari	7,56,250	6.44%	7,56,250	6.44%
Rajeshkumar Mohanbhai Hirani	6,02,010	5.12%	6,02,010	5.12%
Rameshbhai Mohanbhai Hirani	6,02,000	5.12%	6,02,000	5.12%
Vithalbhai Mohanbhai Ramani	10,69,910	9.11%	10,69,910	9.11%
Total	**51,98,240**	**44.24%**	**51,98,240**	**44.24%**

c) Shareholding of Promoters:

Particulars	**As at 31st Dec 2024**			**As at 31st March 2024**		
	No. of Shares (FV Rs.10 each)	**% of total shares**	**% Change during the year**	**No. of Shares (FV Rs.10 each)**	**% of total shares**	**% Change during the year**
Bhaveshbhai Bhikhubhai Ramani	60,82,675	20.71%	0.00%	60,82,675	20.71%	2.26%
Jaybhai Atulbhai Tilala	11,96,613	4.07%	0.00%	11,96,613	4.07%	0.00%
Nidhiben Bhaveshbhai Kothari	32,31,250	11.00%	0.00%	32,31,250	11.00%	6.44%
Total	**1,05,10,538**	**35.78%**	**-**	**1,05,10,538**	**35.78%**	**-**

Particulars	**As at 31st March 2023**			**As at 31st March 2022**		
	No. of Shares (FV Rs.10 each)	**% of total shares**	**% Change during the year**	**No. of Shares (FV Rs.10 each)**	**% of total shares**	**% Change during the year**
Bhaveshbhai Bhikhubhai Ramani	21,68,070	18.45%	0.00%	21,68,070	18.45%	0.00%
Jaybhai Atulbhai Tilala	4,78,645	4.07%	0.00%	4,78,645	4.07%	0.00%
Nidhiben Bhaveshbhai Kothari	5,36,250	4.56%	0.00%	5,36,250	4.56%	0.00%
Total	**31,82,965**	**27.08%**	**-**	**31,82,965**	**27.08%**	**-**

Note 15: Other Equity

Rs. in lakhs, unless otherwise stated

Particulars	**As at 31st Dec 2024**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
Securities Premium Reserve	974.00	974.00	974.00	974.00
Revaluation Reserve	1,964.00	2,023.36	2,110.89	1,592.91
Other Comprehensive Income	-1.73	-2.93	-4.03	-4.69

Surplus i.e. Balance in Statement of Profit and Loss	1,444.31	747.93	1,855.18	1,650.11
Total	**4,380.58**	**3,742.36**	**4,936.05**	**4,212.33**
a) Securities Premium Reserve				
Opening Balance	974.00	974.00	974.00	974.00
Addition during the year	-	-	-	-
Less: Utilised	-	-	-	-
Closing Balance	**974.00**	**974.00**	**974.00**	**974.00**
b) Revaluation Reserve				
Opening Balance	2,023.36	2,110.89	1,592.91	1,662.68
Depreciation impact on revaluation	-59.36	-87.53	-49.29	-69.77
Addition / Deletion During the Year	-	-	567.27	-
Closing Balance	**1,964.00**	**2,023.36**	**2,110.89**	**1,592.91**
c) Other Comprehensive Income				
Opening Balance	-2.93	-4.03	-4.69	-
Addition / Deletion During the Year	1.67	1.51	0.92	-4.43
Less: Income tax effect	-0.46	-0.42	-0.26	-0.26
Closing Balance	**-1.73**	**-2.93**	**-4.03**	**-4.69**
d) Surplus i.e. Balance in Statement of Profit and Loss				
Balance at Beginning of the Period/Year	747.93	1,855.18	1,650.11	1,286.35
Add: Profit / (Loss) For the Year	696.37	655.25	205.08	363.76
Less: Bonus shares issued	-	-1,762.50	-	-
Less: Deferred tax on account of Ind AS adjustments	-	-	-	-
Less: Gain/Loss on fair value of mutual fund	-	-	-	-
Less: Other appropriations	-	-	-	-
Balance at End of the Period/Year	**1,444.31**	**747.93**	**1,855.18**	**1,650.11**

Nature and purpose of each reserve: -

a) **Securities Premium Reserve -** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

b) **Revaluation Reserve -** Land and Building is revalued at the transition date i.e. April 01, 2021 and revaluation reserve is created due to the difference between net block and fair value.

c) **Other Comprehensive Income-** The amount of actuarial gain arised on valuation of gratuity as per actuarial valuation report is recognised as other comprehensive income.

d) **Surplus i.e. Balance in Statement of Profit and Loss-** It is presented in the balance sheet as a component of shareholders' equity. The statement of Surplus i.e. Balance in statement of profit and loss shows the changes in profit and loss over a specific period.

Note 16: Non-current Borrowings

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Secured: (Term loan)				
From Banks:				
SBI Machinery Loan -I	-	128.50	169.70	863.50
SBI Covid Loan (CCECL)	-	-	-	-
SBI Covid Loan (GECL)	-	-	74.36	253.36
SBI Machinery Loan -II	1,052.39	1,527.25	1,661.03	1,781.03
SIDBI Solar Loan	379.68	474.61	-	-
Unsecured:				
Loan from Related Parties	441.19	441.19	674.95	699.95

Loan from directors	694.24	709.90	117.77	46.23
Loan from financial institution	-	227.80	-	-
Loan from others	409.65	409.65	778.68	738.98
	2,977.15	**3,918.90**	**3,476.49**	**4,383.05**

Note on Borrowings:

Repayment terms of loans and security details:

i. **SBI Term loans:**

Security details: All SBI term loans are primary secured by hypothecation charge over entire plant and machinery of the company, both present and future. Further, secured by hypothecation charge over entire current assets of the company, both present and future and equitable mortgage of collateral securities viz, industrial property owned by company and other properties owned by guarantors. Also, they are secured by personal guarantee of all the directors and guarantors of the company.

(a) SBI Machinery Loan-II : Secured machinery loan of Rs. 1950 lakhs at interest of 9.65% p.a. The Loan is repayable in 72 monthly installments after moratorium period of 12 months which includes payment of first 37 installments of ₹ 10.00 Lacs, then 34 installments of ₹ 45.00 Lacs and last instalment of ₹ 50.00 Lacs. commencing on 25th January 2022 and ending on 25th December 2027.

ii. **SIDBI Solar Loan:**

Security Details: SIDBI Solar loan is primary secured by hypothecation charge over all equipment, plant and machineries and other assets of borrower which are proposed to be acquired under financing scheme. Further, secured by fixed deposit receipts amounting to Rs.143 lakhs. Also, they are secured by personal guarantee of all the directors and guarantors of the Company.

Repayment terms: The loan taken is of Rs 569.55 lakhs at interest rate of 7.9% p.a. The loan is repayable in 54 monthly installments after moratorium period of 6 months of Rs 10,54,800/- commencing from 10th July 2024. and Last installment will be due in 10th December 2028.

iii. **Unsecured Loans:**

(a) Loan from directors and related Parties represents interest free loans received by the Company, which has been obtained for business purposes and is repayable on demand.

(b) Loan from others represents interest free loans received by the Company, which has been obtained for business purposes and is repayable on demand.

Note 17: Current Borrowings

Rs. in lakhs, unless otherwise stated

Particulars	**As at 31st Dec 2024**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
Loans repayable on demand				
Secured:				
Cash credit from banks	1,531.35	1,483.19	1,300.76	516.25
Axis Bank Pledge Loan	-	971.89	-	-
Current Maturity of Non-current Borrowings	631.58	330.46	792.80	796.91
	2,162.93	**2,785.55**	**2,093.56**	**1,313.16**

Note on Borrowings:

i. **Cash Credit Limit from Bank:**

Security Details: Cash credit facility taken from State bank of India of Rs 1600 lakhs. It is primarily secured by hypothecation of stock and book debts of the company, both present and future. Further, secured by extension of hypothecation charge over entire current assets of the company, both present and future and equitable mortgage of collateral securities viz, industrial property owned by company and other properties owned by guarantors. Also, it is secured by personal guarantee of all the directors and guarantors of the Company.

Repayment terms: Repayable on demand.

ii. Axis Pledge Loan:

Security Details: The amount sanctioned is Rs 2000 lakhs against bill discounting facility at an interest rate of 9.35% p.a. This facility is primary secured by pledge of warehouse receipts / storage receipts with lien in favour of Axis Bank.

Repayment terms: The tenure of loan shall be 12 Months. The validity of the facility against a warehouse receipts / storage receipt to expire by end of the month in which new crop arrives. In case of any commodity having multiple harvesting seasons, the tenure of the intermittent crop also needs to expire by the end of the month in which new main crop arrives.

Note 18: Trade Payables

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Due to Micro Enterprises and Small Enterprises	2,333.56	1,280.68	1,338.34	1,576.09
Due to Other than Micro and Small Enterprises	32.24	35.24	42.60	22.38
(Refer Note 35 for ageing)				
	2,365.80	**1,315.92**	**1,380.94**	**1,598.47**

(Note: Trade Payables from related party is mentioned in related party transaction - Refer note no. 46)

The information regarding micro and small enterprises has been identified on the basis of information available with the Company. Based on the information available with the company, there are no micro and small enterprises to whom the company has paid interest or any interest payable on outstanding (under the provisions of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006) during the period ended December 31, 2024.

Note 19: Current liabilities: Other Financial Liabilities

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Interest accrued but not due on borrowings	2.43	3.45	-	-
Interest accrued and due on borrowings	-	16.02	23.73	24.56
	2.43	**19.47**	**23.73**	**24.56**

Note 20: Other Current Liabilities

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Statutory liabilities	0.68	10.54	7.61	16.47
Directors Remuneration Payable	1.90	1.90	0.52	1.25
Advanced From Customers	54.04	0.17	7.09	86.93
Other Current Liabilities	19.19	1.65	-	-
	75.82	**14.26**	**15.21**	**104.65**

Note 21: Provisions

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current				
a) *Provision for Employee Benefits*				
Gratuity	5.14	4.07	2.75	1.41
Salary payable	29.53	27.29	22.70	28.89
b) *Others*				
Provision for Expenses	46.80	92.36	85.46	86.11

	81.47	**123.73**	**110.91**	**116.41**
Non-Current				
a) Provision for Employee Benefits				
Gratuity	33.90	27.56	19.37	12.49
	33.90	**27.56**	**19.37**	**12.49**

Note 22: Current Tax Liabilities

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision for Taxation	148.30	60.22	-	-
	148.30	**60.22**	**-**	**-**

Note 23: Revenue from Operations

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Sale of Products	15,081.45	22,922.26	21,048.90	21,488.40
Other Operating Revenue	178.46	236.86	261.35	308.80
Total	**15,259.91**	**23,159.12**	**21,310.25**	**21,797.20**
Sale of Products				
Cotton Yarn	14,363.96	21,245.92	19,929.46	19,015.29
Cotton Waste	624.42	791.79	907.25	926.00
Cotton Bales	-	-	212.19	-
Cotton Yarn Deemed Export	93.08	884.55	-	1,547.11
Total	**15,081.45**	**22,922.26**	**21,048.90**	**21,488.40**
Other Operating Revenue				
State GST Subsidy	178.46	236.86	261.35	308.80
Total	**178.46**	**236.86**	**261.35**	**308.80**

Note 24: Other Income

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Interest Income	12.67	8.67	40.41	27.61
Foreign Exchange Fluctuations (Gain)(net)	-	0.10	0.33	3.89
Gain on fair value of investments	2.85	3.82	1.95	2.19
Kasar / Discount	-	-	-	3.61
Miscelleneous Income	0.24	0.70	5.00	2.85
Total	**15.76**	**13.29**	**47.69**	**40.15**

Note 25: Cost of materials consumed

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Opening stock of raw materials	1,922.67	2,201.30	754.17	1,128.20

Opening stock of Packing Material & others	270.60	84.84	57.85	1.36
Add:				
Purchases (Net)	11,058.38	17,352.66	17,018.13	17,490.85
Total	13,251.65	19,638.80	17,830.16	18,620.41
Add: Direct Expenses				
Consumption of Packing Materials	172.70	243.50	213.62	277.15
Consumption of stores and spare parts	262.16	168.31	248.25	236.57
Power & Fuel	1,153.16	1,717.57	1,430.03	1,505.61
Freight and transportation expenses	77.93	105.34	160.26	147.57
Labour Wages expenses	171.25	163.09	313.40	385.13
Other manufacturing and direct expenses	99.75	281.85	116.19	309.76
Less : Closing stock of raw materials	1,234.58	1,922.67	2,201.30	754.17
Less : Closing stock of Packing Material & others	270.63	270.60	84.84	57.85
Total	**13,683.39**	**20,125.20**	**18,025.77**	**20,670.18**

Note 26: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Inventories at the End of the Year				
Finished Goods	941.52	206.78	562.47	1,499.94
(a)	**941.52**	**206.78**	**562.47**	**1,499.94**
Inventories at the Beginning of the Year				
Finished Goods	206.78	562.47	1,499.94	52.03
(b)	**206.78**	**562.47**	**1,499.94**	**52.03**
Changes in Inventories (b) - (a)	**-734.74**	**355.69**	**937.48**	**-1,447.91**

Note 27: Employee Benefit Expense

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Salary	238.69	312.18	296.26	282.30
Bonus	3.45	3.20	24.63	22.43
Director's Remuneration	17.10	26.40	20.00	20.40
Contribution to Provident and Other Fund	4.91	6.04	4.19	2.94
Staff Welfare Expense	53.80	65.05	58.04	63.02
Gratuity Expense	9.09	11.02	9.14	7.35
Total	**327.04**	**423.88**	**412.27**	**398.43**

Note 28: Finance Cost

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022

Interest				
- On term Loans	186.71	258.44	299.14	350.32
- On working capital loan	104.59	128.20	56.00	36.79
- On unsecured loan	3.08	0.93	-	-
- On income tax	7.96	-	0.09	1.80
- On TDS and TCS	0.26	0.07	-	0.11
- On GST	-	-	1.33	-
- On late payment to parties	172.18	39.00	9.22	17.64
Other borrowing costs				
- Bank Commission Charges	3.49	0.47	2.59	-
- Bank Gaurantee Expense	4.84	-	11.02	-
- Bank Loan Expense	-	27.44	15.10	4.64
- Other bank charges	-	-	-	8.31
Total	**483.13**	**454.55**	**394.49**	**419.61**

Note 29: Depreciation And Amortization Expenses

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Depreciation of PPE	446.13	629.34	882.77	901.64
Amortization of Intangible Assets	-	-	1.10	1.10
Total	**446.13**	**629.34**	**883.87**	**902.74**

Note 30: Other Expenses

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Auditors' remuneration	1.36	1.79	1.80	1.37
Commission on sales	62.69	72.48	87.16	213.05
Donation	-	-	3.02	1.05
Export Related Charges	-	-	-	1.03
Factory general expenses	11.46	7.84	19.75	8.08
(Gain)/Loss on foreign exchange rate fluctuation (Net)	-	-	-	0.33
Insurance	29.15	25.28	26.56	24.02
Legal & Professional Fees	45.64	78.62	33.30	46.33
Other administrative expenses	22.98	11.63	30.74	31.76
Other selling and distribution expenses	-	-	-	44.57
Rates and taxes	23.66	14.30	5.88	19.71
Rent (Godown)	7.76	5.46	-	5.22
Repairs to machinery	1.74	0.98	2.86	0.87
Vehicle Petrol & Diesel Expense	1.43	2.82	2.51	4.53
Total	**207.87**	**221.21**	**213.56**	**401.92**

Note 31: Other Comprehensive Income

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit plans	1.67	1.51	0.92	0.98
Income Tax effect of above	-0.46	-0.42	-0.26	-0.26
Total	**1.21**	**1.09**	**0.66**	**0.73**

Note 32: Earning Per Share (EPS)

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net Profit attributable to Equity Shareholders (₹ in lakhs)	696.37	655.25	205.08	363.76
Weighted Average Number of Equity Shares	2,93,75,000	2,93,75,000	2,93,75,000	2,93,75,000
Basic Earnings per share in Rs.	2.37	2.23	0.70	1.24
Diluted Earnings per share in Rs.	2.37	2.23	0.70	1.24
Face value per share	10.00	10.00	10.00	10.00

Note 33: Capital Work in Progress

Particulars	Rs. in lakhs, unless otherwise stated
As at March 31, 2022	**-**
Additions	-
Capitalised	-
As at March 31, 2023	**-**
Additions	220.62
Capitalised	-
As at March 31, 2024	**220.62**
Additions	195.96
Capitalised	**416.58**
As at Dec 31, 2024	**-**

Ageing: -

Capital Work in Progress	As at 31/03/2024 Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	220.62	-	-	-	220.62
Projects temporarily suspended	-	-	-	-	-
Total	**220.62**	**-**	**-**	**-**	**220.62**

Note 34 Trade Receivables - Ageing Schedule

Particulars	As at 31/12/2024 Outstanding for following periods from due date of payment*	Total

	Less than 6 Months	6 Months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – Considered good	4,838.31	-	-	-	-	4,838.31
Undisputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-
Undisputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables – Considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Total	**4,838.31**	**-**	**-**	**-**	**-**	**4,838.31**
Less: Allowance for credit impaired balances						-
Total	**4,838.31**	**-**	**-**	**-**	**-**	**4,838.31**

Particulars	As at 31/03/2024					Total
	Outstanding for following periods from due date of payment*					
	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – Considered good	4,445.64	-	4.48	-	-	4,450.13
Undisputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-
Undisputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables – Considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Total	**4,445.64**	**-**	**4.48**	**-**	**-**	**4,450.13**
Less: Allowance for credit impaired balances						-
Total	**4,445.64**	**-**	**4.48**	**-**	**-**	**4,450.13**

Particulars	As at 31/03/2023					Total
	Outstanding for following periods from due date of payment*					
	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – Considered good	2,069.43	8.82	2.43	-	-	2,080.68

Undisputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-
Undisputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables – Considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Total	**2,069.43**	**8.82**	**2.43**	**-**	**-**	**2,080.68**
Less: Allowance for credit impaired balances						-
Total	**2,069.43**	**8.82**	**2.43**	**-**	**-**	**2,080.68**

Particulars	As at 31/03/2022 Outstanding for following periods from due date of payment*					Total
	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – Considered good	625.09	1,595.36	-	-	-	2,220.45
Undisputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-
Undisputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables – Considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Total	**625.09**	**1,595.36**	**-**	**-**	**-**	**2,220.45**
Less: Allowance for credit impaired balances						-
Total	**625.09**	**1,595.36**	**-**	**-**	**-**	**2,220.45**

Note 35: Trade Payable

Rs. in lakhs, unless otherwise stated

Particulars	As at 31/12/2024 Outstanding for following periods from due date of payment					Total
	Not Due for Payment	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	2,333.22	0.35	-	-	**2,333.56**
(ii) Others	-	22.52	9.72	-	-	**32.24**
(iii) Disputed dues- MSME	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	**-**
Total	**-**	**2,355.74**	**10.06**	**-**	**-**	**2,365.80**

Particulars	As at 31/03/2024					Total
	Outstanding for following periods from due date of payment					
	Not Due for Payment	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	1,280.68	-	-	-	**1,280.68**
(ii) Others	-	34.35	0.89	-	-	**35.24**
(iii) Disputed dues- MSME	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	**-**
Total	**-**	**1,315.03**	**0.89**	**-**	**-**	**1,315.92**

Particulars	As at 31/03/2023					Total
	Outstanding for following periods from due date of payment					
	Not Due for Payment	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	1,330.29	7.22	0.83	-	**1,338.34**
(ii) Others	-	31.17	7.74	3.68	-	**42.60**
(iii) Disputed dues- MSME	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	**-**
Total	**-**	**1,361.46**	**14.96**	**4.51**	**-**	**1,380.94**

Particulars	As at 31/03/2022					Total
	Outstanding for following periods from due date of payment					
	Not Due for Payment	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	-	1,571.75	0.96	0.88	2.51	**1,576.09**
(ii) Others	-	9.50	5.29	7.59	-	**22.38**
(iii) Disputed dues- MSME	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	**-**
Total	**-**	**1,581.24**	**6.26**	**8.47**	**2.51**	**1,598.47**

Note 36: Deferred Tax Liability (Net)

Rs. in lakhs, unless otherwise stated

Particulars	Total
Closing Balance April 01, 2021	**91.34**
Recognised in Profit & Loss	118.90
Recognised in Other Comprehensive Income	-
Opening IndAS adjustments	-
Restated/ IndAS adjustments during the year	-72.46
Closing Balance March 31, 2022	**137.78**
Recognised in Profit & Loss	117.89
Recognised in Other Comprehensive Income	**-**
Opening IndAS adjustments	**-**
Restated/ IndAS adjustments during the year	84.54
Closing Balance March 31, 2023	**340.21**
Recognised in Profit & Loss	28.51
Recognised in Other Comprehensive Income	-
Opening IndAS adjustments	-
Restated/ IndAS adjustments during the year	116.26
Closing Balance March 31, 2024	**484.98**

Recognised in Profit & Loss	-63.74
Recognised in Other Comprehensive Income	-
Opening IndAS adjustments	-
Restated/ IndAS adjustments during the year	-
Closing Balance Dec 31, 2024	**421.23**

Note 37: Financial Instruments
Category of Financial Instrument

Rs. in lakhs, unless otherwise stated

Particulars	As at Dec 31, 2024			As at March 31, 2024		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Fair value through profit and loss	Fair value through OCI	Amortised cost
Financial assets						
Non- Current						
Investments	50.16	-	-	47.31	-	-
Other financial assets	-	-	285.22	-	-	247.60
Current						
Trade Receivables	-	-	4,838.31	-	-	4,450.13
Cash and cash equivalents	-	-	50.38	-	-	8.62
Other Current Financial Assets	-	-	518.90	-	-	335.64
Total	**50.16**	**-**	**5,692.81**	**47.31**	**-**	**5,041.99**
Financial liabilities						
Non- Current						
Borrowings	-	-	2,977.15	-	-	3,918.90
Current						
Borrowings	-	-	2,162.93	-	-	2,785.55
Trade Payable	-	-	2,365.80	-	-	1,315.92
Other Financial liabilities	-	-	2.43	-	-	19.47
Total	**-**	**-**	**7,508.30**	**-**	**-**	**8,039.85**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Fair value through profit and loss	Fair value through OCI	Amortised cost	Fair value through profit and loss	Fair value through OCI	Amortised cost
Financial assets						
Non- Current						
Investments	43.49	-	-	41.55		-
Other financial assets	-	-	122.68		-	163.62
Current						
Trade Receivables	-	-	2,080.68		-	2,220.45
Cash and cash equivalents	-	-	38.75		-	17.64
Other Current Financial Assets	-	-	209.61		-	277.82
Total	**43.49**	**-**	**2,451.72**	**41.55**	**-**	**2,679.53**
Financial liabilities						
Non- Current						
Borrowings	-	-	3,476.49	-	-	4,383.05
Current						
Borrowings	-	-	2,093.56	-	-	1,313.16
Trade Payable	-	-	1,380.94	-	-	1,598.47

Other Financial liabilities	-	-	23.73	-	-	24.56
Total	**-**	**-**	**6,974.71**	**-**	**-**	**7,319.24**

Note 38: Fair Value Measurement Hierarchy

Rs. in lakhs, unless otherwise stated

Particulars	As at Dec 31, 2024			As at March 31, 2024		
	Level-1	Level-2	Level-3	Level-1	Level-2	Level-3
Investments	-	50.16	-	-	47.31	-
Particulars	**As at March 31, 2023**			**As at March 31, 2022**		
	Level-1	**Level-2**	**Level-3**	**Level-1**	**Level-2**	**Level-3**
Investments	-	43.49	-	-	41.55	-

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the asset or liability.

Note 39: Financial Risk Management
The Company has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk

i. Credit risk:
Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and other financial assets.

Trade receivables
The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customers, default risk of the country in which the customer operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the customer to which the Company grants credit terms in the normal course of business.

Cash and Cash Equivalents
Credit risk from balances with banks is managed by the Company's Finance department team in accordance with the Company's policy. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks is subject to low credit risk based on the good credit ratings assigned to the Company.

The Company's maximum exposure to credit risk for the Cash & Cash Equivalents components of the balance sheet at December 31, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 is the carrying amounts as illustrated in the Balance Sheet.

Other Financial Assets
Other Financial Assets are neither past overdue nor impaired.

ii. Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employees prudent liquidity risk management practices which inter alia means maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to

cover future commitments. Cash flow forecasts are prepared and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Company while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these matches with the generation of cash on such investment. Longer term cash flow forecasts are updated from time to time and reviewed by the Senior management of the Company.

iii. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, and foreign currency receivables and payables.

Foreign Currency Risk Management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue, expense or capital expenditure is denominated in foreign currency). The Company has no foreign currency exposure in the reporting periods. Therefore, no sensitivity is provided.

Note 40: Revenue from Contracts with Customers

The reconciling items of revenue recognised in the statement of profit and loss with the contracted price are as follows:

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Revenue as per contracted price, net of returns	15,259.91	23,159.12	21,314.05	21,797.20
Revenue from contract with customers	**15,259.91**	**23,159.12**	**21,314.05**	**21,797.20**

Rs. in lakhs, unless otherwise stated

Contract balances	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Trade receivables	4,838.31	4,450.13	2,080.68	2,220.45
Contract Liabilities	54.04	0.17	7.09	86.93

Contract liabilities are on account of the upfront revenue received from customer (advance from customer) for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 41: Government Grants:

The Company is entitled for State GST exemption on its eligible sale of products which includes cotton yarn as a government subsidy. This subsidy has been received as per the State Government's incentive scheme to promote businesses in specified industries. The Company recognises it as other operating income in its books of accounts. These are of revenue in nature and the same is accounted as stated in accounting policy on Government Grant.

Please refer table below showing subsidy receivable for the year ended on respective years:

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
State GST subsidy	178.46	236.86	261.35	308.80
Total	**178.46**	**236.86**	**261.35**	**308.80**

Note 42: Contingent Liability and Commitments:

Rs. in lakhs, unless otherwise stated

Particular	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
a) Contingent Liabilities				
Litigations*	35.00	36.43	15.56	14.21

Notes:

* (1) As per information and explanation given to us by the management, Goods and service tax department noticed excess availment of Input tax credit for Financial Year 2017-18, for which order has been issue dtd.23.12.2023 and demand has been raised of Rs.20,87,473/-(Including Interest of Rs.10,09,282 and Penalty of Rs.98,018) which has not been provided for in the accounts. The company has preferred an appeal against the order to Appellate authority, however the company has paid 10% amount Rs.98,018/- as on 14.03.2024 under dispute against the demand. And company also payment made voluntarily against the show cause notice tax CGST 4,90,087 and SGST 4,90,087 Total 9,80,174 through DRC-3 as on 13-03-2024. and appeal withdrawal for F.Y 2017-18 for getting benefit of interest and penalty withdrawal schema as on 18-01-2025. So this order will drop in current year so we have no any liability to pay against same order

* (2) GST Outstanding Demand bearing demand ID no. ZD240422002629P, dated April 04, 2022, amounting to ₹ 33,90,760

* (3) As per information and explanation given to us by the management company received recovery Notice amount Rs.1,09,711/- as on 21-12-024 for ensuring payment of interest under section 50(1) of the CGST/GGST Act, 2017 in respect of self-assessed tax paid after the due date of furnishing of returns. For financial year 2017-18 to 2023-24 (7 years).

Note 43: Disclosure required under Micro, Small and Medium Enterprise Development Act 2006

On the basis of confirmation obtained from the supplier who are registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006), details are as below.

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
a. The principal amount remaining unpaid to any supplier at the end of the year	2,333.56	1,280.68	1,338.34	1,576.09
b. Interest due remaining unpaid to any supplier at the end of the year	-	-	-	-
c. The amount of interest paid by the buyer in terms of section 16 , along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
d. The amount of interest due and payable for the period of delay in making payment	-	-	-	-
e. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
f. The amount of further interest remaining due and payable even in the succeeding years , until such date when the interest dues as above are actually paid to the small enterprise , for the purpose of disallowance as a deductible expenditure under section 23	-	-	-	-

	2,333.56	**1,280.68**	**1,338.34**	**1,576.09**

The information regarding micro and small enterprises has been identified on the basis of information available with the Company. Based on the information available with the company, there are no micro and small enterprises to whom the company has paid interest or any interest payable on outstanding (under the provisions of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006) during the period ended December 31, 2024 and years ended March 31, 2024, March 31, 2023, and March 31, 2022.

Note 44: Corporate Social Responsibility

The company is covered under the provisions of section 135 of the Companies Act, 2013 for Corporate Social Responsibility (CSR) from the FY 2024-25. No CSR activities are conducted by the company as on 31-12-2024. The management intends to make impactful contribution towards CSR related activities in the last quarter of the current financial year.

Note 45: Defined Benefit Plans- As per actuarial valuation

I Gratuity:

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements: -

a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Present value of Obligation at the Beginning of the period	31.63	22.12	13.90	7.53
Current Service Cost	7.37	9.42	8.13	6.80
Interest Cost	1.72	1.60	1.01	0.55
Benefits paid	-	-	-	-
Actuarial (Gains)/Losses on Obligations -	-	-	-	-
- Due to Change in Financial Assumptions	-	-	-	-
- Due to Experience adjustments	(1.67)	(1.51)	(0.92)	(0.98)
Present value of obligation at the end of the year	**39.05**	**31.63**	**22.12**	**13.90**

b) Reconciliation of opening and closing balances of the Fair Value of Plan Assets

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Fair Value of Plan Assets at the Beginning of the Period	-	-	-	-
Interest Income	-	-	-	-
Contributions by the Employer	-	-	-	-
Assets Transferred In/ Acquisitions	-	-	-	-
Benefit Paid from the Fund	-	-	-	-
Return on Plan Assets, Excluding Interest Income	-	-	-	-
Present value of obligation at the end of the year	**-**	**-**	**-**	**-**

c) Net asset / (liability) recognized in the Balance Sheet

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Present value of unfunded obligations	39.05	31.63	22.12	13.90
Fair Value of Plan Assets at the	-	-	-	-

end of the Period				
Net Liability (Asset)	**39.05**	**31.63**	**22.12**	**13.90**

d) Bifurcation of liability as per schedule III

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current Liability*	5.14	4.07	2.75	1.41
Non-Current Liability	33.90	27.56	19.37	12.49
Net liability	**39.05**	**31.63**	**22.12**	**13.90**

* The current liability is calculated as expected benefits for the next 12 months.

e) Expense recognised in the Statement of Profit and Loss under employee benefits expense:

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current Service Cost	7.37	9.42	8.13	6.80
Interest Cost	1.72	1.60	1.01	0.55
Expenses recognised in the Statement of profit & loss Account	**9.09**	**11.02**	**9.14**	**7.35**

f) Amount recognized in the other comprehensive income:

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Actuarial (Gain)/ Loss due to financial assumptions	-	-	-	-
Actuarial (Gain)/ Loss due to experience adjustments	(1.67)	(1.51)	(0.92)	(0.98)
Return/(Loss) on Plan Assets, Excluding Interest Income	-	-	-	-
Net (Income)/ Expenses recognised in OCI	**(1.67)**	**(1.51)**	**(0.92)**	**(0.98)**

g) Actuarial Assumptions

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Mortality Rate:	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Retirement Age:	60	60	60	60
Discount rate	7.00% per annum	7.25% per annum	7.25% per annum	7.25% per annum
Salary Escalation Rate	5.00% per annum	5.00% per annum	5.00% per annum	5.00% per annum
Attrition Rates	10.00% per annum	10.00% per annum	10.00% per annum	10.00% per annum

h) Sensitivity analysis

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Delta Effect of +1.0% Change in Rate of Discounting	36.81	29.79	20.80	13.03
Delta Effect of -1.0% Change in Rate of Discounting	41.58	33.71	23.62	14.88
Delta Effect of +1% Change in Rate of Salary Increase	41.61	33.74	23.62	14.89

Delta Effect of -1.0% Change in Rate of Salary Increase	36.75	29.74	20.76	13.01
Delta Effect of +0.1% Change in Withdrawal rate	39.04	31.54	21.92	13.71
Delta Effect of -1% Change in Withdrawal rate	39.01	31.67	22.29	14.06

Significant acturial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions nay be correlated.

Note 46: Related Party Transactions:

I. List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

a) Key Management personnel (KMP)

Bhaveshbhai Bhikhubhai Ramani- Managing Director
Jaybhai Atulbhai Tilala- Director and CFO
Rameshbhai Mohanbhai Hirani- Director
Sejal Tapan Gajjar- Company Secretary

b) Relatives of Key Management personnel (KMP)

Bina Jaybhai Patel
Shrutiben Atulbhai Tilala
Atulbhai Govindbhai Tilala
Bhavnaben Atulbhai Tilala
Atulbhai Govindbhai Tilala [HUF]
Mohit Atulbhai Tilala
Jyotsanaben Bhikhubhai Ramani
Dipmalaben Bhaveshbhai Ramani
Bhaveshbhai B. Ramani [HUF]
Bhikhubhai Mohanbhai Ramani
Nidhiben Bhaveshbhai Kothari
Bhavnaben Rameshbhai Hirani
Krishi R. Hirani
Shantaben Mohanbhai Hirani
Rameshbhai Mohanbhai Hirani [HUF]
Rajeshkumar Mohanbhai Hirani
Naynaben Gajjar
Narendrabhai Gajjar
Tushar Gajjar
Haresh Gajjar
Tapan Gajjar
Siya Gajjar

c) Entities where there is Significant Influence through KMP or their relatives

Goldsun Ceramics Private Limited
Ravi Oil Refineries
Ravi Solvex & Oil Industries
Uniroyal Sthaptya
Vastu Buildcon

II. Transactions with Related Parties:

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Rent Expense				
Bhavnaben Rameshbhai Hirani	-	-	-	2.80
Shantaben Mohanbhai Hirani	-	-	-	1.50
Salary and Bonus expense				
Atulbhai Govindbhai Tilala	4.50	6.00	6.00	4.80
Bhavnaben Atulbhai Tilala	3.60	4.80	4.80	4.80
Bhavnaben Rameshbhai Hirani	3.60	4.80	-	-
Bhikhubhai M Ramani	3.60	4.80	4.80	4.80
Bina Jaybhai Tilala	3.60	4.80	4.80	4.80
Dipmala Bhaveshbhai Ramani	3.60	3.20	-	2.40
Jyotsanaben Bhikhubhai Ramani	3.60	4.80	4.80	4.80
Krishi R. Hirani	-	-	-	-
Mohit Atulbhai Tilala	4.50	6.00	6.00	4.80
Rajeshbhai Mohanbhai Hirani	4.50	6.00	2.50	3.00
Shrutiben Atulbhai Tilala	-	-	-	4.80
Sejal Tapan Gajjar	1.62	-	-	-
Professional Expense				
Nidhiben Bhaveshbhai Kothari	13.37	-	-	-
Directors Remuneration				
Bhaveshbhai Bhikhubhai Ramani	8.10	10.80	11.00	12.00
Jaybhai Atulbhai Tilala	4.50	6.00	6.00	5.40
Rameshbhai Mohanbhai Hirani	4.50	6.00	3.00	3.00
Loan taken				
Bhaveshbhai Bhikhubhai Ramani	17.34	372.21	62.40	229.85
Atulbhai Govindbhai Tilala	-	-	8.50	5.80
Bhavnaben Rameshbhai Hirani	-	35.50	-	-
Bhikhubhai Mohanbhai Ramani	-	-	8.00	-
Bhavnaben Atulbhai Tilala	-	-	-	-
Bina Jaybhai Tilala	-	-	-	-
Dipmalaben Bhaveshbhai Ramani	-	40.00	-	-
Jaybhai Atulbhai Tilala	-	178.76	39.50	10.50
Krishi R. Hirani	-	-	-	-
Mohitbhai Atulbhai Tilala	-	-	-	-
Rameshbhai Mohanlal Hirani	-	48.00	-	-
Loan Repaid				
Bhaveshbhai Bhikhubhai Ramani	33.00	2.34	30.36	214.40
Atulbhai Govindbhai Tilala	-	100.00	-	-
Bhaveshbhai B. Ramani [Huf]	-	-	-	42.00
Bhavnaben Atulbhai Tilala	-	78.76	-	-
Bhavnaben Rameshbhai Hirani	-	-	-	-
Bhikhubhai Mohanbhai Ramani	-	-	2.00	100.00
Dipmalaben Bhaveshbhai Ramani	-	40.00	-	-
Jaybhai Atulbhai Tilala	-	4.50	-	8.00
Shantaben Mohanbhai Hirani	-	30.50	-	-
Shrutiben Atulbhai Tilala	-	-	39.50	-

III. Balances with Directors and Related Parties:

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Unsecured Loan				
Bhaveshbhai Bhikhubhai Ramani	401.80	417.46	47.59	15.55
Atulbhai Govindbhai Tilala	0.05	0.05	100.05	91.55
Atulbhai Govindbhai Tilala [HUF]	40.00	40.00	40.00	40.00
Bhavnaben Atulbhai Tilala	-	-	78.76	78.76
Bhavnaben Rameshbhai Hirani	99.50	99.50	64.00	64.00
Bhikhubhai Mohanbhai Ramani	11.14	11.14	11.14	5.14
Bina Jaybhai Tilala	88.00	88.00	88.00	88.00
Jaybhai Atulbhai Tilala	244.44	244.44	70.18	30.68
Krishi R. Hirani	60.00	60.00	60.00	60.00
Mohitbhai Atulbhai Tilala	82.50	82.50	82.50	82.50
Rameshbhai Mohanbhai Hirani [HUF]	-	-	60.00	60.00
Rameshbhai Mohanbhai Hirani	48.00	48.00	-	-
Shantaben Mohanbhai Hirani	60.00	60.00	90.50	90.50
Shrutiben Atulbhai Tilala	-	-	-	39.50
Directors' remuneration Payable				
Bhaveshbhai B. Ramani	0.90	0.90	-	1.00
Jaybhai Atulbhai Tilala	0.50	0.50	0.27	-
Rameshbhai Mohanbhai Hirani	0.50	0.50	0.25	0.25
Salary Payable				
Atulbhai Govindbhai Tilala	0.50	0.27	-	-
Bhavnaben Atulbhai Tilala	0.40	0.40	-	-
Bhavnaben Rameshbhai Hirani	0.40	0.40	-	-
Bhikhubhai Mohanbhai Ramani	0.40	0.40	-	-
Bina Jaybhai Tilala	0.40	0.40	-	-
Dipmalaben Bhaveshbhai Ramani	0.40	0.40	-	-
Jyotsanaben Bhikhubhai Ramani	0.40	0.40	-	-
Mohit Atulbhai Tilala	0.50	0.27	-	-
Rajeshkumar Mohanbhai Hirani	0.50	0.50	-	-
Shrutiben Atulbhai Tilala	-	-	-	-
Sejal Tapan Gajjar	0.54	-	-	-
Professional Expense Payable				
Nidhiben Bhaveshbhai Kothari	0.99	-	-	-

Note 47: Capital Management

The Company's Capital Management objectives are:
- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents. The Company's objective for capital management is to maintain an optimum overall financial structure.

i. Capital Gearing Ratio

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022

Long term borrowings	2,977.15	3,918.90	3,476.49	4,383.05
Short Term Borrowings	2,162.93	2,785.55	2,093.56	1,313.16
Less: Cash and cash equivalents	(50.38)	(8.62)	(38.75)	(17.64)
Net debt	**5,089.70**	**6,695.83**	**5,531.30**	**5,678.56**
Total equity	7,318.08	6,679.86	6,111.05	5,387.33
Net Debt to Equity Ratio (in Times)	**0.70**	**1.00**	**0.91**	**1.05**

Note 48: Additional regulatory information

i. The Company do not hold any benami property and no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and Rules made thereunder.

ii. The Company do not have any transactions with struck-off companies under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

iii. The Company does not have any charge which is yet to be registered/satisfied with ROC beyond the statutory period.

iv. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

v. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) Or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

vi. The Company has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii. The Company have not traded or invested in Crypto currency or Virtual Currency during the current or previous year.

viii. The Company has not been declared as a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

ix. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Note 49: Financial and other Ratios

i). Current ratio = Current asset divided by current Liabilities

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current Asset	8,168.63	7,560.02	5,623.62	5,078.82
Current Liabilities	4,836.74	4,319.15	3,624.35	3,157.25
Current ratio (in Times)	**1.69**	**1.75**	**1.55**	**1.61**
% change from previous year	-3.51%	12.81%	-3.54%	-20.11%
Reason for change more than 25%	NA	NA	NA	NA

ii). Debt-Equity ratio = Total Debts divided by shareholder's equity

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Total Debts	5,140.08	6,704.46	5,570.05	5,696.20

Shareholder's Equity	7,318.08	6,679.86	6,111.05	5,387.33
Debt-Equity ratio (in Times)	**0.70**	**1.00**	**0.91**	**1.06**
% change from previous year	-30.02%	10.12%	-13.80%	-16.56%
Reason for change more than 25%	During the year, the company has repaid its debts so the ratio has decreased.	NA	NA	During the year, the company has repaid its debts so the ratio has decreased.

iii). Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by total interest and principal repayments

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
a) Earnings available for debt services				
Profit after Tax	696.37	655.25	205.08	363.76
Add:- Interest expenses	474.79	426.65	365.79	406.66
Add:- Depreciation and amortisation expenses	446.13	629.34	883.87	902.74
Add: (Gain)/Loss on sale of fixed assets	-	-	-	-
Earnings available for debt services	**1,617.30**	**1,711.24**	**1,454.73**	**1,673.16**
b) Total interest and principal repayments				
Finance Cost	474.79	426.65	365.79	406.66
Principal repayment	631.58	330.46	792.80	796.91
Total interest and principal repayments	**1,106.37**	**757.11**	**1,158.59**	**1,203.57**
Debt Service Coverage Ratio (DSCR)	1.46	2.26	1.26	1.39
% change from previous year	NA	80.01%	-9.68%	24.12%
Reason for change more than 25%	NA	Change in ratio is due to increased profit compared to previous year.	NA	NA

iv). Return on equity = Profit after tax divided by average shareholders fund

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Profit for the year	696.37	655.25	205.08	363.76
Average shareholders equity	6,998.97	6,395.46	5,749.19	5,239.97
Return on equity	**9.95%**	**10.25%**	**3.57%**	**6.94%**
% change from previous year	NA	187.23%	-48.62%	-24.52%
Reason for change more than 25%	NA	The change in ratio is due to increase in profit during the year.	NA	NA

v). Inventory Turnover Ratio = Cost of services divided by Average Inventory

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cost of material consumed	12,948.65	20,480.89	18,963.24	19,222.26
Average Inventory	2,423.39	2,624.33	2,580.29	1,746.78

Inventory Turnover Ratio	5.34	7.80	7.35	11.00
% change from previous year	-31.53%	6.19%	-33.22%	42.03%
Reason for change more than 25%	Decrease in ratio as the average inventory has decreased compared to previous year.	NA	Decrease in ratio as the average inventory has increased compared to previous year.	NA

vi). Trade receivable turnover ratio =Revenue from operations divided by average trade receivables

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Revenue from operations	15,259.91	23,159.12	21,314.05	21,797.20
Average trade receivable	4,644.22	3,265.41	2,150.56	2,329.61
Trade receivable turnover ratio	3.29	7.09	9.91	9.36
% change from previous year	-53.67%	-28.44%	5.92%	68.21%
Reason for change more than 25%	Decrease in ratio due to increase in trade receivables as compared to previous year.	Decrease in ratio due to increase in trade receivables as compared to previous year.	NA	Increase in ratio due to increase in Net Sales as compared to previous year.

vii). Trade payable turnover ratio = Net Purchase divided by average trade payables

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Operating Expenses				
Net Purchases	11,058.38	17,352.66	17,018.13	17,490.85
Average trade payable	1,840.86	1,348.43	1,489.70	1,297.16
Trade payable turnover ratio	6.01	12.87	11.42	13.48
% change from previous year	-53.32%	12.65%	-15.28%	-6.02%
Reason for change more than 25%	Decrease in ratio due to increase in trade payables as compared to previous year.	NA	NA	NA

viii). Net capital turnover = Revenue from operations divided by average working capital

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
a) Revenue from operations	15,259.91	23,159.12	21,314.05	21,797.20
b) Net working capital				
Current asset	8,168.63	7,560.02	5,623.62	5,078.82
Current Liabilities	4,836.74	4,319.15	3,624.35	3,157.25

Net working capital	3,331.89	3,240.87	1,999.27	1,921.57
Average working capital	3,286.38	2,620.07	1,960.42	2,084.47
Net capital turnover ratio	4.64	8.84	10.87	10.46
% change from previous year	-47.47%	-18.70%	3.97%	107.82%
Reason for change more than 25%	The Change in the ratio is due to increase in current assets during the year	NA	NA	The Change in the ratio is due to increase in sales during the year

ix). **Net profit ratio = Net profit after tax divided by revenue from operations**

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
a) Profit after tax	696.37	655.25	205.08	363.76
b) Revenue from operations	15,259.91	23,159.12	21,314.05	21,797.20
Net profit ratio	4.56%	2.83%	0.96%	1.67%
% change from previous year	61.29%	194.06%	-42.34%	-52.21%
Reason for change more than 25%	The Change in the ratio is due to increase in profit during the year	The Change in the ratio is due to increase in profit during the year	NA	Decrease in Ratio is due to decrease in Net profit after tax.

x). **Return on capital employed = Earnings before interest and tax divided by capital employed**

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(a) Earnings before interest and tax				
Profit Before tax	862.86	962.54	490.50	492.39
Interest Expenses	474.79	426.65	365.79	406.66
Exceptional Item	-	-	-	-
Earnings before interest and tax	**1,337.65**	**1,389.18**	**856.29**	**899.05**
b) Capital employed				
Tangible Net Worth	7,318.08	6,679.86	6,111.05	5,386.23
Non current borrowings	2,977.15	3,918.90	3,476.49	4,383.05
Deferred Tax Liability/(Asset)	421.23	484.98	340.21	137.78
Non- current provisions	33.90	27.56	19.37	12.49
Capital employed	**10,750.38**	**11,111.30**	**9,947.12**	**9,919.54**
Return on capital employed	12.44%	12.50%	8.61%	9.06%
% change from previous year	NA	45.24%	-5.02%	43.67%
Reason for change more than 25%	NA	The Change in the ratio is due to Increase in profit during the year	NA	The Change in the ratio is due to Increase in profit during the year

xi). Return on Investment: Not Applicable

Note 50: First Time Ind as Adoption Reconciliation

The date of transition to Ind AS is April 1, 2023. For the purpose of preparing Restated Ind AS financial statements for the FY 2021-22, the Guidance Note on Reports in Company Prospectuses [2019] issued by ICAI requires suitable restatement adjustments (both re-measurements and reclassifications) to be made in accounting heads from their values as on the date of transition (i.e. April 1,2021) following accounting policies consistent with that used at the date of transition to Ind AS (i.e. April 1,2023). This note explains the principal adjustments made by the Company in conversion of its Indian GAAP financial statements, including the balance sheet as at 1 April 2021 and the restated financial statements as at and for the year ended 31 March 2022.

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS: -

(i). Classification and measurement of financial assets
The Company has assessed conditions for classification of the financial assets on the basis of the facts and circumstances that were exist on the date of transition to Ind AS.

(ii). Deemed cost of property, plant and equipment and intangible assets
Ind AS 101 permits a first-time adopter to elect to continue the carrying value of all its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost after making necessary adjustments to decommissioning liabilities. This exemption can also be used for intangible assets. Since there is no change in the functional currency, accordingly, as permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also.

(iii). Fair value measurement of financial assets and financial liabilities at initial recognition
The Company has applied the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. This exemption has been availed by the Company.

I) Reconciliation of Total Equity:

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Equity as per previous GAAP	**5,662.81**	**4,954.96**	**4,257.79**	**3,927.24**	**3,562.54**
Add / (Less) : Adjustments for GAAP Differences					
Fair Valuation for Property, Plant and Equipment	-	-	567.27	-	1,662.68
Depreciation adjustment	-	-	-	-	-
Effect of measuring Investments at fair value through profit or loss	2.85	3.82	1.95	2.19	9.36
Provision of Income tax	(68.97)	(1.06)	(0.15)	0.79	-
Provision of Deferred Tax	63.74	(36.13)	(119.56)	1.20	(136.55)
Opening Ind AS adjustments	1,724.90	1,853.26	1,460.09	1,530.07	-
Recognition of Gratuity Liability as per Actuarial Valuation	(7.42)	(7.04)	(6.80)	(4.13)	(5.41)
Tax impact on Ind AS adjustments	(0.46)	(0.42)	(0.26)	(0.26)	-
Equity as per Ind AS	**7,377.44**	**6,767.39**	**6,160.34**	**5,457.10**	**5,092.62**

II) Reconciliation of Total Comprehensive Income:

Rs. in lakhs, unless otherwise stated

Particulars	As at 31st Dec 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Profit for the year as per previous GAAP	**707.84**	**697.17**	**330.56**	**364.69**	**371.72**
Add / (Less) : Adjustments for GAAP Differences					
Depreciation expense	-	-	-	-	-
Provision of Income Tax	(68.97)	(1.06)	(0.15)	0.79	-
Provision of Deferred Tax	63.74	(36.13)	(119.56)	1.20	-
Effect of measuring Investments at fair value through profit or loss	2.85	3.82	1.95	2.19	-
Recognition of Gratuity Liability as per Actuarial Valuation	(7.42)	(7.04)	(6.80)	(4.13)	-
Tax impact on Ind AS adjustments	(0.46)	(0.42)	(0.26)	(0.26)	-
Total Comprehensive Income as per Ind AS	**697.58**	**656.34**	**205.74**	**364.49**	**371.72**

III) Notes on reconciliations between previous GAAP and Ind AS:

1. **Fair valuation as deemed cost for Property, Plant and Equipment:**
   The Company have considered fair value for property, viz land admeasuring 29,355.02 Sq. Mt. situated in Revenue Survey No. 566p1 and 566p5, after amalgamation Revenue Survey No. 566p1, Nr. Bhakti Polymer, Umvada Road, Off Gondal – Jetpur National Highway, Village & Taluka: Gondal, District: Rajkot. Pin Code: 360311., in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

2. **Actuarial gains and losses**
   The impact is on account of measurement of employee benefits obligations as per Ind AS 19. Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability / asset, are recognised in the Other Comprehensive Income (OCI) under Ind AS instead of profit or loss.

3. **Deferred Tax**
   The previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Various transitional adjustments has resulted in recognition of temporary differences.

Note 51: Other confirmations

(a) Effective April 1, 2021, the Company has elected to continue with the carrying value of all of its property, plant and equipment, investment property and intangible assets recognised as of the transition date (i.e. April 1, 2021) measured as per the previous GAAP and use that carrying value as its deemed cost as of the date of transition to Ind AS (i.e. April 1, 2021) except for Land and building for which Fair Value is considered as a Deemed Cost as at the date of transition to Ind AS. For this purpose, Fair Value as per the valuation report as at 01/04/2021 is considered.

(b) The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company have used accounting software for maintaining their books of account, where the feature of recording audit trail has operated throughout the nine-month ended December 31, 2024 for all relevant transactions recorded in the software.

(c) Certain previous year amounts have been reclassified for consistency with the current year presentation. Such reclassification did not have any impact on the current year restated financial information.

(d) The figures have been rounded off to the nearest lakhs of rupees upto two decimal places. The figure 0.00 wherever stated represents value less than Rs. 50,000/-.

Note 52: Statement of Tax Shelter, As Restated

Rs. in lakhs, unless otherwise stated

Particulars	For the Nine months period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Restated Profit Before Tax as per books of accounts (A)	**862.86**	**962.54**	**490.50**	**492.39**
-- Normal Tax rate (%)	27.82%	27.82%	27.82%	26.00%
-- Minimum Alternate Tax Rate (%)	16.69%	16.69%	16.69%	16.69%
Adjustments:				
Permanent differences				
<u>Effects of Other Allowance/Disallowance:</u>				
Disallowance u/s 36	-	-	0.64	2.34
Disallowance u/s 37	11.03	3.61	5.86	5.26
Disallowance u/s 40A	9.09	11.02	7.72	7.35
IndAS Adjustment- Gain/loss on fair value of Mutual fund	-	-	-	(2.19)
Allowance u/s 43B	-	-	-	(2.13)
Deduction - 80G Donation	-	-	(1.26)	(0.53)
Total (B)	**20.12**	**14.63**	**12.96**	**10.10**
Temporary Differences				
Depreciation as per Books of Accounts	446.13	629.34	883.87	902.74
Depreciation as per Income Tax	501.55	604.43	785.12	1,364.77
Difference between tax depreciation and book depreciation	(55.41)	24.91	98.75	(462.03)
Total (C)	**(55.41)**	**24.91**	**98.75**	**(462.03)**
Net Adjustments (D = B+C)	**(35.29)**	**39.54**	**111.71**	**(451.93)**
Total Income (E = A+D)	**827.56**	**1,002.08**	**602.22**	**40.46**
Brought forward losses set off (F)	-	-	-	-
Taxable Income/ (Loss) for the year/period (E+F)	**827.56**	**1,002.08**	**602.22**	**40.46**
Tax expense / (saving) thereon	**230.23**	**278.78**	**167.54**	**10.52**
Restated Profit Before Tax as Per Books	862.86	962.54	490.50	492.39
Add/ less: Adjustments of Additional depreciation charged on revaluation	-	-	-	-
Restated Book Profit as Per Section 115JB	**862.86**	**962.54**	**490.50**	**492.39**
MAT on Book Profit	144.03	160.67	81.87	82.19
Tax paid as per normal or MAT	Normal	Normal	Normal	MAT
Tax Expense				
a. Current Tax Rounded	230.23	278.78	167.54	82.19
b. MAT Credit	-	-	-	(72.46)
c. Deferred Tax	(63.74)	28.51	117.89	118.90
d. Income tax impact on OCI that will not be reclassified to Profit & Loss	(0.46)	(0.42)	(0.26)	(0.26)
TOTAL	**166.02**	**306.87**	**285.17**	**128.38**

Note 53: Statement of Other Ratios, As Restated

Rs. in lakhs, unless otherwise stated

Particulars	**As at 31st Dec 2024**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
Revenue from operations	15,259.91	23,159.12	21,314.05	21,797.20
Net Profit before tax as Restated	862.86	962.54	490.50	492.39
Add: Depreciation	446.13	629.34	883.87	902.74
Add: Interest expense	474.79	426.65	365.79	406.66
EBITDA	**1,783.78**	**2,018.53**	**1,740.16**	**1,801.79**
EBITDA Margin (%)	**11.69%**	**8.72%**	**8.16%**	**8.27%**
Basic EPS	2.37	2.23	0.70	1.24
Diluted EPS	2.37	2.23	0.70	1.24
Average Total Equity	6,998.97	6,395.46	5,749.19	5,239.97
Return on Net worth (%) as Restated	**9.95%**	**10.25%**	**3.57%**	**6.94%**
Equity Share at the end of year (in Nos.)	2,93,75,000	2,93,75,000	1,17,50,000	1,17,50,000
Weighted No. of Equity Shares (after bonus effect)	2,93,75,000	2,93,75,000	2,93,75,000	2,93,75,000
Net Asset Value per Equity share as Restated	**23.83**	**21.77**	**19.57**	**17.84**
Net Worth	7,318.08	6,679.86	6,111.05	5,387.33

Note 54: Statement of Capitalization, As Restated

Rs. in lakhs, unless otherwise stated

Particulars	**Pre-Issue As at 31st Dec 2024**	**Post Issue***
Debt :		
Short Term Debt	2,162.93	-
Long Term Debt	2,977.15	-
Total Debt	**5,140.08**	**-**
Shareholders Funds		
Equity Share Capital	2,937.50	-
Reserves and Surplus	4,380.58	-
Less: Revaluation reserve	1,654.91	
Less: Misc. Expenditure	**-**	**-**
Total Shareholders' Funds	**5,663.17**	**-**
Long Term Debt/ Shareholders' Funds	***0.53***	**-**
Total Debt / Shareholders Fund	***0.91***	**-**

*Details of post issue shall be updated at the time of filing RHP/Prospectus

OTHER FINANCIAL INFORMATION

Ratios	For the period ended December 31, 2024	For the period ended March 31, 2024	For the period ended March 31, 2023	For the period ended March 31, 2022
Net Worth	7,318.08	6,679.86	6,111.05	5,387.33
EBDITA	1,783.78	2,018.53	1,740.16	1,801.79
Earnings Per Share	2.37	2.23	0.70	1.24
Return on Net Worth (%)	9.95%	10.25%	3.57%	6.94%
Net Asset Value Per Share (Rs)	23.83	21.77	19.57	17.84

The ratios have been computed as under:

1. Basic and Diluted Earnings Per Share (EPS) (Rs.)	Restated Profit after Tax available to equity Shareholders / Weighted Average Number of Equity Shares at the end of the year / period
2.Return on Net Worth (%)	Restated Profit after Tax available to equity Shareholders / Restated Net Worth of Equity Shareholders
3.Net Asset Value per equity share (Rs.)	Restated Net Worth of Equity Shareholders / Number of Equity Shares outstanding at the end of the year / period
EBITDA	EBITDA is calculated as profit/ (loss) before exceptional items, tax, plus depreciation & amortisation plus finance costs

For further information in relation to our other accounting ratios, see "***Restated Financial Statement***", on pages 239.

CAPITALISATION STATEMENT

Statement of Capitalization, As Restated

(₹ in lakhs, unless otherwise stated)

Particulars	Pre-Issue As at 31st Dec 2024	Post Issue*
Debt :		
Short Term Debt	2,162.93	-
Long Term Debt	2,977.15	-
Total Debt	**5,140.08**	**-**
Shareholders Funds		
Equity Share Capital	2,937.50	-
Reserves and Surplus	4,380.58	-
Less: Revaluation reserve	1,654.91	
Less: Misc. Expenditure	**-**	**-**
Total Shareholders' Funds	**5,663.17**	**-**
Long Term Debt/ Shareholders' Funds	***0.53***	**-**
Total Debt / Shareholders Fund	***0.91***	**-**

*Details of post issue shall be updated at the time of filing RHP/Prospectus

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of our businesses and for funding working capital and business requirements.

For details of the borrowing powers of our Board, see "***Our Management- Borrowing Powers***" on page 224. We have obtained the necessary consents from our secured lender as required under the relevant financing documentation for undertaking the Issue. The details of the indebtedness of our Company as on December 31, 2024 is provided below;

1. Secured Loan

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as onDecember31, 2024 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Tenure	Combined Security
SBI	**Fund Based**					**Primary Security** 1. Hypothecation of all current assets consisting RM, SIP, FG, stores and spares and receivables, current and future assets of the company. (Present and future) 2. Hypothecation charge over Plant & machinery and all other fixed assets of the Company. (Present and Future) **Collateral Security** 1. Factory Land & Buildings bearing Survey Number: 566 paiki 1 & 5, situated at Industri Land, Gondal Rev S No 566 Paiki 1, Near Bajarang Cotspin & Parth Industrial Area, Gondal Gondal, Gujarat, 360330, (Semi Urban), Admeasuring Total Area: 29947 Belongs to Shree Ram Twistex Pvt Ltd 2. Residential Building bearing Survey Number: 2802/2 paiki, situated at 1, Gondal, Gujarat 360330, (Semi Urban), Admeasuring Total Area: 87.79 Sq Mtr.
	Cash Credit	1,600.00	1531.35	Interest Rate of 4.00% above EBLR which is presently 9.15% p.a. present card rate 13.15% p.a.	12 Months Subject to renewal every 12 months	
	Term Loan-	1984.00	1557.39	competitive pricing of 0.50% above EBLR, effective ROI 9.65%.	72 Months	
	Non-Fund Based					
	Bank Guarantee	300.00				

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as onDecember31, 2024 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Tenure	Combined Security
						Bhikhubhai Mohanbha Ramani 3. Residential Building bearing Survey Number: 28/P, situated at City S Sheet No 125, City No 28 Paiki Plot No. 331, Khodiyar Krupa, Kailsash Baug-6/1 Behind to Mama Dev Temple Off. Jail Chowk Raod, Gondal, Gondal, Gujarat, 360330, (Semi Urban), Admeasuring Tota Area: 143.86 Sq Mtr Atulbhai Govindbhai Tilala 4. Residential Building bearing Survey Number: 2802/2 paiki, situated at City S No 102, City S. No. 2802/2 Paiki Vraj, Mahadevwadi, Street No. 2, Behind Reliance Petrol Pump, Of Palace Road, Gondal, Gondal, Gujarat, 360330, (Semi Urban), Admeasuring Total Area 171.73 Sq mtr Belongs to: Bhikhubhai Mohanbhai Ramani 5. Residential Plot bearing Survey Number: 7793/5, situated at City S No 7793/5 Paiki, Plot No 1, Chari Chabhadiya School, Desai Wadi, Behind Devyai Appartment, Jetpur, Jetpur, Gujarat, 360330, (Semi Urban), Admeasuring Total Area: Total 120.07 Sq Mtr, Belongs to : Lilaben Savjibhai Kothari 6. Residential Building bearing Survey

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as onDecember31, 2024 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Tenure	Combined Security
						Number: 28 Paiki, situated at Soham, Plot No. 4, Gokuldham Society, Block No B/34, Jetpur Road, Gondal, Gondal, Gujarat, 360330, (Semi Urban), Admeasuring Total Area: 135 Sq Mtr, Belongs to: Pravinbhai Mohanbhai Ramani 7. Residential Building bearing Survey Number: 476 paiki, situated at S No 476 Paiki, Plot No 20, Yogi, Sardar Park Society, Gondal, Gondal, Gujarat, 360330, (Semi Urban), Admeasuring Total Area: 135.77 Sq Mtr, Belongs to: Rajeshbhai Mohanbhai Hirani 8. Residential Plot bearing Survey Number: 2807 Paiki, situated at Hari Om, Mahadevwadi Street No. 4, Nr Reliance Petrol Pump, Gondal, Gondal, Gujarat, 360330, (Semi Urban), Admeasuring Total Area: 143.08 Sq Mtr, Belongs to: Ramnikbhai Mohanbhai Ramani 9. Residential Building bearing Survey Number: 2806, situated at Residential Open Plot, City Sheet S No 102, City S No 2806 Paiki, Mahadevwadi Street No 3, Gondal, Gondal, Gujarat, 360330, (Semi Urban), Admeasuring Total Area: 83.61 Sq Mtr,

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as onDecember31, 2024 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Tenure	Combined Security
						Belongs to Ramniklal Mohanbhai Ramani 10. . Residential Plot bearing Survey Number: 2806, situated at Residential Open Plot, City S No 102, City. S. No. 2806 Paiki, Mahadevwadi Street No. 3, Gondal, Gondal, Gujarat, 360330, (Semi Urban), Admeasuring Total Area: 85.29 Sq Mtr, Belongs to Vithalbhai Mohanbhai Ramani **Personal Guarantee of following individuals:** 1. Bhaveshbhai Ramani 2. Atulbhai Tilala 3. Bhavesh Kothari 4. Rameshchandra hirani 5. Bhikhabhai Ramani 6. Vitthalbhai Ramani 7. Ramniklal Ramani 8. Pravinchandra Ramani 9. Lilaben Kothari 10. Rajeshkumar Hirani 11. Jay Tilala 12. Jaydeep Ramani
	GECL (Guaranteed Emergency Credit Line)	119.00	-	Interest at the rate of EBLR (presently 9.15%) + 75bps, maximum 9,25% p.a. during the entire tenure.		2nd charge over above primary and collateral securities
Total		**4,003.00**	**3,088.74**			

Other Conditions

1. Opening / maintaining current account with banks outside the lending arrangement without banks approval would amount to event of default and opening / maintaining current account with Banks approval would amount to event of default and opening / maintaining current account with a bank outside consortium / MBA without permission will be treated as an act of willful default.
2. Penal Interest will be charged for non-compliance of terms and conditions of sanction, non-submission/delayed submission of stock statements/fiscal data.
3. Issuance of BGs with auto renewal clause.
4. Transaction with related parties/group companies to be carried out on "arm's length basis.
5. In case of bill discounting facility, the receivables from related parties/group company to be covered under Trade Credit Insurance and where ever Trade Credit Insurance is obtained Bill discounting limit

shall be fixed only to the extent of cover on that Debtor.

6. The Borrower(s) shall give 60 day's prior notice to the Bank for undertaking any of the following activities to enable the Bank to take a view. If, in the opinion of the Bank, the move contemplated by the borrower is not in the interest of the Bank, the Bank will have the right of veto for the activity. Should the borrower still go ahead, despite the veto, the Bank shall have the right to call up the facilities sanctioned.
    a. Formulation of any scheme of amalgamation or reconstruction or merger or de-merger.
    b. Any New project or Scheme of expansion or Acquisition of fixed assets if such investment results in breach of financial covenant(s) or diversion of working capital funds for financing long term assets.
    c. Investment by way of share capital or Loan or Advance funds to or Place deposits with any other concern (including group companies). Further, such investment should not result in breach of financial covenants relating to TOL/Adj. TNW and Current Ratio agreed upon at the time of sanction.
    d. Entering into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits which increases indebtedness beyond permitted limits, stipulated if any at the time of sanction.
7. Promoter’s shares in the borrowing entity should not be pledge to any Bank / NBFC / institution without our prior consent.
8. Effect any change in the borrower's capital structure where the shareholding of the existing promoter(s) (a) gets diluted below current level or (b) leads to dilution in controlling stake for any reason (whichever is lower), without prior permission of the Bank - for which 60 days' prior notice shall be required.
9. Prepayment charges will be 2% of the prepaid amount on term loan facility. Prepayment penalty of 1 % will be applicable on account of Loan prepaid out of higher cash accruals from the project / equity infusion by promoters.
10. Pre closure charges on fund based limit except term loan will be 2% of the outstanding amount being taken over

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as on December31, 2024 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Tenure	Combined Security
SIDBI	Term Loan	569.55	506.26	1.40 % above Repo Rate The current Repo Rate being 6.50 % and current effective rate of interest being 7.90 % per annum.	54 Months after moratorium period of 6 months from the date of first disbursement of loan.	**Primary Security** 1. All equipment, plants, Machineries and other assets of the Borrower which have been or proposed to be acquired under 4E Financing scheme. (The Project envisage Roof Top Solar Power Plant at Survey-566, Paiki-1, B/H Ramanath Temple, Umvada Road, Gondal, Rajkot, Gujarat-360311 at the cost of Rs. 569.55 lakh.) **Collateral Security** 1. The borrower shall deposit with SIDBI the duly discharged Fixed deposit receipts [FDRs] issued by SIDBI for an amount of Rs. 143 .00 Lakh Irrevocable, unconditional joint and several personal guarantees from

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as on December31, 2024 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Tenure	Combined Security
						1. Shri Bhavesh S. Kothari 2. Shri Bhaveshbhai Bhikhubhai Ramani 3. Shri Hirani Rameshchandra M 4. Shri Jay Atulbhai Tilala 5. Shri Ramani Jaydeep Vitthalbhai 6. Shri Ramani Ramnikbhai Mohanbhai 7. Shri Ramani Pravinchandra Mohanbhai 8. Shri Vitthalbhai Mohanbhai Ramani,
Total		**569.55**	**506.26**			

Penal Interest on Defaulted Amounts
Penal interest at the rate of 2.0% per annum for the period of default which rate shall be over and above the agreed/contractual rate of interest.

Premature Repayment
SIDBI may deem fit including payment of interest on such prepayment of 3 % of the Loan outstanding plus applicable GST.

Special Terms & Condition

1. The Loan shall be used by the company for roof top solar power plant.
2. The borrower shall agree that the company shall not be reconstituted without specific approval of SIDBI, during the currency of SIDBIs term loan
3. During the currency of the SIDBI loan, the borrower shall not create any charge, lien or transfer, dispose of or alienate in any manner its assets (charged to SIDBI) without prior written permission of SIDBI.

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as on December 31, 2024 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Tenure	Combined Security
Axis Bank Limited	Bill Discounting Pledge Facility B2B	2,000.00	-	Repo Rate + 2.85% i.e. 9.35 % p.a. at present (Floating)	Valid till for acceptance upto February 24, 20254	**Primary Security** Pledge of warehouse receipts / storage receipts / withlien note in favour of Axis e bank of 30,00,00,000. **Personal guarantees from** 1. Raman Bhaveshbhai Bhikhubhai 2. Hirani Rameshchandra Mohanlal 3. Ramani Jaydip Vitthalbhai 4. Jay Atulbhai Tilala
Total		2,000.00	-			

Penal Interest

Penal interest at the rate of 8.0% per annum of financial default for the period of default which rate shall be over and above the agreed/contractual rate of interest.

Penal interest at the rate of 1.0% per annum of non-financial default from the date of each non-financial on the outstanding amount of fund based credit facilities .

Unsecured Loan

The details of unsecured loan obtained by our Company, as on December 31, 2024 is out as below;

Sn	Name of lender	Outstanding Amount as on December 31, 2024	Rate of Interest	Repayment Terms
1.	Bhaveshbhai Bhikhubhai Ramani	401.80	Interest Free	On Demand
2.	Atulbhai Govindbhai Tilala	0.05	Interest Free	On Demand
3.	Atulbhai Govindbhai Tilala [HUF]	40.00	Interest Free	On Demand
4.	Bhavnaben Rameshbhai Hirani	99.50	Interest Free	On Demand
5.	Bhikhubhai Mohanbhai Ramani	11.14	Interest Free	On Demand
6.	Bina Jaybhai Tilala	88.00	Interest Free	On Demand
7.	Jaybhai Atulbhai Tilala	244.44	Interest Free	On Demand
8.	Krishi R. Hirani	60.00	Interest Free	On Demand
9.	Mohitbhai Atulbhai Tilala	82.50	Interest Free	On Demand
10.	Rameshbhai Mohanbhai Hirani	48.00	Interest Free	On Demand
11.	Shantaben Mohanbhai Hirani	60.00	Interest Free	On Demand
12.	Jayaben Mansukhbhai Gajera	6.00	Interest Free	On Demand
13.	Jayantibhai Haribhai Vasani	17.00	Interest Free	On Demand
14.	Ketanbhai Bhupendrabhai Hirapara	11.50	Interest Free	On Demand
15.	Keyurbhai R. Hirani	60.00	Interest Free	On Demand
16.	Mansukhbhai Haribhai Gajera	21.06	Interest Free	On Demand
17.	Meet Rajeshbhai Hirani	7.00	Interest Free	On Demand
18.	Pareshbhai Jentibhai Pokiya	0.00	Interest Free	On Demand
19.	Pareshbhai Ramnikbhai Ramani	0.00	Interest Free	On Demand
20.	Pravinbhai Mohanbhai Ramani	0.00	Interest Free	On Demand
21.	Rajeshkumar Mohanbhai Hirani [HUF]	60.00	Interest Free	On Demand
22.	Ramnikbhai Mohanbhai Ramani	0.00	Interest Free	On Demand
23.	Ranjanben Rajeshbhai Hirani	64.00	Interest Free	On Demand
24.	Vijaybhai J Pokiya	0.00	Interest Free	On Demand
25.	Vithalbhai Mohanbhai Ramani	93.01	Interest Free	On Demand
26.	Bhaveshbhai Savjibhai Kothari	14.18	Interest Free	On Demand
27.	Jaydipkumar Vitthalbhai Ramani	55.89	Interest Free	On Demand
	Total	**1,545.08**		

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statement for the period ended on December 31, 2024 and for the Financial Years ended March 31, 2024, 2023 and 2022 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

*Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Standalone Financial Statement included in this Draft Red Herring Prospectus. For further information, see "**Restated Standalone Financial Statement**" on page 239. Additionally, see "**Definitions and Abbreviations**" on page 1 for certain terms used in this section. Unless the context otherwise requires, in this section, references to "we", "**us**" and "**our**" "**our Company**" or "**the Company**" refer to Anlon Healthcare Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "**Industry Report on Cotton Yarn**" dated June 19, 2025 (the "**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on March 06, 2025, and exclusively commissioned and paid for by us in connection with the Issue. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.shreeramtwistex.com until the Bid/Issue Closing Date. For more information, see "**Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks**" on page 61*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "**Risk Factors**" and "**Forward Looking Statements**" on pages 36 and 24 respectively, and elsewhere in this Draft Red Herring Prospectus.*

BUSINESS OVERVIEW

Overview

We are engaged in the manufacturing of Cotton Yarns, including Compact Ring Spun and Carded Yarns, both Combed and Carded. Our product range also includes value-added yarns such as Eli Twist (Combed and Carded), Compact Slub Yarns, and Lycra-Blended Yarns. Our Yarns are used in both knitting and weaving, serving a broad range of end-use segments such as denim, terry towels, shirting, sheeting, sweaters, socks, bottom wear, home textiles, and industrial fabrics.

We operate exclusively in the business-to-business (B2B) segment, supplying our products to institutional buyers such as textile manufacturers, garment exporters, bulk purchasers and fabric processors. Our exclusive B2B focus allows us to streamline our production and supply chain processes around the needs of large-scale buyers, ensuring consistent quality, delivery, and efficient order fulfilment. It also allows us to build long-term client relationships and offer customized yarn solutions tailored to specific technical parameters including count, twist, and strength.

Our manufacturing facility in Gondal, Rajkot, Gujarat, houses 17 compact ring-spinning machines with a total spindle count of 27,744. We produce 100% cotton yarns in counts ranging from Ne 8 to Ne 40, including carded and combed varieties (*"Ne" refers to the English Cotton Count System, which is a standard way to measure the fineness or thickness of yarn. The higher the Ne, the finer the yarn).* We also manufacture Compact Eli Twist (Siro) yarns in Ne 40/2 counts (‘*Ne 40/2 counts’ means two-ply yarn made by twisting together two single yarns of Ne 40 count*), available in both combed and carded forms, known for their strength and smooth finish. In addition, we offer compact Slub Yarns for textured fabric effects and Lycra-blended yarns that combine stretch with comfort, ideal for activewear and fitted garments.

Our operations also generate income from by-products such as cotton waste, which is sold to industries manufacturing non-woven fabrics and open-end yarns. We also sell Viscose-Cotton Mix Yarn, FP Bales, and Open-End Yarn, catering to varied textile segments. These products are sold to fabric manufacturers, weaving units, and traders, based on specific customer needs.

Set out in the table below are the breakdown of our revenues from operations by product categories for the nine months period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(₹ in lakhs except for percentage)

Our operation	For Nine-month period ended December 31, 2024		For Fiscal 2024		For Fiscal 2023		For Fiscal 2022	
	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation	Revenue from Operations	% of revenue from operation
Sale of Products:								
Carded Yarn^	7526.99	49.68%	11211.02	48.99%	10594.14	50.37%	15399.83	71.74%
Combed Yarn^	1531.06	10.11%	489.66	2.14%	26.24	0.12%	5182.10	24.14%
ELI Twist Yarn	4378.78	28.90%	8401.84	36.72%	7987.34	37.98%	0.00	0.00%
Lycra Blended Yarn	822.27	5.43%	1952.32	8.53%	938.93	4.46%	2.01	0.01%
Compact Slub Yarn	21.66	0.14%	75.62	0.33%	10.28	0.05%	0.00	0.00%
Others								
Cotton Waste	614.35	4.06%	751.74	3.29%	893.20	4.25%	881.39	4.11%
Viscose Cotton Mix Yarn	-	0.00%	0.00	0.00%	368.72	1.75%	0.00	0.00%
FP Bales	-	0.00%	0.00	0.00%	212.19	1.01%	0.00	0.00%
Open Yarn (Oe)	255.12	1.68%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Gross Sales	**15150.23**	**100.00%**	**22882.21**	**100.00%**	**21031.05**	**100.00%**	**21465.33**	**100.00%**
Add/(Less):								
Debit note/Credit note*	(68.78)	-	40.04	-	17.84	-	23.07	-
Net Sales	**15081.45**	**100.00%**	**22922.26**	**100.00%**	**21048.90**	**100.00%**	**21488.40**	**100.00%**

As certified by our Statutory Auditor vide certificate dated June 16, 2025.
^Carded yarn and combed yarn collectively termed as Cotton Compact Ring Spun and Carded Yarns.

**Debit and credit notes are issued to customers to account for invoice settlements, or agreed discounts.*

We sell our products in both the domestic market and international markets, with overseas sales routed through merchant exporters (*merchant exporter are exporters who procure products from domestic manufacturers or suppliers and sell them in international markets under their own name*). These merchant exporters possess expertise in global trade practices, export documentation and destination compliance requirements, allowing us to serve a wide range of overseas markets with minimal logistical hurdles. Our domestic sales are facilitated through direct sales to institutional customers and a network of brokers and agents who act as key intermediaries between us and institutional customers, helping us expand our market presence while offering localized customer engagement. This dual-channel strategy enables broad market coverage while allowing us to stay focused on our core strength i.e. manufacturing quality cotton yarns with minimal logistical complexity.

Set out in the table below is a breakdown of our revenue from domestic sales and exports during the nine months ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively:

(*₹ in lakhs*)

Particulars	**Nine-month period ended December 31, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue from Operations	**% of revenue from operations**	**Revenue from Operations**	**% of revenue from operations**	**Revenue from Operations**	**% of revenue from operations**	**Revenue from Operations**	**% of revenue from operations**
Domestic	13,858.39	91.89%	16,398.94	71.54%	1,9679.22	93.49%	16,316.42	75.93%
Exports (*through merchant exporter*)	1,223.06	8.11%	6,523.31	28.46%	1,369.68	6.51%	5,171.98	24.07%
Net Sales	**15,081.45**	**100.00%**	**22,922.26**	**100.00%**	**21,048.90**	**100.00%**	**21,488.40**	**100.00%**

As certified by our Statutory Auditor vide certificate dated June 16, 2025.
***Note**: Export sales were undertaken opportunistically, typically during periods of low domestic demand or to meet export obligations. As a result, export revenues are not consistent year-on-year.*

In the domestic market, we sell our products across the Indian states of Gujarat, Rajasthan, West Bengal, Maharashtra, Tamil Nadu, Madhya Pradesh, and Punjab, as well as the union territory of Dadra and Nagar Haveli, through a combination of direct sales and a network of brokers.We generate significant revenue from sales from the state of Gujarat which amounts to 13,834.64 lakhs, 19.058.24lakhs, 18,016.78 lakhs and 18,955.05 lakhs constituting 91.73 %. 83.14%, 85.59%, and 88.21% of total revenue from operations during the nine-month period ended December 31, 2024 and Fiscal 2024, 2023 and 2022, respectively.

We commenced the establishment of our manufacturing facility in the first year following incorporation, beginning with the acquisition of land in 2013. Our facility was developed using a combination of promoter funding and bank financing. Construction, machinery installation, and the development of supporting infrastructure were completed by 2016 and commercial production commenced in April 2016.

With nearly a decade of operational experience in the textile industry, we presently operate through our manufacturing facility which is strategically located in Gondal, Rajkot (Gujarat), and spans a built-up area of approximately 29,947 sq. m ("**Manufacturing Facility**"). We commenced our manufacturing operations with 11 compact ring spinning machines, comprising spindle count of 17,952 spindles. In 2020, we expanded by adding six additional compact ring spinning machines, increasing our spindle capacity by 9,792 spindles. This brought our total to 17 compact ring spinning machines and an aggregate spindle count of 27,744. This increase in spindle count resulted in an increase in our cotton yarn production capacity from 5,500.00 MT/Annum to 9,855.00 MT/Annum. Our Manufacturing Facility operates on a three-shift basis to maximize throughput and ensure uninterrupted operations.

Further, our Manufacturing Facility is designed with 'Zero Liquid Discharge Solution', where no industrial waste-water is discharged into surface waters, thereby minimizing environmental pollution.

Our Manufacturing Facility is equipped with modern spinning machinery and precision engineering equipment sourced from reputed textile machinery manufacturers of Switzerland, Germany and Italy. Our advanced infrastructure includes compact spinning systems, high-speed autoconers, contamination-clearers, electronic yarn clearers, and automated vacuum systems. These technologies are integrated with real-time monitoring tools to ensure the production of high-quality, uniform yarns with minimal defects. Further, to maintain an optimal production environment, our Manufacturing Facility is also equipped with centralized air-conditioning supported by swiss-made air filtration systems, which provides a dust-free and climate-controlled atmosphere that is essential for preserving fibre integrity and enhancing yarn quality. The integration of work force with automated systems and digital process controls allows us to achieve operational efficiency, and optimized energy consumption across production cycles.

To support our operations, our Manufacturing Facility houses five (5) dedicated warehouses two (2) for raw material storage, two (2) for finished goods, and one (1) for general storage, offering a combined storage capacity of 9,855 MT. This warehousing infrastructure enables streamlined inventory management, efficient raw material handling, and timely dispatch of finished goods, ensuring supply chain reliability and responsiveness to customer requirements.

We have, over the years, established long-standing relationship with our institutional customers such as Welspun Living Limited, Jindal Worldwide Limited and other institutional customers and bulk purchasers. During the nine-month period ended December 31, 2024, and the last three Fiscals, we have manufactured 6,060.825, 8,573.850, 6,895.500, and 7,884.000 metric tonnes of yarn, respectively. Over the same periods, we served 36, 49, 48, and 46 customers comprising of institutional customers, bulk purchasers and others. Our Top 10 Customers contribute 89.93% , 82.94%, 83.36% and 83.86% of the total revenue during the nine-month period ended December 31, 2024 and Fiscal 2024, 2023 and 2022, respectively and out of that we have served 6 customers for more than four years.For details, see "***Our Business - Our Customers***" on page 195.

We procure our principal raw material i.e. cotton bales, through a network of brokers, sourcing from ginning mills and traders located across Indian states of Gujarat, Maharashtra, Haryana and Madhya Pradesh, the cotton-producing regions in India. Over time, we have built strong relationships with a network of reliable brokers and suppliers, allowing us to secure consistent quality, maintain a steady supply of raw materials, and align procurement seamlessly with our production schedules. During the nine-month period ended December 31, 2024 and last three Fiscals, we procured cotton bells from 127Suppliers, 147 Suppliers, 174 Suppliers and 159 Suppliers out of which 6 Suppliers are associated with us overFour years and they contribte contribute 73.27%, 70.68%, 42.01% and 58.98% of the total purchase during the nine-month period ended December 31, 2024 and Fiscal 2024, 2023 and 2022, respectively For details, see "***Our Business - Raw Material and Our Suppliers***" on page 194.

To ensure uninterrupted production, we maintain a buffer stock of cotton bales during the peak procurement season. This season typically coincides with the cotton harvest period in India i.e. from October to March, when availability is high and prices are relatively low. During this period, we strategically procure and stock cotton bales to secure raw material at optimal prices. These inventories are stored at our Manufacturing Facility in the designated storage facilities. In line with industry practices, we also avail pledge loan facilities against the cotton bales through our lenders. As on date, we have sanctioned pledge limit of ₹2,000 lakhs from our lender i.e. Axis Bank Limited. Under this arrangement, cotton bales stored in our storage facilities or secured warehouses are pledged in favor of the lender, who provides us with short-term credit secured against the value of the pledged inventory. This approach allows us to optimize working capital, manage cash flows efficiently, and secure timely procurement without financial strain during high-demand periods. Our procurement strategy emphasizes sourcing cotton that meets strict technical criteria, which are essential for producing high-quality yarns.

Our founder and Promoter, Bhaveshbhai Bhikhubhai Ramani, supported by Promoter Director, Jay Atulbhai Tilala, plays a pivotal role in shaping the strategic direction and driving the growth of our Company. With deep industry knowledge and strong entrepreneurial skill his emphasis on product quality, integration of advanced technology, and responsiveness to market dynamics continues to guide our expansion and define our core values. Both Promoter Directors, Bhaveshbhai Bhikhubhai Ramani and Jay Atulbhai Tilala, remain actively involved in our operations. Their vision, business acumen, and leadership have been instrumental in sustaining our operations and driving consistent growth. They are supported by an experienced team of Key Managerial Personnel and Senior Management, who have consistently demonstrated the ability to adapt to changing market conditions, scale operations, and maintain customer relationships. For further details, see "***Our Promoters***" and "***Our Management***" on page 233 and 220, respectively.

We are also an environmentally conscious organization committed to promoting the use of renewable energy. As part of our sustainability efforts, we installed a rooftop solar power plant at our manufacturing facility, which became operational in July 2024. As of March 31, 2025, the installed capacity of this rooftop solar system stands at 1.2 MW. This initiative supports our shift toward clean energy, contributing to our daily power requirements and resulting in a generation of average 10,62,500 units during the period in between July 2024 to December 2024 resulting in reduction of monthly electricity expenses. This green initiative not only helps reduce operational costs but also reinforces our commitment to eco-friendly and energy-efficient manufacturing practices by lowering our overall carbon footprint. To further reduce reliance on grid electricity and enhance long-term cost efficiency, we propose to establish a 6.1 MW ground-mounted solar power plant and 4.2 MW wind power project for captive consumption which is expected to considerably reduce our electricity expenses. We plan to utilize a portion of the Net Proceeds of the Issue to fund these renewable energy projects. For details, see "***Objects of the Issue***" on page 107.

Key Performance Indicators

In evaluating our business, we consider and use certain key performance indicators that are presented below as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for the Restated Financial Statement included in this Draft Red Herring Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. Further, these key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation.

The table below summarises the Financial Performance Indicators for the periods indicated:

(₹ in lakhs expect per share data or unless otherwise specified)

Particulars	For the nine month period ended December 31, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Financial Performance Indicators				
Revenue from Operations(1)	15,259.91	23,159.12	21,310.25	21,797.20
EBITDA(2)	1,783.78	2,018.53	1,740.16	1,801.79
EBITDA Margin (%)(3)	11.69	8.72	8.16	8.27
Profit after Tax (PAT)(4)	6,961.37	655.25	205.08	363.76
PAT Margin (%)(5)	4.56	2.83	0.96	1.67
Total Borrowings(6)	5,140.08	6,704.46	5,570.05	5,696.20
Net Worth(7)	7,318.08	6,679.86	6,111.05	5,387.33
Return on Equity (ROE) (%)(8)	9.95	10.25	3.57	6.94
Return on Capital Employed (ROCE) (%)(9)	12.44	12.5	8.61	9.06
Debt - Equity Ratio(10)	12.44	12.5	8.61	9.06
Fixed Assets Turnover Ratio(11)	2.18	3.28	2.74	2.85
Cash Conversion Cycle (in days)(12)	37	52	71	69
Operational Parameters				
Total installed capacity in metric tonnes per day(13)	7,391.25	9,855	9,855	9,855
Capacity Utilization (%)(14)	82.00	87.00	70.00	80.00
No. of customers(15)	36	49	48	46

**Not Annualised*

As certified our Statutory Auditors, by way of their certificate dated June 16, 2025.

Notes:

1. *Revenue from operation means revenue from operations as per the Restated Financial Statements;*
2. *EBITDA is calculated as profit / (loss) before tax plus Interest cost, depreciation and amortisation expense and less other income.;*
3. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations;*
4. *Profit after Tax (PAT) for the year means the restated profit / (loss) for the year/ period after tax as per the Restated Financial Statements;*
5. *PAT Margin (%) for the year as a % of total Income is calculated as restated profit / (loss) for the year/ period divided by Total Income;*
6. *Total borrowings represent sum of current and non-current borrowings;*
7. *Net Worth means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations;*

8. *ROE is calculated as PAT divided by net worth;*
9. *Return on Capital Employed (ROCE) is calculated as EBIT divided by capital employed where (i) EBIT means EBITDA minus depreciation and amortisation expense and (ii) Capital employed means Net worth as defined in (7) above + total current & non-current borrowings;*
10. *Debt to Equity Ratio is calculated as total borrowings divided by total equity;*
11. *Fixed Assets Turnover Ratio is calculated as revenue from operations for the year/ period divided by property, plant and equipment;*
12. *Cash Conversion Cycle (in days) is calculated as inventory days plus trade receivable days minus Trade payable days. Inventory days are calculated as Inventory divided by cost of goods sold multiplied by 300 days. Trade receivable days are calculated as Trade receivables divided by Revenue from operations multiplied by 300 days. Trade payable days are calculated as Trade payable divided by cost of goods sold multiplied by 300 days;*
13. *Total installed capacity is the cotton yarn manufacturing ng capacity of the Company in metric tonnes;*
14. *Capacity utilisation is arrived by dividing the total actual production by total installed capacity during the relevant Fiscal or period, as applicable;*
    No. of customers is the aggregate customers served by the Company.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business activities or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months, except as disclosed below:

a. The registered office of our Company was shifted from “'VRUJ', 4/2 MAHADEV WADI, Rajkot, GONDAL, Gujarat – 360 311, India,” to “566P1, Umwada Road, Near Bajrang Cotspin, Gondal Market yard, Gondal, Rajkot, Gujarat – 360 311, India” for administrative convenience

b. The Board approved and passed resolution on March 5, 2025 and the shareholders approved and passed special resolution on March 26, 2025 to authorize the Board of Directors to raise funds by making Initial Public Offering.

c. State Bank of india had revised the sanctioned limit on March 11, 2025 and reduce the sanctioned limit from ₹4,003 lakhs to ₹3,457 lakhs on account of repayment of Term Loan.

Particulars	Details of financing arrangement
Date of Sanction Letter	March 11, 2025
Sanctioned Amount	`3,457.00 Lakhs
Rate of interest	Interest Rate of 1.75 % above EBLR which is presently 8.90% p.a. present card rate 10.65% p.a.

d. Small Industries Development Bank of India (“**SIDBI**”) vide sanction letter dated March 18, 2025 had sanctioned `1489.00 lakhs for setting up a 6.1 MW Solar Power Project for captive use.

Particulars	Details of financing arrangement
Date of Sanction Letter	March 18,2025
Sanctioned Amount	1489.00 Lakhs
Disbursed Amount as on June 05, 2025	1430.00 Lakhs
Rate of interest	Interest will be at the rate of 0.40 % above SIDB’s Marginal cost of funds-based Lending Rate (MCLR) (presently being 8.55%)
Repayment Terms	75 monthly instalments after moratorium period of 9 months from the date of first date of disbursement of loan

For detail, see “***Financial Indebtedness***” on page 297.

KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "***Risk Factors***" on page 36. Our Company's future results of operations could be affected potentially by the following factors:

1. A major portion of our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
2. A major portion of our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
3. We are dependent on a limited number of suppliers for procurement of cotton bales, our principal raw material, and any disruption in supply or adverse movement in cotton prices may materially affect our business, results of operations, and financial condition.
4. We are subject to stringent quality requirements from our institutional buyers and end-use industries. Any failure to meet prescribed quality specifications may result in product rejections, loss of customer confidence, and reputational damage, which could adversely affect our business and results of operations.
5. If we are unable to accurately forecast customer demand and maintain optimal inventory levels of cotton bales and finished yarn, our business, results of operations, and financial condition may be adversely affected.
6. We rely significantly on brokers and agents for the sale of our yarn. Any disruption in our relationships with such intermediaries or failure to manage their performance may adversely affect our business, results of operations, and financial condition.
7. A significant portion of our revenue is derived from Carded Cotton Yarn, Combed Cotton Yarn, and ELI Twist Yarn. Any decline in demand, pricing pressures, or adverse developments in the spinning or textile industry could materially and adversely impact our business, financial condition, and results of operations.
8. Delays or defaults in payments by our customers could increase our working capital requirements, impact our cash flows, and adversely affect our financial performance and condition.
9. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.
10. We operate in a competitive industry and face growing competition not only from domestic and international yarn manufacturers, but also from increasing preference for synthetic textiles over cotton yarns. Our inability to adapt to these changing dynamics could adversely affect our business, profitability, and market position.

OUR SIGNIFICANT ACCOUNTING POLICIES

The notes to the Restated Summary Statements included in this Draft Red Herring Prospectus contain a summary of our significant accounting policies. For details relating to our Significant accounting policies, see ***Significant Accounting Policies - Annexure IV -Restated Financial Statement***" of the Draft Red Herring Prospectus.

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Set forth below are the principal components of statement of profit and loss from our continuing operations:

Income

Our total income comprises of (i) revenue from operations and (ii) other income.

Revenue from Operations

Revenue from operations comprises of Income generated from sale of manufactured products in domestic market.

Other Income

Other income includes (i) interest income, (ii) Foreign Exchange Fluctuations (iii) Gain on Fair value of investments and (iv) Misc income.

Expenses

Our expenses comprises of: (i) cost of material consumed; (ii) changes in inventories; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortisation expense; and (vi) other expenses.

Cost of Material Consumed

Cost of material consumed the purchase of various raw material adjusted with opening and closing stock of Raw material, Power and fuel charges, Packing Material cost, freight and transportation Expenses, Labour Wages expenses, Other Manufacturing and Direct Expenses.

Change in inventory

Change in inventory includes difference between opening and closing balance of finished goods as at the beginning and end of the year

Employee Benefits Expense

Employee benefits expenses primarily include (i) salary and wages, (ii) Managerial Remuneration (iii) contribution to employee benefits (gratuity, provident fund and other funds) and (iii) staff welfare expenses.

Finance Cost

Finance cost includes (i) bank interest on Working capital loan; (ii) Interest on term loan (iii) Interest on late payment to parties (iv) Interest on unsecured loan (V)bank charges (v) Bank Loan Expenses.

Depreciation and Amortisation expenses

Depreciation and amortisation expenses primarily include depreciation expenses on our property, plant and equipment.

Other Expenses

Other expenses include (i) Power and fuel charges;(ii) Job work Expenses; (iii) Marketing Expenses;(iv) Repairs and Maintenance Expenses;(v) Freight Forward Charges;(vi) Quality control Expenses(vii) Professional Expenses; (viii)Packing Material Cost; (ix) Freight Expenses; (x) Fuel Charges; (xi) Water Charges; (xii) Canteen Expesnes; (xiii) office and administrative expenses; (xiv) rent and lease; (xv) Disposal Expenses.

Result for Stub Period

(Amount `in Lakhs)

Income from continuing operations	31.12.2024	% of revenue
Revenue from operations	15259.91	99.90
Total Revenue	15259.91	
Other Income	15.76	
Total Revenue	15275.67	100
Expenses		
Cost of Material Consumed	12948.65	84.77
Employee benefits expense	327.04	2.14

Income from continuing operations	31.12.2024	% of revenue
Interest cost	474.79	3.11
Other finance charges	8.34	
Other expenses	207.87	1.36
Depreciation and amortisation expenses	446.13	2.92
Total Expenses	14412.82	94.35
EBDITA	1783.77	11.68
Restated profit before tax from continuing operations	862.85	5.65
Total tax expense	166.48	
Restated profit after tax from continuing operations (A)	696.37	4.56

Standalone Financial Performance

Income from Operations

Our Company's total revenue from operations for period ended on December 31,2024 was ₹15259.51 lakhs consist of sale of manufacturing product of ₹15259.51 Lakhs.

Total Expenditure

The total expenditure for stub period ended on December 31,2025 was ₹14412.82 Lakhs which is 94.35 % of the total revenue for the stub period. The major expenditure which is part of the total expenditure is Cost of Material Consumed of ₹12948.45 lakhs (84.77%), Employee Benefit Expenses of ₹327.04 lakhs (2.14%), finance cost of ₹483.13 Lakhs (3.16%) and other Expenses of ₹207.87 lakhs (1.36%).

EBDTA

The EBDITA for the stub period was ₹1783.77 lakhs representing 11.68 % of total Revenue.

Profit after Tax

The profit after Tax for the stub period was ₹696.37 lakhs representing 4.56 % of the total revenue.

RESULTS OF KEY OPERATIONS

(₹ in lakhs)

	For the year ended on		
Particulars	**31.03.2024**	**31.03.2023**	**31.03.2022**
Income from continuing operations			
Revenue from operations	23,159.12	21,310.25	21,797.20
Total Revenue	**23,159.12**	**21,310.25**	**21,797.20**
% of growth	8.66	(2.23)	
Other Income	13.29	47.69	40.15
% total Revenue	0.06	0.22	0.18
Total Revenue	**23,172.41**	**21,357.94**	**21,837.35**
	8.50	(2.20)	
Expenses			
Cost of Material Consumed	20,480.89	18,963.24	19222.26
% of Revenue from operations	88.44	88.99	88.19
Employee benefits expense	423.88	412.27	398.43
% Increase/(Decrease)	2.82	3.47	

Particulars	For the year ended on 31.03.2024	31.03.2023	31.03.2022
Finance Cost	454.55	394.49	419.61
Interest cost	426.65	365.79	406.66
Other Borrowing Cost	27.90	28.70	12.95
% Increase/(Decrease)	15.22	(5.99)	
Other expenses	221.21	213.56	401.92
% Increase/(Decrease)	3.58	(46.87)	
Depreciation and amortisation expenses	629.34	883.87	902.74
% Increase/(Decrease)	(28.80)	(2.09)	
Total Expenses	**22,209.87**	**20,867.43**	**21,344.96**
% to total revenue	95.85	97.70	97.75
EBDITA	**2,018.53**	**1,740.17**	**1,801.79**
% to total revenue	8.71	8.15	8.25
Restated profit before tax from continuing operations	962.54	490.51	492.39
Exceptional Item			
Total tax expense	307.29	285.43	128.63
Restated profit after tax from continuing operations (A)	655.25	205.08	363.76
% to total revenue	**2.83**	**0.96**	**1.67**

<u>Quantitative Details</u>

Financial Year	Purchase of Material (Qty In Metric Tonns)	Purchase of Material (Amount ₹ in Lakhs)	Sale of Material (Qty In Metric Tonns)	Sale of Material (Amount ₹ in Lakhs)
2021-22	10,309.016	17,490.85	9,618.459	21,488.40
2022-23	8,463.235	17,018.13	8,140.650	21,048.90
2023-24	10,556.092	17,352.66	10,604.099	22,922.26
December 31,2024	6,984.218	11,058.38	7,270.300	15,081.45

<u>COMPARISON OF F.Y. 2023-24 WITH F.Y. 2022-23:</u>

Income from Operations

Our Company's Total revenue from operations for FY 2023-24 was ₹23159.12 lakhs which is increased by 8.66 % in comparison to F.Y. 2022-23 total revenue of operation of ₹21,310.25 lakhs. The turnover in value wise increased by 8.66 %. However, the price of the Raw material has decreased in FY 2024 in comparison of FY 2023. In terms of quantity the company had sold yarns 10,604.099 MetricTonnes in FY 2024 while in FY 2023 the total yarn sold was 8,140.650 MetricTonnes.

<u>Expenditure:</u>

Cost of Material Consumed

The Cost of Material Consumed for F.Y.2023-2024 was ₹20480.89 lakhs against the cost of Material Consumed of ₹18963,24 lakhs in F.Y. 2022-2023. The cost of material consumed was adjusted for the change in inventory. The cost of material consumed was 88.44 % of the total revenue from operations in F.Y 2023-2024 as against 88.99 % of total revenue from Operations in F.Y 2022-2023.

Employee Benefits Expenses:

The Employee expenses for F.Y. 2023-2024 was ₹423.88 lakhs against the expenses of ₹ 412.27 lakhs in F.Y. 2022-23 showing increase by 2.82 %. The increase in the normal increment to the existing employees and revision of the Directors remuneration result in to increase of the employee cost.

Finance Cost:

The Finance Cost for F.Y. 2023-24 was ₹ 454.55 lakhs against the cost of ₹ 394.49 Lakhs in F.Y. 2022-23 showing an increase of 15.22 %. The increase in the Finance cost is due to utilization of more working capital limits in F.Y. 2023-24 as compared to F.Y 2022-23 and late payment interest to parties of ₹39.00 lakhs in FY 2023-24 as against Rs. 9.22 Lakhs in Fy 2022-23. The interest om working capital loans in FY 2023-24 was RS. 128.20 Lakhs against RS 56.00 Lkahs in FY 202-23.

Other Expenses

Other Expenses increased to ₹ 221.21 lakhs for F.Y. 2023-24 against ₹ 213.56 Lakhs in F.Y. 2022-23 showing increase by 3.58 %. The other expenses increased on account of legal and professional fees which was ₹78.62 lakhs in FY 2023-24 against ₹33.30 lakhs in FY 2022-23. The reduction of the commission on sales in the FY 2023-24 in compared to FY 2022-23 result into moderate increase of the Other expenses. The Commission on sales which was ₹87.16 lakhs in FY 2022-23 has reduced to ₹72.48 Lakhs in FY 2023-24.

Depreciation and Amortisation Expenses:

The Depreciation for F.Y. 2023-24 was ₹ 629.34 lakhs as compared to ₹ 883.87 lakhs for F.Y. 2022-23. The depreciation decreased by 28.80 % in F.Y. 2023-24 as compared to F.Y. 2022-23. The depreciation was provided on Written Down Method and the reduction in the amount of depreciation was on account of reduction in the amount of depreciation on plant and machinery. The depreciation on plant and machinery was ₹531.80 Lakhs in FY 2023-24 as against ₹773.63 Lakhs in Fy 2022-23.

EBDITA

The EBDTA for F.Y. 2023-24 was ₹2018.53 lakhs as compared to ₹ 1740.174 lakhs for F.Y. 2022-23. The EBDITA was 8.71 % in FY 2023-24 of total Revenue as compared to 8.15 % in FY 2022-23. The marginal increase in EBDITA was increased on account of reduction of cost of material consumed in relation to income from operation by 0.53 % in F.Y. 2023-24 as compared to F.Y. 2022-23.

Profit after Tax (PAT)

PAT is ₹ 962.54 lakhs for F.Y. 2023-24 as compared to ₹ 490.51 Lakhs in F.Y. 2022-23. The PAT was 2.83% of total revenue in F.Y. 2023-24 compared to 0.96. The PAT increased on account of increase of revenue by 8.66 % and charging less non cash expenditure i.e. depreciation by ₹254.50 Lakhs in FY 2023-24 in comparison of FY 2022-23.

COMPARISON OF F.Y. 2022-23 WITH F.Y. 2021-22:

Income from Operations

Our Company's Total revenue from operations for FY 2022-23 was ₹21314.55 lakhs which was decreased by 2.22 % in comparison to F.Y. 2021-22 total revenue of operation of ₹ 21,797.20 lakhs. The turnover is reduced marginally. However, the price of the Raw material has decreased in FY 2024 in comparison of FY 2023. In terms of quantity the company had sold yarns 8,140.650 MetricTonnes in FY 2023while in FY 2022 the total yarn sold was 9,618.459 MetricTonnes.

Expenditure:

Cost of Material Consumed

The Cost of Material Consumed for F.Y.2022-2023 was ₹18963.24 lakhs against the cost of Material Consumed of ₹19,222,26 lakhs in F.Y. 2021-2022. The cost of material consumed was adjusted for the change in inventory. The cost of material consumed was 88.99 % of the total revenue from operations in F.Y. 2022-2023 as against 88.19 % of total revenue from Operations in F.Y. 2021-2022.The increase in the cost of Material is by 0.78 % of total revenue in FY 2022-23 on account of increase in the overall cost of raw material

Employee Benefits Expenses:

The Employee expenses for F.Y. 2022-2023 was ₹ 412.27 lakhs against the expenses of ₹ 398.43 lakhs in F.Y. 2021-22 showing increase by 3.47 %. The increase in the normal increment to the existing employees and revision of the Directors remuneration results in to increase of the employee cost by 3.47 % in F.Y. 2022-23 as compared to F.Y. 2021-22.

Finance Cost:

The Finance Cost for F.Y. 2022-23 was ₹ 394.49 lakhs against the cost of ₹ 419.61 lakhs in the F.Y. 2021-22 showing iderease of 5.99%. The decrease in the Finance cost is due to repayment of term loan and on account of that the interest cost on term loan was reduced from ₹350.32 Lakhs to ₹299.14 Lakhs in F.Y. 2022-23 as compare to F.Y 2021-22.

Other Expenses

Other Expenses reduced to ₹ 213.56 Lakhs for F.Y. 2022-23 against ₹ 401.92 Lakhs in F.Y. 2021-22 showing decrease by 46.87 %. The other expenses decrease on account of reduction of commission on sales and other selling and distribution expenses. The Selling commission and selling and other distribution expenses were ₹ 87.16 lakhs in FY 2022-23 against ₹257.62 Lakhs in FY 2021-22. *The higher brokerage in FY 2021–22 was due to increased reliance on agents during the COVID-19 period to facilitate sales under challenging market conditions*

Depreciation and Amortisation Expenses:

The Depreciation for F.Y. 2022-23 was ₹ 883.87 lakhs as compared to ₹ 902.74 lakhs for F.Y. 2021-22. The depreciation was decreased by 2.09 % in F.Y. 2022-23 as compared to F.Y. 2021-22. The depreciation was provided on written down value and the negligible decrease e in the depreciation is on account of reduction in the depreciated value of assets.

EBDITA

The EBDTA for F.Y. 2022-23 was ₹ 1740.17 lakhs as compared to ₹ 1801.79 Lakhs for F.Y. 2021-22. The EBDITA was 8.15 % in FY 2022-23 of total Revenue as compared to 8.25 % in FY 2021-22. The EBDITA in absolute term was decreased on account of decrease in Revenue, increase of material cost and employee benefit cost in compared to FY 201-22.

Profit after Tax (PAT)

PBT was ₹490.51 Lakhs for F.Y. 2022-23 as compared to PBT of ₹ 492.39 Lakhs in F.Y. 2021-22. PAT is₹ 205.08 Lakhs for F.Y. 2022-23 as compared to PAT of ₹ 363.76 Lakhs in F.Y. 2021-22. The PAT was 0.96 % of total revenue in F.Y. 2022-23 compared to 1.67 % of total revenue in F.Y. 2021-22. The PBT was almost the same in both the years and the reason for reduction of the PAT was on account of provision for the tax. The provision for tax in FY 2021-22 was less as compared to FY 2022-23 on account of MAT credit, higher depreciation as per It act and lower tax rate.

LIQUIDITY AND CAPITAL RESOURCES

We depend on both internal and external sources of liquidity to provide working capital and to fund capital expenditure. We have historically funded our capital expenditure with cash flow from operations , Equity capital and debt financing. We generally enter into long term borrowings in the form of working capital and term loan from bank.

CASH FLOW

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net cash from Operating Activities	(491.15)	1006.93	1694.12
Net cash flow from Investing Activities	(218.83)	(465.17)	(521.34)
Net Cash Flow Financing Activities	679.86	(520.65)	(1176.59)

Cash flow from Operating activity

FY 2024

The cash flow from operating activity was negative of ₹491.15 lakhs. Our Profit before Tax for that period was ₹ 964.05 lakhs. Adjustment for non-cash and non-operating items primarily consist of Depreciation amounting to ₹629.34 lakhs, Interest expenses of ₹454.55 lakhs, which was primarily set off by the MAT credit of ₹116.26 lakhs ,Interest income of ₹8.67 lakhs and Gain on fair value of Investment of ₹3.82 Lakhs. Our Operating profit before change in working capital was ₹2151.71 lakhs. The Net change in working capital was ₹(2363.67) lakhs which is on account of increase in Trade Receivables, Other Current Financial Assets, Other Non-Current Assets and Other Non-Current Financial Assets which was primarily set off by decrease in Inventory Increase in trade payables, Increase in other financial Liability, Increase in other Current Liabilities , Increase in provisions, Decrease in current Tax Assets, Increase in Current Tax Liabilities.

FY 2023

The cash flow from operating activity was positive of ₹1006.93 lakhs. Our Profit before Tax for that period was ₹491.42 lakhs. Adjustment for non-cash and non-operating items primarily consist of Depreciation amounting to ₹883.87 lakhs, Interest expenses of ₹394.49 lakhs, which was primarily set off by MAT credit of ₹84.54 lakhs , the Interest income of ₹40.41 lakhs and Gain on fair value of Investment of ₹1.95 Lakhs. Our Operating profit before change in working capital was ₹1811.96 lakhs. The Net change in working capital was ₹(637.24) lakhs which is on account of increase in Inventories, Decrease in other current liabilities, Decrease in other financial Liabilities, Decrease in Trade Payables, Increase Other Current Assets which was primarily set off by decrease in Trade Receivables, Decrease in other non-current financial assets, Decrease in other non-current assets, Decrease in other current financial assets, Increase in Provisions

FY 2022

The cash flow from operating activity was positive of ₹1694.12 lakhs. Our Profit before Tax for that period was ₹493.37 lakhs. Adjustment for non-cash and non-operating items primarily consist of Depreciation amounting to ₹902.74 lakhs, Interest expenses of ₹419.61 lakhs, which was primarily set off by MAT credit of ₹72.46 lakhs , the Interest income of ₹27.61 lakhs and Gain on fair value of Investment of ₹2.19 Lakhs. Our Operating profit before change in working capital was ₹1713.46 lakhs. The Net change in working capital was ₹ (9.36) lakhs which is on account of increase in Inventories, Increase in in other non-current financial assets, Increase in other non-current assets, Increase in other current Assets, which was primarily set off by decrease in Trade Receivables, Increase in other current liability, Decrease in other current assets, Decrease in other current Financial assets, Increase in Provisions

Cash flow from Investing activity

FY 2024

The cash flow from Investing activity was negative of ₹218.83 lakhs primarily due to purchase of fixed assets of ₹227.50 lakhs which was partially set off by interest income of ₹8.67 lakhs.

FY 2023

The cash flow from Investing activity was negative of ₹465.17 lakhs primarily due to purchase of fixed assets of ₹505.58 lakhs which was partially set off by interest income of ₹40.41 lakhs.

FY 2022

The cash flow from Investing activity was negative of ₹521.34 lakhs primarily due to purchase of fixed assets of ₹548.95 lakhs which was partially set off by interest income of ₹27.61 lakhs.

Cash flow from Financing Activity

FY 2024

The cash flow from financing activity was positive of ₹679.86 lakhs primarily due to increase in borrowings of ₹1134.41 lakhs which was partially set off by interest payment of ₹454.55 lakhs.

FY 2023

The cash flow from financing activity was negative of ₹520.65 lakhs primarily due to decrease borrowings of ₹126.16 lakhs and interest payment of ₹394.49 lakhs.

FY 2022

The cash flow from financing activity was negative of ₹1176.59 lakhs primarily due to decrease borrowings of ₹756.98 lakhs and interest payment of ₹419.61 lakhs.

SELECTED BALANCE SHEET ITEMS

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to commodity risk, foreign exchange risk, interest rate risk, credit risk and inflation risk in the normal course of our business.

Commodity Risk

We are exposed to the price risk associated with purchasing our raw materials, which form the highest component of our expenses. We typically do not enter into formal arrangements and long-term contract with our suppliers. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations. We do not currently engage in any hedging activities against commodity price risk.

Interest Rate Risk

We are exposed to interest rate risk primarily as a result of term loans from banks. As at March 31, 2024, we had all of our loans that are subject to floating rates of interest, which exposes us to market risk as a result of changes in interest rates. Upward fluctuations in interest rates would increase the cost of new debt and interest cost of outstanding variable rate borrowings. In addition, any increase in interest rates could adversely affect our ability to service long-term debt, which would in turn adversely affect our results of operations. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations and cash flows.

Inflation

India has experienced high inflation in the recent past, which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs.

Credit Risk

We are exposed to credit risk on amounts owed to us by our clients. If our clients do not pay us promptly, or at all, it may impact our working capital cycle, and/or we may have to make provisions for or write-off on such amounts.

INFORMATION REQUIRED AS PER ITEM 11 (II) (C) (IV) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:

1. Unusual or infrequent events or transactions

To our knowledge, there have been no unusual or infrequent events or transactions that have taken place during the last three years other than shut down of business due to COVID-19.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject to, and we expect it to continue to be subject, to significant economic changes that materially affect or likely to affect our income.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled "***Risk Factors***" on page 36, to our knowledge there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Expected Future Changes in relationship between costs and revenues, in case of events such as future increase in labour, Material costs or prices that will cause a material change are known.

Other than as described "***Risk Factors***", "***Our Business***", "***Management's Discussion and Analysis of Financial Position and Result of Operations***" on Pages 36, 179 and 304 respectively, to our knowledge, there are no known factors that might affect the future relationship between expenditure and income which may have a material adverse impact on our operations and finances.

5. **Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Changes in revenue in the last three Financial Years are as described in "Results of Key Operations – Comparison of FY 2023-24 with FY 2022-23 and Comparison of FY 2022-2023 with FY 2021 -2022" and mentioned above. Increases in revenues are by and large linked to increases in volume of business mentioned above.

6. Total turnover of each major industry segment in which the issuer company operated.

The Company is in the business of single segment of manufacturing cotton Yarn. For detail, see "***Our Business***" and "***Industry Overview***" on page 179 and 139.

7. Status of any publicly announced new products or business segment.

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or new business segments.

8. The extent to which business is seasonal.

Although our business operations run year-round and are not inherently seasonal, our core raw material, cotton bales, is sourced from the cotton plant, which is a Kharif crop. This means cotton is cultivated and harvested during a specific season, typically from June to October, depending on regional conditions. As a result, the availability of raw cotton is limited to this window.

9. Any significant dependence on a single or few suppliers or customers.

Our business is affected by risks associated with our dependency on some of our customers. For further details see, "***Risk Factors - A major portion of our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows***" on page 37.

10. Competitive conditions.

We operate in a competitive environment. Our Business operations are affected by competition from domestic as well international Competitors. For details, see "***Our Business***", "***Industry Overview***" and "***Risk Factors***" on page 179, 139 and 36 respectively.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters, KMPs and SMPs ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.*

*For the purpose of material litigation in (d) above, our Board in its meeting held on May 9, 2025 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if:*

(i) the omission of an event or information, whose value or the expected impact in terms of value exceeds the limits as prescribed under the SEBI Listing Regulations (as amended from time to time) i.e.:

a) two percent of turnover, as per the last annual restated financial statements of the Company; or

b) two percent of net worth, except in case of the arithmetic value of the networth is negative, as per the last annual restated financial statements of the Company; or

c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the Company.

Accordingly, any transaction exceeding the lower of i, ii or iii above or ₹20.40 lakh will be considered for the above purpose; or

(ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in individual litigation does not exceed the amount determined as per clause (i) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and

(iii) any such litigation which does not meet the criteria set out in (i) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

In terms of the materiality policy above any litigations (apart from (a) criminal proceedings; (b) actions by statutory or regulatory authorities and (c) claims relating to direct and indirect taxes), the monetary value of which or the adverse impact resulting from such litigation exceeds ₹20.40 lakh shall be considered Material Litigation.

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.

Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated May 9, 2025. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding ₹118.29 lakh i.e. 5% of the total trade payables of our Company as per the latest Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. The trade payables of our Company as on December 31, 2024 were ₹2,365.80 lakh. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as *has been relied upon by the Statutory Auditors.*

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

All terms defined in a particular litigation disclosure pertains to that litigation only.

I. Litigation involving our Company.

A. Litigation filed against our Company.

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. Litigation filed by our Company.

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

a. Shree Ram Twistex Limited vs State of Gujarat and State Tax Officer – 14728 of 2019

Shree Ram Twistex Limited ("**Petitioner**") has filed a special civil application before the Hon'ble High Court of Gujarat at Ahmedabad, under section Article 226 of the Indian Constitution, against State of Gujarat ("**Respondent 1**") and ("**Respondent 2**"). The Petitioner had received an order for supply of cotton yarn from Gondal to Surat for which the Petitioner had generated Tax Invoice dated August 26, 2019, however failed to generate E-way Bill due to advertence. The said goods were later intercepted by Respondent 2 and detained/seized on the ground for not generating E-way Bill. Further, Respondent 2 issued an impugned notice dated August 27, 2019, for confiscation of goods u/s 130 of the GST Act, without following any procedure stipulated u/s 129 of the GST Act. The Petitioner later paid 100% penalty to release the goods at the earliest. However, Respondent 2 refused to release the goods and have arbitrarily held the goods. Hence aggrieved by this, the Petitioner has filed the present petition and prays before the Hon'ble Court to issue a writ of Mandamus or a writ of any nature or an order or direction for quashing and setting aside the impugned order dated August 27, 2019. Further to direct the Respondents to release the truck along with goods, therein quashing and setting aside the detention notice, and to pass any such order or direction as the Hon'ble Court deems fit. The matter is currently pending and the next date of hearing is yet to be notified.

3. Material civil proceedings

a. Shree Ram Twistex Limited vs Maganbhai Shukhabhai Sabad – R/First Appeal No. 2134 of 2020

Shree Ram Twistex Limited ("**Petitioner**") has filed an appeal before the Hon'ble High Court of Gujarat at Ahmedabad ("**Hon'ble Court**"), against Maganbhai Shukhabhai Sabad ("**Respondent**"). The Respondent had worked as a driver for the Petitioner from December 01, 2015 to May 31, 2016. The Respondent was once assigned with the work of cutting cotton bales, and while doing so an iron road flew and got stuck in the Respondents left eye, thereby causing permanent disablement in the left eye of the Respondent. The Respondent had filed an application bearing number 23 of 2016, before the Hon'ble Commissioner Shri B.D. Parmar, at Rajkot ("**Hon'ble Commissioner**"), against the Petitioner for non-payment of the compensation of ₹3,42,700.80 within 30 of the incident, wherein the Hon'ble Commissioner passed a judgement in favour of the Respondent. The Petitioner has filed the present appeal before the Hon'ble court to challenge the impugned order passed by the Commissioner and therefore prays before the Hon'ble Court to allow the present Petition and to pass an order or direction in favour of the Petitioner as the Hon'ble Court deems fit and proper. The matter is currently pending, and the next date of hearing is yet to be notified.

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in Rs. lakhs*)^
Direct Tax	8*	2.22
Indirect Tax	1#	33.90
Total	**9**	**36.12**

**Includes*

TDS Traces default for Fiscal Year 2014-2015, 2016-2017, 2017-2018, 2018-2019, 2020-2021,2021-2022, 2023-2024, 2024-2025 amounting to ₹ 730, ₹ 31,440, ₹3,980, ₹690, ₹3,300, ₹27,970, ₹62,650, ₹90,800, respectively

#Includes

GST Outstanding Demand bearing demand ID no. ZD240422002629P, dated April 04, 2022, amounting to ₹ 33,90,760

II. Litigation involving our Directors (other than Promoters)

A. *Litigation filed against our Directors (other than Promoters)*

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. *Litigation filed by our Directors (other than Promoters)*

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in Rs. lakhs*)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

III. Litigation involving our Promoters

A. *Litigation filed against our Promoters*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Material civil proceedings**

Nil

B. *Litigation filed by our Promoters*

1. **Criminal proceedings**

Nil

2. **Material civil proceedings**

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in Rs. lakhs*)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

IV. Litigation involving our KMPs and SMPs (Other than Promoters and Directors)

A. *Litigation filed against our KMPs and SMPs (Other than Promoters and Directors)*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

B. *Litigation filed by our KMPs and SMPs(Other than Promoters and Directors)*

1. **Criminal proceedings**

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in Rs. lakhs*)^
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

Outstanding dues to creditors

Our Board, in its meeting held on May 09, 2025 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount outstanding dues to any creditor of our Company exceeding ₹118.29 lakh of trade payable as on the date of the latest period in the Restated Financial Statements was outstanding, were considered material creditors.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at December 31, 2024 by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved *(in Rs. lakhs)*
Material creditors Includes MSME Creditors	1	131.91
Micro, Small and Medium Enterprises	53	2,333.56
Other creditors	22	32.24
Total	**75**	**2,365.80**

The details pertaining to net outstanding dues towards our material creditors as on December 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.shreeramtwistex.com. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

Material Developments

Other than as stated in the section entitled "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after December 31, 2024***" on beginning on page 309, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking this Issue and carrying on our present business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section "**Risk Factors**" beginning on page 36, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see "**Key Regulations and Policies**" on page 206.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its present business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

I. Material approvals obtained in relation to the Issue

(1) The Board of Directors has, pursuant to a resolution passed at its meeting held on March 05, 2025, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.

(2) The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on March 26, 2025, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

(3) The Company has obtained the in-principle listing approval from [●] and [●], dated [●] and [●] respectively.

II. Material approvals obtained by our Company in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. Incorporation details of our Company

(a) Our Company was originally incorporated as a limited company in the name of '*Shree Ram Twistex Private Limited*' vide Certificate of Incorporation dated December 31, 2013, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli.

(b) Fresh Certificate of Incorporation dated September 18, 2024 issued to our company by the ROC pursuant to conversion of our Company from private limited to public limited and the ensuring change in the name of our Company from Shree Ram Twistex Private Limited to Shree Ram Twistex Limited

(c) The CIN of the Company is U17120GJ2013PLC078074

B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AAUCS0352G	Income Tax Department	December 31, 2013	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
2.	Tax Deduction Account Number (TAN)	RKTS09644F	Income Tax Department	January 08, 2014	Valid till cancelled
3.	GST Registration Certificate – Gujarat	24AAUCS0352G1ZB	Goods and Services Tax Department	July 01, 2017	Valid till cancelled
4.	Professional Tax – Enrolment Certificate – Gujarat	SR130000063	Gondal Nagarpalika	February 01, 2025	Valid till cancelled
5.	Professional Tax – Registration Certificate – Gujarat	PRN147000149	Gondal Nagarpalika	February 11, 2025	Valid till cancelled

C. Regulatory & Labour / employment related approvals obtained by our Company:

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of registration – Employee's Provident Fund Code	GJRAJ1485307000	Employees' Provident Fund Organisation	June 09, 2020	Valid till cancelled
2.	UDYAM Registration Certificate	UDYAM-GJ-20-0002911	Ministry of Micro, Small and Medium Enterprises	September, 05, 2020	Valid till cancelled
3.	License to work a Factory	**Registration No:** 3254/1632/2016 **License No:** 32878	Directorate Industrial Safety and Health, Gujarat State	January 01, 2016	December 31, 2026
4.	Consent to Establish	CTE No- 71382	Gujarat Pollution Control Board	May 05, 2015	-
5.	Consolidated Consent & Authorization u/s 25 of the Water (Prevention and Control of Pollution) Act-1974, u/s 21 of the Air (Prevention and Control of Pollution) – 1981 and Authorization under rule 3(c) & 5(5) of the Hazardous and other Waste (Management, Trans boundary Movement) Rules'2016	GPCB/CCA/RJ-2694/ID-47563/588679	Gujarat Pollution Control Board	April 08, 2021	August 19, 2025
6.	Certificate of Stability	JDISH /RAJ/PLAN/667 /2016	Samir G. Davda B.E. Civil, A.M.I.E Chartered Engineer (Lic. No. M-1714044)	December 12, 2024	Valid for 5 years or Up-till any addition, alteration or up-gradation
7.	Fire NOC	NO/F.O.-SFPC/FIRE NOC STORAGE/GDL/025/2024/25	Gujarat State Fire Prevention Services Regional -Rajkot	July 03, 2024	July 02, 2027

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
8.	Registration Cum Member ship certificate – Texprocil	MY/34289(2020)-S	Officer of the EP Council, The Cotton Textiles Export Promotion Counil	December 11, 2020	March 31, 2026
9.	Importer – Exporter Code Registration	2415004383	Ministry of Commerce and Industry	August 27, 2015	Valid till cancelled
10.	Certificate for Legal Entity Identifier*	335800T23BFLRD8A2810	Legal Entity Identifier India Limited	January 09, 2023	January 09, 2028

* *Our Company was converted from a private limited company to a public limited company, but the licenses is still in the name of Private Limited.*

Note: For details of government approvals obtained or applied for by our Company in relation to the Objects of the Issue, please see, "***Objects of the Issue - Statutory Approvals and Liasioning***" on page 113.

III. Material approvals or renewals for which applications are currently pending before relevant authorities

NIL

IV. Material approvals expired and renewal yet to be applied for

Nil

V. Material approvals required but not obtained or applied for

Nil

VI. Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Particulars of the Mark	Trade Mark No.	Class of Registration
July 29, 2021	TWISTEX	5065242	40

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

1. The Board of Directors of our Company has authorized the Issue by a resolution passed at its meeting held on March 05, 2025.

2. The Shareholders of our Company have authorized the Issue, pursuant to a special resolution passed in the Extraordinary General Meeting held on March 26, 2025, under Section 23 and 62(1)(c) of the Companies Act 2013.

3. The Board of Directors of our Company, on June 27, 2025, has approved the Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of our Equity Shares pursuant to their respective letters, each dated [●] and [●], respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Company, our Directors, our Promoters, the members of our Promoter Group, persons in control of our Company and companies or entities with which our Company's Promoter and Directors are associated as directors / promoters are not prohibited/debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator in any other jurisdiction or any other authority/court. The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India. There are no violations of securities laws committed by them in the past or are pending against them.

None of our Directors are, in any manner, associated with the securities market. Further, there are no outstanding actions initiated by SEBI against any of our Directors, in the past five years preceding the date of this Draft Red Herring Prospectus.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Neither our Company nor our Directors or Promoter have been declared as a Wilful Defaulter.

The Company, its Directors and its Promoters / Promoter Group are not declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of the Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the Reserve Bank of India.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

Our Company, our Promoters, and the members of Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with the Regulation 6(2) of the SEBI ICDR Regulations, which state the following:

"We do not satisfy the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations, i.e. net tangible assets of at least ₹ 3 crores under Regulation 6(1)(a) of SEBI ICDR Regulations; and (ii) average operating profit of ₹ 15 crores under Regulation 6(1)(b) of SEBI ICDR Regulations. Therefore, we are required to meet the conditions detailed in Regulation 6(2) of the SEBI ICDR Regulations.

"An issuer not satisfying the condition stipulated in sub-regulation (1) of the SEBI ICDR Regulations shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so."

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Issue shall be not less than 1,000 and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Investors, in accordance with the SEBI ICDR Regulations and applicable law.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

1. None of our Company, our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by SEBI;
2. Neither the Promoter nor any of the Directors of our Company are promoters or a director of companies which are debarred from accessing the capital market by SEBI;
3. None of our Company, our Promoters or Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower;
4. None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018;
5. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus;
6. Our Company, along with the Registrar to the Issue, has entered into tripartite agreements dated October 18, 2024 and January 13, 2025 with CDSL and NSDL, each, for dematerialization of the Equity Shares;
7. The Equity Shares of our Company held by our Promoters are dematerialized;
8. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus; and
9. There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, and our Company shall be liable to pay interest on the application money in accordance` with applicable laws.

Disclaimer Clauses

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER BEING INTERACTIVE FINANCIAL

SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGE ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 27, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, our Promoters and the BRLM

Our Company, our Directors, our Promoters, and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.shreeramtwistex.com, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and as will be provided in the Underwriting Agreement to be entered into among the Underwriters, and our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, BRLM and any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Caution

Investors who Bid in the Issue will be required to confirm and would be deemed to have represented to our Company, Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and their respective directors and officers, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Rajkot, Gujarat, India only.

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other applicable trust laws, and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, venture capital funds, permitted insurance companies, provident funds and pension funds with a minimum corpus of ₹2,50,00,00,000/- (Rupees twenty-five hundred lakhs only), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and to permitted systemically important NBFCs registered with the RBI, non-residents including Eligible NRIs, Alternative Investment Funds. Foreign Portfolio Investors registered with SEBI, venture capital fund, foreign venture capital fund and QIBs.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. No person outside India is eligible to bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India. Any person in whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Jaipur, Rajasthan, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Each purchaser of the Equity Shares in the Issue in India shall be deemed to:

- represent and warrant to our Company, the BRLM and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.

- represent and warrant to our Company, the BRLM and the Syndicate Members that it did not purchase the Equity Shares as result of any “directed selling efforts” (as defined in Regulation S).
- represent and warrant to our Company, the BRLM and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- agree to indemnify and hold the Company, the BRLM and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- acknowledge that our Company, the BRLM, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares proposed to be Allotted pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the Stock Exchanges for obtaining permission for the listing and trading of the Equity Shares being issued and sold in the Issue and [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within such time prescribed by SEBI of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI.

If our Company does not allot Equity Shares pursuant to the Issue such time as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"Any person who –
(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447"

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six (6) months extending up to 10 (ten) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of our Promoters, our Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Senior Managerial Personnel, the Legal Counsel, the BRLM, the Bankers to our Company, D&B India, Independent Chartered Engineer and Registrar to the Issue, have been obtained and consents in writing of, the Syndicate Members and Bankers to the Issue (Escrow Bank, Public Issue Account Bank, Sponsor Bank and Refund Bank), to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Companies Act, 2013.

Our Company has received consent of our Statutory Auditors, who holds a valid peer review certificate, to include their name as required under Section 26(5) of the Companies Act 2013 in this Draft Red Herring Prospectus.

The said consents will be filed along with a copy of the Red Herring Prospectus with the Registrar of Companies, as required under the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus, for filing with the RoC.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated June 16, 2025 from our Statutory Auditors, M/s Doshi Doshi & Co., Chartered Accountants to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 20, 13 to the extent and in their capacity as our Statutory Auditor, and in respect of Examination Report dated May 08, 2025 on our Restated Financial Statement and their report dated May 08, 2025 on the Statement of Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated June 25, 2025, from the independent chartered engineer, namely Hari Dutt Purohit, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated June 25, 2025 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning under the U.S. Securities Act, as amended (the **"U.S. Securities Act"**).

The above-mentioned consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last 5 (five) years

Our Company has not made any public issue in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. The Company has not undertaken rights issues of its equity shares in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. For details, see "***Capital Structure***" on page 88 of this Draft Red Herring Prospectus.

Commission or Brokerage on Previous issues in the last 5 (five) years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the 5 (five) years preceding the date of this Draft Red Herring Prospectus.

Capital Issues in the Preceding Three Years by our Company, our listed group companies, Subsidiary and associates of our Company

Our Company has not made any capital issue during the three years preceding the date of this Draft Red Herring Prospectus.

As on date of this Draft Red herring Prospectus, our Company does not have any listed group company or any listed subsidiary or a listed associate entity.

Performance vis-à-vis Objects

Our Company has not undertaken any public issues, including any rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis- à-vis Objects: Last Issue of Subsidiaries/Promoters

Our Company does not have any listed promoters nor any subsidiaries which have made any public issues, including rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

The price information of past issues handled by the BRLM is as follows:

Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Interactive Financial Services Limited:

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
				MAIN BOARD IPO				
1.	SRM Contractors Limited*	130.20	210	April 03, 2024	215.25	-5.17% (+0.59%)	-15.00% (+7.61%)	+25.86% (+15.05%)

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
				SME IPO				
2.	Kalaharidhaan Trendz Limited (NSE Emerge)	22.49	45	February 23, 2024	47.15	-7.78% (-0.94%)	+4.67% (+1.73)	-10.89% (+11.19%)
3.	Teerth Gopicon Limited (NSE Emerge)	44.39	111	April 16,2024	125.00	+99.41% (+0.24%)	+301.67% (+11.01%)	368.56% (+13.46%)
4.	DCG Cables and Wires Limited (NSE Emerge)	49.99	100	April 16,2024	90.00	-4.45% (+0.24%)	+48.65% (+11.01%)	+40.05% (+13.46%)
5.	Winny Immigration & Education Services Limited (NSE Emerge)	9.13	140	June 27, 2024	240.00	+107.29% (+3.29%)	+87.14% (+5.70%)	+118.57% (-1.90%)
6.	Kataria Industries Limited (NSE Emerge)	54.57	96	July 24, 2024	182.40	+94.48% (+1.66%)	+126.98% (1.54%)	+44.11% (-4.35%)
7.	Kizi Apparels Limited (BSE SME)	5.58	21	August 6, 2024	23.15	+95.71% (+4.78%)	+41.95% (+0.24%)	+11.43% (-68.69%)
8.	SPP Polymer Limited (NSE Emerge)	24.49	59	September 17, 2024	63.00	-27.37% (-1.76%)	-36.86% (-2.95%)	-64.32% (-11.45%)
9.	Malpani Pipes and Fittings Limited (BSE SME)	25.92	90	February 04, 2025	85.90	-31.93% (-6.18%)	-25.00% (+2.82%)	NA
10.	HP Telecom India Limited (NSE Emerge)	34.23	108	February 28, 2025	115.05	+13.52% (+4.71%)	+67.13% (+11.88%)	NA

Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Interactive Financial Services Limited

Financial Year	Total no. of IPOs	Total Funds raised (₹ in cr.)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50 %	Between 25-50%	Less than 25%	Over 50 %	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50 %	Between 25-50%	Less than 25%
2021-22	1	40.00	NA	1	NA	NA	NA	NA	NA	1	NA	NA	NA	NA
2022-23	6	231.17	2	2	NA	1	NA	1	3	1	NA	1	NA	1
2023-24	7	173.87	1	2	3	NA	NA	1	2	1	3	1	NA	NA
2024-25	9	378.49	NA	2	2	4	NA	1	1	NA	NA	2	3	1

Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please visit the website of the BRLM i.e. www.ifinservices.in.

Stock Market Data of the Equity Shares

This being the initial public issuing of the Equity Shares of our Company, the Equity Shares is not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company dated April 01, 2025 provides for retention of records with the Registrar to the Issue for a minimum period of 8 (eight) years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All Bidders can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLM. All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the Sole Bidder or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular

SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount for the period of such delay, which period shall start from the day following the receipt of a complaint from the investor.

The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock.
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher.	From the date on which multiple amounts were blocked till the date of actual unblock.
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher.	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock.
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher.	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock.

Further, in terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Issue for the redressal of routine investor grievances shall be ten Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Sejal Tapan Gajjar, Company Secretary as the Compliance Officer and she may be contacted in case of any pre-Issue or post-Issue related problems, at the address set forth hereunder.

Address: 566P1, Umwada Road, Near Bajrang Cotspin, Gondal, Gujarat
Telephone: +91 75100 12200
Email Id: cs@shreeramtwistex.com

Our Company shall, post filing of this Draft Red Herring Prospectus, apply for the authentication on the SCORES in compliance with the SEBI circular bearing number SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 read with SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019 and the SEBI circular read with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI Circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 and SEBI circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 in relation to redressal of investor grievances through SCORES.

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For details, see "***Our Management***" on page 220. Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Draft Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Issue expenses, see "***Objects of the Issue***" on page 107 of this Draft Red Herring Prospectus.

Commission payable to SCSBs, Registered Brokers, CRTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, CRTAs and CDPs, please see "***Objects of the Issue***" on page 107 of this Draft Red Herring Prospectus.

Disposal of investor grievances by listed Group Companies

Our Company does not have any listed group companies.

Capitalization of Reserves or Profits

Except as disclosed in "***Capital Structure***" on page 88, our Company has not capitalized its reserves or profits at any time during the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued any assets since incorporation.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not made any application under the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

Ranking of the Equity Shares

The Equity Shares being Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, 2013, our Memorandum of Association and our Articles of Association and shall rank pari passu in all respects with the existing Equity Shares, including in respect of the right to receive dividend and voting. The Allottees, upon Allotment of Equity Shares under the Issue, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "***Description of Equity Shares and Terms of the Articles of Association***" beginning on page 371.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For details, in relation to dividends, see "***Dividend Policy***" and "***Description of Equity Shares and Terms of Articles of Association***" beginning on pages 238 and 371, respectively.

Face Value, Issue Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share ("**Floor Price**") and at the higher end of the Price Band is ₹ [●] per Equity Share ("**Cap Price**"). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLM, as per applicable law and advertised in all editions of English national daily newspaper, [●] and all editions of Hindi national daily newspaper, [●], and [●] editions of [●], a Gujarati regional daily newspaper, (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company, in consultation with the BRLM after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares issued by way of Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, or 'e-voting' in accordance with the provisions of the Companies Act, 2013;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation, subject to any statutory and other preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations and foreign exchange regulations; and
- Such other rights, as may be available to a Shareholder of a listed public company under the Companies Act 2013, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "***Description of Equity Shares and Terms of Articles of Association***" on page 371.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.
In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

- Tripartite Agreement dated March 24, 2025 among CDSL, our Company and the Registrar to the Issue
- Tripartite Agreement dated March 24, 2025 among NSDL, our Company and the Registrar to the Issue

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialized/electronic form, the tradable lot is one Equity Share. Allotment in this Issue will be only in dematerialized/electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details, see "***Issue Procedure***" beginning on page 349.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Jaipur at Rajasthan, India will have exclusive jurisdiction in relation to this Issue.

Period of operation of subscription list

See "***Bid/Issue Programme***" on page 341.

Nomination facility to Investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if they were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or
(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserve the right to not proceed with the Issue, in whole or part thereof, to the extent of their respective portion of Issued Shares after the Bid/Issue Opening Date but before the Allotment. In the event that our Company, in consultation with the BRLM, decide not to proceed with the Issue, our Company shall issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue. In such event, the BRLM through the Registrar to the Issue shall notify the SCSBs and the Sponsor Bank, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company, in consultation with the Book Running Lead Manager withdraw the Issue after the Bid/Issue Closing Date and thereafter determines that it will proceed with a public offering of Equity Shares, our Company shall file a fresh draft red herring prospectus with the SEBI and Stock Exchanges.

Bid/Issue Programme

ANCHOR BID/ISSUE OPENS ON	[●][(1)]
BID/ISSUE OPENS ON	[●][(1)]
BID/ISSUE CLOSES ON	[●][(2)#]

[(1)] Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the

SEBI ICDR Regulations
(2) Our Company, in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
 # UPI mandate end time and date shall be at 5:00pm on Bid/Issue Closing Date, i.e., on [●]

An indicative timeline in respect of the Issue is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within the time prescribed under applicable law, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change basis any revised SEBI circulars to this effect.

In terms of the UPI Circulars, in relation to the Issue, the Book Running Lead Manager will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Issue Period (except the Bid/Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time (“**IST**”)
Bid/Issue Closing Date*	

Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts)–For Retail Individual Bidders	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹ 5.00 lakh)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non- Retail, Non-Individual Applications of QIBs and NIIs where Bid Amount is more than ₹ 5.00 lakh)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories#	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Issue Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. on Bid/Issue Closing Date

***UPI mandate end time and date shall be at 5:00 p.m. on Bid/ Issue Closing Date.*
#QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/Issue Closing Date, Bids shall be uploaded until:

a) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
b) 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit a confirmation in respect thereof to the BRLM and the Registrar to the Issue on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Issue. Bids and any revision in Bids will be accepted only during Working Days during the Bid / Issue Period.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids and revisions by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. Provided that Cap

Price shall remain at a minimum of 105% of the Floor Price and shall not exceed 120% of the Floor Price.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

None among our Company or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank(s) on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of discrepancy in data entered in the electronic book *vis-a-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Minimum Subscription

If (i) our Company does not make the minimum Allotment in the Issue as specified under Rule 19(2)(b) of the SCRR or does not achieve the minimum subscription of 90% of the Fresh Issue on the Bid/ Issue Closing Date; or (ii) subscription level falls below the aforesaid minimum subscription after the Bid/ Issue Closing Date due to withdrawal of Bids, or after technical rejections, or any other reason; or (iii) in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/ Issue Closing Date; or on account of withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the securities so issued under the issue document, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI Master Circular no. SEBI/HO/MIRSD/POD- 1/P/CIR/2024/37 dated May 7, 2024 (to the extent applicable). If there is a delay beyond the prescribed time, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum.

Further our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Issue.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue capital of our Company, lock-in of the Promoters' minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "***Capital Structure***" on page 88 and except as provided under the Articles of Association, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "***Description of Equity Shares and Terms of Articles of Association***" beginning page 371.

ISSUE STRUCTURE

Initial public offer of up to 1,06,00,000 of face value of ₹10/- each fully paid up Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹ [●] Lakhs.

The face value of the Equity Shares is ₹ 10 each.

The Issue shall constitute [●]% of the post-Issue paid-up Equity Share Capital of our Company.

In terms of Rule 19(2)(b) of the SCRR, the Issue is being made through the Book Building Process, in compliance with Regulation 6(2) and Regulation 31 of the SEBI ICDR Regulations:

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation(2)	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not more than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue size available for Allotment/allocation	Not less than 75% of the Issue shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not more than 15% of the Issue less allocation to QIBs and Retail Individual Bidders will be available for allocation. One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹ 1,000,000 and two-thirds of the NonInstitutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1,000,000. Under-subscription in either of these two subcategories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non- Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price	Not more than 10% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/allocation if respective category is	Proportionate as follows (excluding the Anchor Investor Portion):	The allotment of specified securities to each NonInstitutional	Allotment to each Retail Individual Bidder shall not be

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
oversubscribed*	(a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Not more than [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion, and the remainder, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. Further, (a) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors.	less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "***Issue Procedure***" on page 349.
Mode of Bidding	Through ASBA process only (excluding the UPI Mechanism) except for Anchor Investors	Through ASBA process only (including the UPI Mechanism for a Bid size of up to ₹500,000)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹2.00 lakhs	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹2.00 lakhs	[●] Equity Shares and in multiples of [●] Equity Shares thereafter, such that the Bid Amount does not exceed ₹200,000
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Issue (excluding the Anchor portion), subject to	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Issue (excluding the QIB Portion), subject to	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 lakhs

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
	applicable limits.	applicable limits	
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	A minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply(3)(4)	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakha, pension fund with minimum corpus of ₹2500 lakhs National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs	Resident Indian individuals, Eligible NRIs on a non-repatriable basis, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the Karta)
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank(s) through the UPI mechanism (other than Anchor Investors), that is specified in the Bid cum Application Form at the time of submission of the Bid cum Application Form		

**Assuming full subscription in the Issue*

^SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

1. *Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹1,000 lakh, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1,000 lakh but up to ₹25,000 lakh under the Anchor Investor Portion, subject to a minimum Allotment of ₹500 lakh per Anchor Investor, and (iii) in case of allocation above ₹25,000 lakh under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹25,000 lakh, and an additional 10 Anchor Investors for every additional ₹25,000 lakh or part thereof will be permitted, subject to minimum allotment of ₹ 500 lakh per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 1,000 lakh. One-third of the Anchor Investor Portion*

*shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For details, see "**Issue Procedure**" on page 349.*

2. *Subject to valid Bids being received at or above the Issue Price. This is an Issue in terms of Rule 19(2)(b) of the SCRR in compliance with Regulation 6(1) of the SEBI ICDR Regulations.*
3. *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "**Terms of the Issue**" on page 339.*
4. *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*
5. *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Bids by FPIs with certain structures as described under "**Issue Procedure - Bids by FPIs**" on page 356 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.*

ISSUE PROCEDURE

*All Bidders should read the General Information Document for investing in public issues prepared and issued in accordance with the circular number SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and UPI Circulars ("**General Information Document**")which highlights the key rules, processes, and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023("**T+3 Circular**")and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9,2023, had introduced certain additional measures for streamlining the process of initial public issues and redressing investor grievances. Subsequently, the SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs, and SEBI ICDR Master Circular consolidated the aforementioned circulars and rescinded these circulars to the extent they relate to the SEBI ICDR Regulations. Pursuant to SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular), applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in T+3 Circular shall continue to form part of the agreements being signed between the intermediaries involved in the* *public issuance process and book running lead managers shall continue to coordinate with intermediaries involved in the said process.*

Furthermore, pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).The aforementioned circular should be read together with the SEBI ICDR Master Circular.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 202 as amended by the T+3 Circular and as superseded by the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Further, our Company and the BRLM are not liable for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in this Issue.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023, issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023, issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of this Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Issue shares may request our Company and/or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/or the Registrar. Our Company and/or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid / Issue Opening Date.

Book Building Procedure

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non- Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹2.00 lakhs and up to ₹10.00 lakhs; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹10.00 lakhs, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020, read with press releases dated June 25, 2021, and September 17, 2021, March 30, 2022, and March 28, 2023.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 01, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from June 01, 2019, and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all Issues opening on or after September 01, 2023 and on a mandatory basis for all Issues opening on or after December 01, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public Issue closure to listing has been reduced to three Working Days.

The Issue is made under UPI Phase III of the UPI Circular on mandatory basis. The same shall be advertised in all editions of the English national daily newspaper, [●], Hindi national daily newspaper, [●] and a Gujarati regional daily newspaper (Gujarati being the regional language of State of Gujarat, where our Registered Office is located), each with wide circulation on or prior to the Bid/Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹50.00 lakhs, shall use UPI.

All SCSBs issuing the facility of making application in public Issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

The processing fees for application made by UPI Bidders using the UPI mechanism may be released to the remitter banks (SCSBs) only after such banks make an application to the BRLM with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts in the bank accounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of with the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process.

UPI Bidders bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

Anchor Investors are not permitted to participate in the Issue through the ASBA process. The RIBs can additionally Bid through the UPI Mechanism. RIBs bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected. Retail Individual Investors Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of

SEBI ASBA Bidders (other than Retail Individual Investors using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account. RIBs may also submit their ASBA Forms with the SCSBs (except RIBs using the UPI Mechanism). ASBA bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process. The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis(1)	[●]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FVCIs, FPIs and registered bilateral and multilateral development financial institutions applying on a non-repatriation basis(1)	[●]
Anchor Investors(2)	[●]

**Excluding electronic Bid cum Application Forms*

Notes:

1. *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)*
2. *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM*

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Pursuant to NSE circular dated August 3, 2022, with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

(a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the issue and Depository Participants shall continue till further notice;

(b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;

(c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4.00 p.m. for QIBs and Non-Institutional Bidders categories and up to 5.00 p.m. for Retail Individual Bidders category on the initial public offer closure day;

(d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids;

(e) The Stock Exchanges shall display Issue demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Draft Red Herring Prospectus.

(c) The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

The Equity Shares issue in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be issue or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being issue and sold only outside the United States in reliance on Regulation S and the applicable laws of the jurisdictions where such issues and sales occurs.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issue or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoters and members of the Promoter Group of the Company, the BRLM and the Syndicate Members and the persons related to Promoter, Promoter Group, BRLM and the Syndicate Members.

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLM or any associates of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLM, Pension funds sponsored by entities which are associate of BRLM) nor (ii) any "person related to the Promoters/ Promoter Group" shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoters/ Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.

The Promoters and members of the Promoter Group will not participate in the Issue.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs bidding on a repatriation basis by using the Non-Resident forms should authorise their SCSB to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non- Resident ("**FCNR**") accounts, and Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary ("**NRO**") accounts or accept the UPI mandate request (in case of UPI Bidders using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).

For details of investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 369. Participation of Eligible NRIs shall be subject to the FEMA Non-debt Rules.

Bids by Hindu Undivided Families ("HUFs")

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Foreign Portfolio Investors ("FPIs")

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM, reserves the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Non-debt Rules, the total holding by each FPI, or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e. up to 100%). In terms of the FEMA Non-Debt Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time. In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:

a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents. ([●] in colour). Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment manager in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids will be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids involving (i) the MIM Structure and indicating the name of their respective investment manager in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations, inter-alia, prescribe the respective investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI.

Accordingly, the holding in any company by any individual VCF or FVCIs (under Schedule I of the FEMA Non-Debt Rules) registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public issue.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 ("**SEBI VCF Regulations**"), the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM reserve the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "**Banking Regulation Act**"), and the Master Directions – RBI (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on investment made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the RBI (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;

b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,50,00,000 lakhs or more or the above limit of* 10% *shall stand substituted as 12% of outstanding equity shares (face value) for insurers with investment assets of ₹50,00,000 lakhs or more but less than ₹2,50,00,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.

- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

  Process for generating list of allotees:
  - ✓ Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
  - ✓ In categories where there is proportionate allotment, the Registrar will prepare the proportionate

working based on the oversubscription times.

- ✓ In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allotees, partial allotees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company in consultation with the BRLM may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditors, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Manager.
2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹1,000 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹1,000 lakhs.
3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price.
4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and will be completed on the same day.

5) Our Company in consultation with the Book Running Lead Manager will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹1,000 lakhs; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1,000 lakhs but up to ₹ 25,000 lakhs, subject to a minimum Allotment of ₹500 lakhs per Anchor Investor; and (c) in case of allocation above ₹25,000 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹25,000 lakhs, and an additional 10 Anchor Investors for every additional ₹25,000 lakhs, subject to minimum Allotment of ₹500 lakhs per Anchor Investor.

6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the Book Running Lead Manager before the Bid/ Issue Opening Date, through intimation to the Stock Exchanges.

7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

9) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors will be locked in for a period of 30 days from the date of Allotment.

10) Neither the Book Running Lead Manager or any associate of the Book Running Lead Manager (other than Mutual Funds sponsored by entities which are associates of the BRLM or AIFs sponsored by entities which are associates of the BRLM or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM) shall apply in the Issue under the Anchor Investors Portion. For details, see "***Issue Procedure***" on page 349. Further, no person related to the Promoters or Promoter Group shall apply under the Anchor Investors category.

11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Issue.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid(s) until the Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Do not Bid for a Bid Amount exceeding ₹ 2.00 lakhs (for Bids by RIIs).
4. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
5. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not an UPI Bidder bidding using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;
6. UPI Bidders using UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
8. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
9. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
10. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms;
11. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
13. UPI Bidders Bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
15. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the

electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
17. Ensure that the Demographic Details are updated, true and correct in all respects;
18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
19. Ensure that the category and the investor status is indicated in the Bid cum Application Form;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
21. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
22. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor.
24. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
25. In case of QIBs and NII bidders, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);
26. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. of the Bid/ Issue Closing Date;
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment manager in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
28. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and
29. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM.

30. Bids by Eligible NRIs for a Bid Amount of less than ₹0.20 million would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the Non- Institutional Category for allocation in the Issue.
31. The ASBA bidders shall ensure that bids above ₹ 500,000 are uploaded only by the SCSBs.
32. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid for a Bid Amount exceeding ₹2.00 lakhs (for Bids by Retail Individual Bidders);
4. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
8. Do not submit the Bid for an amount more than funds available in your ASBA account.
9. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
10. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
11. If you are a UPI Bidders and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
12. Anchor Investors should not Bid through the ASBA process;
13. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
14. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
15. Do not submit the General Index Register (GIR) number instead of the PAN;
16. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
17. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
19. Do not submit a Bid using UPI ID, if you are not a RIB;
20. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not Bid for Equity Shares in excess of what is specified for each category;
22. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
24. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centers;
25. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or

third party linked bank account UPI ID;
26. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIBs using the UPI Mechanism;
27. If you are a QIB, do not submit your Bid after 12:00 p.m. on the Bid/ Issue Closing Date (for Physical Applications) and after 3 p.m. on the QIB Bid / Issue Closing Date (for online applications);
28. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned in the list provided on the SEBI website is liable to be rejected; and
29. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders were requested to note that Bids could be rejected on the following additional technical grounds:
1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the first Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹2.00 lakhs;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see "***General Information***" on page 80.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

For helpline details of the BRLM pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see "***General Information – Book Running Lead Manager***" on page 81.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 2.00 lakhs and up to ₹10.00 lakhs, and (ii) two-third of the portion available to Non- Institutional Bidders shall be reserved for applicants with an application size of more than ₹10.00 lakhs, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to Non-Institutional Bidder shall not be less than the minimum NII Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company and the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) , all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and and a Gujarati regional daily newspaper (Gujarati being the regional language of State of Gujarat, where our Registered Office is located), each with wide circulation.

In the pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information is given for the benefit of the Bidders/applicants. Our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

a) Our Company and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price but prior to the filing of Prospectus.

b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

Allotment Advertisement

Our Company, the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and and a Gujarati regional daily newspaper (Gujarati being the regional language of State of Gujarat, where our Registered Office is located), each with wide circulation/.

The information set out above is given for the benefit of the Bidders. Our Company, and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- No further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc
- Promoter's contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees.
- that if the Issue is withdrawn after the Bid/Issue Closing Date, our Company shall be required to file an Issue Document with SEBI, in the event a decision is taken to proceed with the Issue subsequently.
- that our Company shall not have recourse to the Net Proceeds until the final approval for listing and

trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

- It shall not issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Issue, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Issue.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, and Issue Price, will be taken by our Company in consultation with the BRLM, in accordance with applicable law.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated January 13, 2025, among CDSL, our Company and the Registrar to the Issue
- Tripartite Agreement dated October 18, 2024, among NSDL, our Company and the Registrar to the Issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who—

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name

d) shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 100.00 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six-months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 100.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

Utilisation of Issue Proceeds

- The Company specifically confirms and declares that all monies received out of the Issue shall be transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act, 2013.
- Details of all monies utilized shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- Details of all unutilized monies, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Circular**"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. Under the current FDI Policy, 100% foreign direct investment is permitted in the industry in which we operate, under the automatic route, subject to compliance with certain prescribed conditions.

In terms of Press Note 3 of 2020, dated April 17, 2020 ("**Press Note**"), issued by the DPIIT, the FDI Circular and the FEMA (Non-debt Instruments) Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period. Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Issue Procedure – Bids by Eligible NRIs***" and "***Issue Procedure –Bids by FPIs***", both on page 355.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting held on, Friday, July 26, 2024 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Article1

1. The regulation contained in the Table marked 'F' in Schedule F to the Companies Act, 2013 as amended from time to time, shall not apply to the company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

Article 2

2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration or addition to its regulations by resolutions as prescribed or permitted by the Companies Act 2013, as amended from time to time, be such as are contained in these Articles.

Article 3

3. **DEFINITIONS AND INTERPRETATION**

In these Articles, the following words and expressions unless repugnant to the subject shall mean the following:

"**Act**" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

"Annual General Meeting" means the annual general meeting of the Company convened and held in accordance with the Act.

"Articles of association" or "Articles" mean these articles of association of the Company, as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act.

"Board" or Board of Directors" means collective body of the Directors of the Company.

"Business" shall mean the business as mentioned in Memorandum of Association including related activities and such other business, in each case as approved by the Board of Directors in accordance with the provisions of these Articles.

"Capital" means the share capital, for the time being, raised or authorized to be raised, for purposes of the Company.

"Chairman" means the chairman of Board of Directors and/or of the Company.

“Company” means Shree Ram Twistex Limited, a company Incorporated under the laws of India.

“Depository” means in depository, as defined in clause (e) of sub-section (I) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (IA) of Section 12 of the Securities and Exchange Board of India Act, 1992.

“Director” shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed by the Board in accordance with the provisions of these Articles.

“Equity Shares or Shares” shall mean the issued, subscribed and fully paid –up equity shares of the Company of Rs. 10 each

“Exchange” shall mean BSE Limited and the National Stock Exchange of India Limited.

“Extraordinary General meeting” means and extraordinary general meeting of the Company convened and held in accordance with the Act.

“General Meeting” means any duly called, constituted and convened meeting of the shareholders of the Company under the provisions of the Act, and any adjournments thereof:

“Member” means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository:

“Memorandum” or Memorandum of Association” means the memorandum of association of the Company, as may be altered from time to time:

“Office” means the registered office, for the time being of the Company:

“Officer” shall have the meaning assigned thereto by the Act:

“Ordinary Resolution” shall have the meaning assigned thereto by the Act.

“Register of Members” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository.

“Special Resolution” shall have the meaning assigned thereto by the Act.

4. Except where the contact requires otherwise these Articles will be interpreted as follows.

   (a) headings are for convenience only and shall not affect the construction or interpretation any provision of these Articles

   (b) where a word or phrase is defined other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings:

   (c) words importing the singular shall include the plural and vice versa:

   (d) all words (whether gender –specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders:

   (e) the expressions “hereof” “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expressions appears:

   (f) the *ejusdem generis* (for the same kind) rule will not apply to the interpretation of these Articles. Accordingly include and including will be read without limitation.

(g) Any reference to a person includes any individual firm, corporation partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind whether or not having separate legal personally. A reference to any person in these Articles shall where the context permits include such person's executions administrators, heirs legal representatives and permitted successors and assigns:

(h) a reference to any document (including these Articles) is to that document as amended consolidated, supplemented, notated or replaced from time to time,

(i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.

(j) a reference to any statute or statutory provision includes to the extent applicable at any relevant time.
   (i). that statute or statutory provision as from time to time consolidated modified, re-enacted or replaced by any other stature or statutory provision; and
   (ii). any subordinate legislation or regulation made under the relevant statute or statutory provision:

(k) references to writing include any mode of reproducing words in a legible and non – transitory form; and

(l) references to Rupees Re., Rs. INR, ₹ are references to the lawful currency of India.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. **AUTHORISED SHARE CAPITAL**

The authorised share capital of the Company shall be such amount divided in to such numbers, class(s) and description of shares and into such denomination(s) as stated for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause 5 of the Memorandum of Association, with power to increase or reduce such capital from time to time.

The Company in a General Meeting may from time to time, increase the capital by the creation of new shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and in particular such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company on winding up and with or without a right of voting at General Meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.

6. **NEW CAPITAL PART OF THE EXISTING CAPITAL**

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installment forfeiture lien, surrender, transfer and transmission, voting and otherwise.

7. **KINDS OF SHARE CAPITAL**

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable law.

(a) Equity share capital
- (i) With voting rights, and / or
- (ii) With differential rights as to dividend voting or otherwise in accordance with the Act; and
- (iii) Options or Warrant which may be converted to Equity in accordance with the Act.

(b) Preference share capital
- (i) Redeemable preference shares in accordance with the Act.

8. **SHARES AT THE DISPOSAL OF THE DIRECTORS**

Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit

9. **CONSIDERATION FOR ALLOTMENT**

The Board of Directors may issue and allot shares of the Company as payment in full or in part for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and /or in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares. Provided that option or right to call on Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.

10. **SUB –DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE**

Subject to the applicable provisions of the Act, the Company in its General Meetings may by an ordinary Resolution, from time to time:

(a) Increase the share capital by such sum to be divided into shares of such amount as it thinks expedient:

(b) Divide, sub-divide, reclassify or consolidate its shares or any of them, and the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others.

(c) Cancel shares which at the date of such General meeting have not been taken or agreed to be takes by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

(d) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; and

(e) Convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination

11. **FURTHER ISSUE OF SHARES**

(1) Subject to the provisions of the Act and the rules framed thereunder and the regulations framed by SEBI which are applicable to the Company at the time of the issue of capital, where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further

shares either out of the unissued or out of the increased share capital then such shares shall be offered,:

A. To the persons who at the date of the offer are holders of the Equity shares of the Company in proportion as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (i) to (iii) below:

(i) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer, within which the offer if not accepted shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue:

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any Person in whose favour any member may, renounce the Shares offered to him;

(iii) After the expiry of time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the members and the Company.

B. To employees under any scheme of employees stock option subject to special resolution passed by the Company and subject to the rules and such other conditions as may be prescribed under applicable law: or

C. To any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered value subject to compliance with the applicable conditions prescribed in the Act and the rules made thereunder;

(2) Nothing in sub – clause (iii) of Clause (I)(A) shall be deemed:
(i) To extend the time within which the offer should be accepted or
(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a special resolution passed by the Company in a General Meeting.

(4) Notwithstanding anything contained in Article 11(3) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company and if that government considers it necessary in the public interest so to do, it may by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and

conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may,within sixty days from the date of communication of such order appeal to National Company Law Tribunal which shall after hearing the Company, and the Government may pass such order as it deems fit .

In determining the terms and conditions of conversion under above mentioned clause, the government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

Where the government has, by an order made under abovementioned clause, directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under above mentioned clause or where such appeal has been dismissed, the Memorandum of the Company shall, where such order the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of Shares which such debentures or loans or part thereof has been converted into.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

12. **ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES**

Any application signed by or on behalf of an applicant for shares in the Company followed by and allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person, who, thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a member.

13. **RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act and other applicable laws, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act and other applicable laws.

14. **MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY**

The money (if any) which the Board shall on the allotment of any shares being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.

15. **INSTALLMENTS ON SHARES**

If, by the conditions of allotment of any shares whole or part of the amount or issue price thereof shalbe payable by installments every such installment shall which due, be paid to company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

16. **MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS**

Every Member or his heirs executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may for the time being remain unpaid there on in such amounts at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

17. **VARIATION OF SHAREHOLDERS RIGHTS**

(a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and other applicable laws and whether or not the Company is being wound up, be varied with the consent in writing of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class as prescribed by the Act.

(b) Subject to the provisions of the Act and other applicable laws to every such separate meeting the provisions of these Articles relating to meeting shall mutatis mutandis apply.

18. **PREFERENCE SHARES**

(a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non –cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) Convertible Redeemable Preference Shares

The Company subject to the applicable provisions of the Act and the consent of the Board shall have power to issue on a cumulative or non – cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act exercise such power as they deem fit and provide for redemption at a premium or otherwise and /or conversion of such shares into such securities on such terms as they may deem fit

19. **PAYMENTS OF INTEREST OUT OF CAPITAL**

The Company shall have the power to pay interest out of its capital on so much of the shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for the Company in accordance with the Act.

20. **AMALGAMATION**

Subject to provisions of these Articles, the Company may amalgamate or cause itself to be amalgamated with any person, firm or body corporate subject to the provisions of the Act.

SHARE CERTIFICATES

21. **ISSUE OF CERTIFICATE**

Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of Court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case may be or within a period of six (6) months from the date of allotment in the case of any allotment of debenture.

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

Every certificate shall specify the shares to which it relates and the amount paid –up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary and the common seal it shall be affixed in the presence of the persons required to sign the certificate.

Provided that where the Company does not have a seal, the share certificates shall be signed by two Directors, or by a director and the company secretary, wherever the company has appointed a company secretary.

22. **RULES TO ISSUE SHARE CERTIFICATES**

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the Act.

23. **ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED**

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of such fees for each certificate as may be specified by the Board (which fees shall not exceed the maximum amount permitted under the applicable law) provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

The provisions of the foregoing Articles relating to issue of certificates in relation to are shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

UNDERWRITING & BROKERAGE

24. **COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.**

(a) Subject to the provision of the Act and other applicable laws, the Company may at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company.

(b) The Company may also, in any issue, pay such brokerage as may be lawful.

(c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

LIEN

25. **COMPANY'S LIEN ON SHARES / DEBENTURES**

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time in respect of that share / debenture and equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's liens shall be restricted to moneys called or payable at a fixed time in respect of such shares.

26. **LIEN TO EXTEND TO DIVIDENDS, ETC.**

The company's lien, if any, on a share shall extend to all dividends or interest, as case may be, payable and bonuses declared from time to time in respect of such / debentures.

27. **ENFORCING LIEN BY SALE**

The Company may sell in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made -
(a) Unless a sum in respect of which the lien exists is presently payable; or
(b) Until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

28. **VALIDITY OF SALE**

To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

29. **VALIDITY OF COMPANY'S RECEIPT**

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or at transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

30. **APPLICATION OF SALE PROCEEDS**

The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

31. **OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent justification or unless required by law) be bound to recognize any equitable or other claim to or interest in, such share on the part of any other person whether a creditor of the registered holder or otherwise. The Company's lien shall prevail not withstanding that it has received notice of any such claim.

32. **PROVISIONS AS TO LIEN TO APPLY MUTATIES MUTANDIS TO DEBENTURES ETC.**

The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

CALLS ON SHARES

33. **BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES**

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed time. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on share shall not be delegated to any other person except with the approval of the shareholders' in a General meeting.

34. **NOTICE FOR CALL**

Each Member shall, subject to receiving at least fourteen (14) day's notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

35. **CALL WHEN MADE**

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier then the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

36. **LIABILITY OF JOINT HOLDERS FOR A CALL**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

37. **CALLS TO CARRY INTEREST**

If a Member fails to pay any call due from his on the day appointed for payment thereof, or any such extension thereof as aforesaid he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

38. **DUES DEEMED TO BE CALLS**

Any sum which by the terms of issue of share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

39. **EFFECT OF NON-PAYMENT OF SUMS**

In case of non-payments of such sum, all the relevant provisions of these Articles as to Payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

40. **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

The Board –

(a) May, subject to provisions of the Act, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him, and
(b) Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends or (ii) any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable by him. The Directors may at any times repay the amount so advanced.

41. **PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTUTES, ETC.**

The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

42. **BOARD TO HAVE A RIGHT TO FORFEIT SHARES**

If a Member fails to pay any call, or installment of a call or any money due in respect of any share on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non –payment.

43. **NOTICE FOR FORFEITURE OF SHARES**

The notice aforesaid shall

(a) Name a day, (not being earlier then the expiry of fourteen days from the date of services of the notice) on or before which the call or installment and such interest and expenses as required by the notice is to be made; and
(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Subject to the provisions of the Act, such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.

44. **RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payments of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law

45. **FORFETTED SHARE TO BE THE PROPERTY OF THE COMPANY**

Any share forfeited in accordance with these Articles shall be deemed to be the property of the Company and may be sold. Re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit

46. **ENTRY OF FORFEITURE IN REGISTER OF MEMBERS**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but so forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry its aforesaid.

47. **MEMBER TO BE LIABLE EVEN AFTER FORFETURE**

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full all such monies in respect of the shares.

48. **EFFECT OF FORFEITURE**

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

49. **CERTIFICATE OF FORFEITURE**

A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the fact therein stated as against all persons claiming to be entitled to the share.

50. **TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES**

The Company may receive the consideration if any, given for the share on any sale, re – allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon to registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title so the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale re – allotment or disposal of the share.

51. **VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing alien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the register of Members is respect of such shares the validity of the sale shall not be impeached by any person.

52. **CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the deflating member) stand cancelled and become null and void and be of no effect and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

53. **BOARD ENTTLED TO CANCEL FORFEITURE**

The Board may at any time before any share so forfeited shall have them sold, re allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

54. **SURRENDER OF SHARE CERTIFICATES**

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such term as they think fit.

55. **SUMS DEEMED TO BE CALLS**

The provisions of these Articles as to forfeiture shall apply in the case of non –payment of any sum which, by the terms of issue of a share, becomes payable at affixed time whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

56. **PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DENENTURES, ETC.**

The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures, of the Company.

TRANSFER AND TRANSMISSION OF SHARES

57. **REGISTER OF TRANSFERS**

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

58. **ENDORSEMENT OF TRANFER**

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct and endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate in lieu of and in cancellation of the existing certificate in the name of the transferee.

59. **INSTRUMENT OF TRANSFER**

(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized from, the provisions of the Depositories Act, 1996 shall apply.

(b) The Board may decline to recognize any instrument of transfer unless
(i). the instrument of transfer is in the form prescribed under the Act:
(ii). the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer: and
(iii). the instrument of transfer is in respect of only one class of shares.

(c) No fee shall be charged for registration of transfer transmission, probate, succession certificate and letters of administration certificate of death or marriage power of attorney or similar other document.

60. **EXECUTION OF TRANSFER INSTRUMENT**

Every such instrument of transfer shall be executed both by and on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

61. **CLOSING REGISTER OF TRANSFERS AND OF MEMBERS**

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days notice or such period as may be prescribed, to close the transfer books, register of members, the register of debenture holders at such time or times and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

62. **DIRECTORS MAY REFUSE TO REGISTER TRANSFEER**

Subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission as the case may be, was delivered to the Company, provided that registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares debentures in whatever lot shall not be refused.

63. **TRANSFER OF PARTLY PAID SHARES**

Where in the case of partly paid shares an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

64. **TITLE TO SHAES OF DECEASED MEMBERS**

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the

Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

65. **TRANSFERS NOT PERMITTED**

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

66. **TRANSMISSION OF SHARES**

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, money bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (with it shall not be under any obligation to give) upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or so make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself he shall deliver or send to the Company a notice in writing signed by him stating that be so elects provided nevertheless if such person shall elect to have his nominee registered, be shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares . Further, all limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

67. **RIGHTS ON TRANSMISSION**

A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirement of notice have been complied with.

68. **SHARE CERTIFICATES TO BE SURRENDERED**

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

69. **COMPANY NOT LIABLE TO NOTICE OF EQUIATBLE RIGHTS**

The company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register)to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights ,title or interest or under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the board shall so think fit.

70. **TRANSFER AND TRANSMISSION OF DEBENTURES**

The provisions of these Articles, shall, mutatis mutandis, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the company.

ALTERATION OF CAPITAL

71. **RIGHTS TO ISSUE SHARE WARRENTS**

The company may issue share warrants subject to and in accordance with provisions of the Act and other applicable laws. The board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the board may from time to time require having been paid, issue a warrant.

72. **BOARD TO MAKE RULES**

The board may from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

73. **SHARES MAY BE CONVERTED INTO STOCK**

Where share are converted into stock:

a) the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same Articles under which, the share from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:

Provided that the board may, from time to time, fix the minimum amount of stock transferable so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

b) the holders of stock shall, accordingly to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends ,voting at meetings of the company and other matters as if they held the shares from which the stock arose ,but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares have conferred that privilege or advantage;

c) such of the Articles of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"member" shall include "stock" and "stock holder" respectively.

74. **REDUCTION OF CAPITAL**

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the applicable laws-

a) its share capital; and /or
b) any capital redemption reserve account ;and /or
c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be(i)extinguishing or reducing the liability on any of its shares in respect of share capital not paid up ;(ii)either with or without extinguishing or reducing liability on any of its shares (a) cancel paid up share capital which is lost or is unrepresented by available assets or (b) pay off any paid up share capital which is in excess of the wants of the company and may, if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

75. **DEMATERIALSATION OF SECURITIES**

a) The Company shall recognize interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provision of the Depositories Act,1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and participants) Regulations ,2018 and other applicable laws.

b) Demateralisation /Re-Materalisation of Securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the company shall be entitled to dematerialize its existing securities, re-materalise its securities held in Depositories and/ or offer its fresh securities in the dematerialized form pursuant to the Depositories Act,1996 and the rules framed thereunder, if any.

c) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that security.

d) Securites in Electronic Form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificates shall be issued for the securities held by the Depository.

e) Beneficial owner deemed as absolute owner

Except as ordered by the Court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claims to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute rights thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

f) Register and index of beneficial owners

Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share shall, within such time and in such form as prescribed under the Act, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest (including the change, if any) in such share in such manner as may be required under the provisions of the Act.

Where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration, a return in the prescribed form with the Registrar with regard to such declaration.

The company shall cause to be kept a register and index of members with details of securities held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The company shall have the power to keep in any state or country outside India, a Register of members, resident in that state or country.

76. **BUY BACK OF SHARES**

Notwithstanding anything contained in these Articles, but subject to applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified Securities.

Subject to the all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including Securities Exchange Board of India and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as ‘buy-back’) from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.

GENERAL MEETINGS

77. **ANNUAL GENERAL MEETINGS**

(a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year
(b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

78. **EXTRAORDINARY GENERAL MEETINGS**

All General Meetings other than the Annual General Meeting shall be called “Extraordinary General Meetings”. Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

79. **EXTRAORDINARY MEETINGS ON REQUISITION**

The Board shall, on the requisition of members, convene an Extraordinary General Meeting of the company in the circumstances and in the manner provided under the Act.

80. **NOTICE FOR GENERAL MEETINGS**

All General Meetings shall be convened by giving not less than clear twenty one (21) day's notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transferred at such a meeting in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and /or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

81. **SHORTER NOTICE ADMISSIBLE**

Upon compliance with the relevant provisions of the act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

82. **CIRCULATION OF MEMBERS' RESOLUTION**

The company shall comply with provisions of section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of members.

83. **SPECIAL AND ORDINARY BUSINESS**

a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

b) In case of special business as aforesaid, an explanatory statement as required under the applicable provision of the Act shall be annexed to the notice of the meeting.

84. **QUORUM FOR GENEREAL MEETING**

Five (5) Members or such other number of Members as required under the provision of section 103 the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for the General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting

85. **TIME FOR QUORUM AND ADJOURNMENT**

Subject to the provisions of the act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

86. **CHAIRMAN OF GENERAL MEETING**

The Chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company

87. **ELECTION OF CHAIRMAN**

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the members present shall chose a member to be the chairman.

88. **ADJOURNMNET OF MEETING**

Subject to the provision of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

89. **VOTING AT MEETING**

At any General meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at anytime by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

90. **DECISION BY POLL**

If a poll is duly demanded in accordance with the provision of the Act, it shall be taken in such manner as the Chairman directs as the results of the poll deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded

91. **CASTING VOTE OF CHAIRMAN**

In case of equal votes, whether on a show of hands or an a poll, the chairman of the General meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a member

92. **PASSING RESOLUTIONS BY POSTAL BALLOT**

a) Notwithstanding any of the provisions of these Articles, the company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General meeting of the company
b) where the company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the act.
c) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf

VOTE OF MEMBERS

93. **VOTING RIGHTS OF MEMBERS**

Subject to any rights or restrictions for the time being attached to any class or classes of shares
a) On a show of hands every member holding Equity shares and present in person shall have one vote.
b) On a poll, every member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up equity share capital .
c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once

94. **VOTING BY JOINT HOLDERS**

In case of Joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

95. **VOTING BY MEMBER OF UNSOUND MIND**

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy ,may vote, whether on a show of hands or on a poll, by his committee or other legal guardian ,and any such committee or legal guardian may, on a poll ,vote by proxy.

96. **NO RIGHT TO VOTE UNLESS CALLS ARE MADE**

No member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid or in regard to which the Company has lien and has exercised any right of lien.

97. **PROXY**

Any member entitled to attend and vote at a General Meeting may do so either personally or through his continued attorney or through another person as a proxy on his behalf, for that meeting.

98. **INSTRUMENT OF PROXY**

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose .The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a member of the company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other attorney (if any) under which it is signed or a notarized copy of that power must be deposited at the office of the company not less than fourty eight hours(48) prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

99. **VALIDITY OF PROXY**

A vote given in accordance with the terms of an instrument of proxy shall be valid ,notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity ,revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

100. **CORPORATE MEMBERS**

Any corporation which is a member of a company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act its representative at any meeting of the company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

101. NUMBER OF DIRECTORS

Unless otherwise determined by General Meeting and, subject to the applicable provisions of the Act, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) director shall be resident of India i.e. atleast one director who has stayed for minimum 182 days in India in a previous calendar year.

The Company shall appoint such number of woman director as may be required under the provisions of the Act other applicable laws.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

The following shall be the first directors of the company
a) Bhaveshbhai Bhikhubhai Ramani.
b) Bhavesh Savjibhai Kothari.
c) Atulbhai Govindbhai Tilala.

102. SHARE QUALIFICATION NOT NECESSARY

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any director.

103. ADDITIONAL DIRECTORS

Subject to the provisions of the Act, the board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

104. ALTERNATE DIRECTORS

a) Subject to the provisions of the Act, the Board may, appoint a person, not being a person holding any alternate directorship for any other director in the company or holding directorship in the Company ,to act as an alternate director for a director during his absence for a period of not less than 3(three) months from India (hereinafter in this Article called the "**Original Director**")

b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the original director and not to the alternate director.

105. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

Subject to the provisions of the Act, if the office of any Director appointed by the company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

106. REMUNERATION OF DIRECTORS

a) A Director (other than a Managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him.

The remuneration of Directors including Managing Director and / or whole-time Director may be paid in accordance with the applicable provisions of the Act.

b) The Board of Directors may allow and pay or reimburse any director who is not a *bonafide* resident of the place where a meeting of the board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board, may consider fair compensation for travelling, and out-of-pocket expenses and if any director be called upon to go or reside out of the ordinary place of his residence on the company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the company.

c) The Managing Directors/whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the company and shall be entitled to be paid by the company any remuneration that they may pay to such part time employees.

107. **REMUNERATION FOR EXTRA SERVICES**

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Directors as a Member of any committee formed by the Directors) in going or residing away from the town in which the office of the Company may be situated for any purposes of the company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

108. **CONTINUING DIRECTOR MAY ACT**

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

109. **VACATION OF OFFICE OF DIRECTOR**

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ROTATION AND RETIREMENT OF DIRECTOR

110. **ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR**

At the Annual General Meeting of the company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office and they will be eligible for re-election. The managing director or whole time director appointed shall be included in calculating the total number of Directors of whom one third shall retire from office under this Article and will be retire by rotation. Provided nevertheless that the Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

111. **RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION**

A retiring Director shall be eligible for re-election and the company, at the Annual General meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto

112. **WHICH DIRECTOR TO RETIRE**

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

83. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

Subject to the provisions of the Act, the company may by an Ordinary resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an ordinary resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act and shall be removed by the company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

113. **DIRECTORS NOT LIABLE FOR RETIREMENT**

The company in General meeting may, when appointing a person as a director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

114. **DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY**

Directors of the company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company subject to compliance with applicable provisions of the Act.

PROCEEDINGS OF BOARD OF DIRECTORS

115. **MEETINGS OF THE BOARD**

a) The Board of Directors shall meet as and when required with a maximum gap of four(4) months between two(2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

b) The Chairman may, at any time, and the secretary or such other Officer of the company as may be authorized in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the board shall be given to every Director and every alternate director at his usual address whether in India or abroad.

c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venture for the proposed meeting, and (iii) an agenda setting out the business proposed to be transacted at the meeting

d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any director participating in a meeting though the use of video conferencing shall be counted for the purpose of quorum.

116. **QUESTIONS AT BOARD MEETING HOW DECIDED**

Questions arising at any time at the meeting of the board shall be decided by majority of votes and in case of equality of votes, the Chairman in his absence the Vice Chairman are the director presiding shall have a second or casting vote.

117. **QUORUM**

Subject to the provisions of the act and other applicable law, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested directors is equal to or exceeds two-thirds of total strength, the number of remaining directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such times. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution of meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term ‘interested director’ means any Director whose presence cannot by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the board, at the time of the discussion or vote on the concerned matter or resolution.

118. **ADJOURNED MEETING**

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

119. **ELECTION OF CHAIRMAN OF BOARD**

a) The board may elect a Chairman of its meeting and determine the period for which he is to hold office.

b) If no such Chairman is elected or at any meetings the Chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one along themselves to be the Chairman of the meeting.

120. **POWERS OF DIRECTORS**

a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting but no regulation made by the company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation not been made.

b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner has the Board shall from time to time by resolution determine.

121. **DELEGATION OF POWERS**

a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

b) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

122. **ELECTION OF CHAIRMAN OF COMMITTEE**

a) A committee may elect a Chairman of its meeting. If no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of the members to be the Chairman of the committee meeting.

b) The Quorum of a committee may be fixed by the board of directors.

123. **QUESTIONS HOW DETERMINED**

a) A Committee may meet and adjourn as it thinks proper

b) Questions arising at any meeting of committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the Chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

124. **VALIDITY OF THE ACTS DONE BY BOARD OR A COMMITTEE**

All acts done by any meeting of the Board or a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person has been duly appointed and was qualified to be a Director

125. **RESOLUTION BY CIRCULATION**

Save as otherwise expressly provided in the act , a resolution in writing circulated in draft together with the necessary papers , if any, to all the Directors or to all the members of the committee then in India , not being less in number than the quorum fixed of the meeting of the Board or the Committee as the case may be and to all other Directors or members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the board or committee duly convened and held.

126. **MAINTENANCE OF FOREIGN REGISTER**

The Company may exercise the powers conferred on it by the Act with regard to keeping of a foreign register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any register.

127. **BORROWING POWERS**

a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular , by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge, or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided however, that the moneys to be borrowed, together with the money altered borrowed by the company apart from temporary loans (as defined under section 180 (1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special resolution at a General meeting exceed the aggregate of the paid capital of the company, its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General meeting in relation to the exercise of the power to borrow shall specify the total amount up to which the moneys may be borrowed by the board of Directors.

b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or Managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the company.

d) Any Bonds , debentures -stock or other securities may if permissible under applicable law may be issued at a discount , premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner for such consideration as the Board shall consider to be for the benefit of the company, and on the condition that they or any part of them may be convertible into Equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity shares shall not be issued except with the sanction of the Company in General meeting accorded by a Special resolution.

128. **NOMINEE DIRECTORS**

a) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India ,State Financial corporation or any Financial Institution owned or controlled by the Central Government or State Government or any Non-Banking financial Company regulated by the Reserve Bank of India or any such company from whom company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforesaid companies or Financial institutions holds or continues to hold debentures/ shares in the company as a result of underwriting or by direct subscription or private placement or so long as any liability of the company arising out of any guarantee furnished on behalf of the company remains outstanding and if the loan or other agreement with such institution/corporation/company (hereinafter referred to as the **"corporation"**) so provides, the corporation may in pursuance of the provisions of any law for the time being in force or of any agreement have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Directors is/are hereinafter referred to as "Nominee Directors") on the Board of the company and to remove from such office any person or persons so appointed and to appoint any person or persons in his/their place(s).

b) The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the meetings of the committee of which Nominee Directors is/are members as also the minutes of such meetings. The corporation should also be entitled to receive all such notices and minutes.

c) The Company may pay the Nominee Directors sitting fees and expenses to which the other Directors of the company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the company the fees, commission, monies and remuneration in relation to such Nominee Directors may accrue to the Nominee appointer and same shall accordingly be paid by the company directly to the Corporation.

d) Provided that the sitting fees, in relation to such Nominee Directors shall also accrue to the appointer and same shall accordingly be paid by the company directly to the appointer.

129. **REGISTER OF CHARGES**

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

130. **MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS**

a) The Board may from time to time and with such sanction of the central government as may be required by the Act, appoint one or more of the Directors to the office of the managing director and/or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

b) The Directors may from time to time resolve that there shall be either one or more managing directors and/or whole-time directors.

c) In the event of any vacancy arising in the office of a managing director and/or whole-time directors, vacancy shall be filled by the Board of Directors subject to the approval of the members.

d) If a managing director and/or whole-time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.

e) If the managing director and/or whole-time director shall be liable to retirement by rotation as long as he holds office as managing director or whole-time director.

131. **POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE – TIME DIRECTOR**

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

Subject also to the other applicable provisions, if any, of the Act, the Company shall not appoint or employ, or continue the appointment or employment of, a Person as its managing or whole-time director who :-

a) is below the age of twenty-one years or has attained the age of seventy years
b) is an undischarged insolvent, or has any time been adjudged an insolvent;
c) suspends, or has at any time suspended, payment to his creditors, or makes or has, at any time, made, a composition with them; or
d) is or has, at any time, been convicted by a Court and sentenced for a period of more than six months

132. **REIMBURSEMENT OF EXPENSES**

The managing director/whole time director shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

133. **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act –

a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board.

b) A director may be appointed as chief executive officer, manager, company secretary and chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

c) A provision of the Act or the Articles requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, company secretary and chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary and chief financial officer

COMMON SEAL

134. **CUSTODY OF COMMON SEAL**

The Company shall not have any official common seal.

135. **SEAL HOW AFFIXED**

The Directors shall provide a common seal, if any for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used expect by or under the authority of the Directors or a committee of the Directors previously given, and in the presence of atleast one Director or company secretary, if any, or such other person duly authorized by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may exercise the power conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

DIVIDEND

136. **COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS**

The company in general meeting may declare dividends to be paid to the Members according to their respective rights, but no dividend shall exceed the amount recommended by the Board. The Company may, in general meeting, declare a smaller dividend, than was recommended by the Board.

137. **INTERIM DIVIDENDS**

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

138. **RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND**

a) Where capital is paid in advance of calls, such capital, while carrying interest, shall not confer a right to dividend or to participate in the profits.

b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called " Unpaid Dividend Account of [●]"

c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven(7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act

d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

139. **DIVISION OF PROFITS**

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

140. **DIVIDENDS TO BE APPORTIONED**

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

141. **RESERVE FUNDS**

a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve

142. **DEDUCTION OF ARREARS**

Subject to the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares while any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the board may deduct from any dividend payable to any members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the company.

143. **RETENTION OF DIVIDENDS**

The Board may retain dividends payable upon shares in respect of which any person is, under Articles 57 to 70 herein before contained, entitled to become a member, until such person shall become a member in respect of such shares.

144. **RECEIPT OF JOINT HOLDER**

Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

145. **DIVIDEND HOW REMITTED**

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

146. **DIVIDENDS NOT TO BEAR INTEREST**

No dividend shall bear interest against the company.

147. **TRANSFER OF SHARES AND DIVIDENDS**

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

148. **CAPITALISATION OF PROFITS**

a) The company in general meeting may, on recommendation of the Board, resolve
   - (i). that it is desirable to capitalise any part of the amount for the time being standing to the credit of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
   - (ii). that such sum be accordingly set free for distribution in the manner specified in Sub - clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.

b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub - clause (c) of Article 51 below, either in or towards -
   - (i). paying up any amounts for the time being unpaid on shares held by such members respectively;
   - (ii). paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; or
   - (iii). partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
   - (iv). A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.
   - (v). The Board shall give effect to the resolution passed by the company in pursuance of these Articles.

149. **POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE**

a) Whenever such a resolution as aforesaid shall have been passed, the Board shall –

(i). make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and

(ii). generally do all acts and things required to give effect thereto.

b) The Board shall have full power :

(i). to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and

(ii). to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

c) Any agreement made under such authority shall be effective and binding on such members.

ACCOUNTS

150. **WHERE BOOKS OF ACCOUNTS TO BE KEPT**

The Books of account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

151. **INSPECTION BY DIRECTORS**

The books of accounts and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act.

152. **INSPECTION BY MEMBERS**

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Board.

SERVICE OF DOCUMENTS AND NOTICE

153. **MEMBERS TO NOTIFY ADDRESS IN INDIA**

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.

154. **SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

155. **SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS**

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assigned of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

156. **PERSONS ENTITLED TO NOTICE TO GENERAL MEETINGS**

Subject to the provisions of the Act and those Articles, notice of General Meeting shall be given:

a) To the members of the Company as provided by these Articles.
b) To the persons entitled to a share in consequence of the death or insolvency of a Member
c) To the Directors of the Company
d) To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

157. **NOTICE BY ADVERTISEMENT**

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the office is situated.

158. **MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS**

Every person who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of members, shall have been duly served on or sent to the person from whom he derived his title to such share.

Any notice to be given by the Company shall be signed by the Managing Director or by such Director or Secretary (if any) or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

159. Subject to the applicable provisions of the Act -

a) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

160. **APPLICATION OF ASSETS**

Subject to the provisions of the Act as to be preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

161. **DIRECTOR'S AND OTHER'S RIGHT TO INDEMNITY**

Subject to the provisions of the Act, every Director and officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquired or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or had faith acts or omissions of such Director.

162. **INSURANCE**

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

163. **SECRECY**

No member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the members of the Company to communicate to the public.

GENERAL POWER

164. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Articles in that behalf herein provided.

At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the applicable Regulations framed by Securities and Exchange Board of India ("**SEBI Regulations**") including Securities and Exchange Board of India (Listing Obligations and Disclosure requirement) Regulations, 2015, as amended (**the "Listing Regulations"**), the provisions of the applicable SEBI Regulations or Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the applicable SEBI Regulations or Listing Regulations, from time to time.

The Company shall not, at any time, vary the terms of a prospectus or objects for which the prospectus was issued by the Company, except subject to the approval of, or except subject to an authority given by the Company in general meeting by way of special resolution, and in accordance with the provisions of the Companies Act, 2013. Provided that the dissenting Shareholders, being the Shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling shareholders of the company, at the fair market value of the equity shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Red Herring Prospectus until the Issue Closing Date. Copies of the documents for inspection referred to hereunder, will also be available on the website of our Company at www.shreeramtwistex.com from the date of the Red Herring Prospectus until the Issue Closing Date (except for such agreements executed after the Issue Closing Date). Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable laws.

A. Material Contracts

1. Issue Agreement dated April 1, 2025 entered into between our Company and the Book Running Lead Manager.

2. Registrar Agreement dated April 1, 2025 entered into between our Company, and the Registrar to the Issue.

3. Tripartite Agreement dated December 27, 2024 between CDSL, our Company and the Registrar to the Issue.

4. Tripartite Agreement dated October 18, 2024 between NSDL, our Company and the Registrar to the Issue.

5. Escrow Agreement dated [●] between our Company, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Refund Bank(s) and the Registrar to the Issue.

6. Syndicate Agreement dated [●] between our Company, the Book Running Lead Manager, the Syndicate Members and Registrar to the Issue.

7. Monitoring Agency Agreement dated [●] entered into between the Company and the Monitoring Agency.

8. Underwriting Agreement dated [●] between our Company, the Book Running Lead Manager and the Underwriters.

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2. Certificate of incorporation dated December 31, 2013

3. Fresh certificate of incorporation dated September 18, 2024, issued by Registrar of Companies Central Processing Centre, pursuant to conversion from private limited Company into public limited Company.

4. Resolution of the Board of Directors dated March 5, 2025 authorising the Issue and other related matters.

5. Shareholders' Resolution passed at the extra-ordinary general meeting of the Company held on March 26, 2025 authorising the Issue and other related matters.

6. Resolution of the Board dated June 27, 2025 approving this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.

7. Copies of annual reports of our Company for the last three Fiscals, i.e., 2025, 2024 and 2023.

8. The examination report dated May 08, 2025 of our statutory auditor on the restated financial information included in this Draft Red Herring Prospectus.

9. Industry report titled "*Industry Report on Cotton Yarn*" dated June 19, 2025 included in the relevant sections of this Draft Red Herring Prospectus and also available on the website of our Company at www.shreeramtwistex.com.

10. Consent dated June 20, 2025 issued by D&B India for inclusion of their name and to reproduce the industry report titled "Industry Report on Cotton Yarn" in this Draft Red Herring Prospectus.

11. Statement of Tax Benefits dated June 16, 2025 issued by our Statutory Auditors included in this Draft Red Herring Prospectus.

12. Certificate dated June 16, 2025, from Statutory Auditors verifying the Key Performance Indicators (KPIs).

13. Certificate on Weighted Average Price and Cost of Acquisition of Equity Shares by our Promoters dated June 27, 2025, from the Statutory Auditors.

14. Certificate on Average Cost of Acquisition of Equity Shares by our Promoters dated June 27, 2025, from the Statutory Auditors.

15. Certificate on working capital requirements dated June 16, 2025, from the Statutory Auditors.

16. Consents of our Promoters, Directors, Chief Financial Officer, Company Secretary and Compliance Officer, BRLM, Legal Counsel to the Issue, Statutory Auditors, Registrar to the Issue, Bankers to our Company, as referred to in their specific capacities.

17. Consent of the Statutory Auditors dated June 16, 2025to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditor, and for inclusion of their examination report dated May 08, 2025 on examination of our Restated Financial Statements and the statement of possible special tax benefits dated June 16, 2025 in the form and context in which it appears in this Draft Red Herring Prospectus.

18. Consent dated June 25, 2025 from Babulal A. Ughreja, Independent Chartered Engineer, to include his name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent in his capacity as the chartered engineer; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

19. Due diligence Certificate dated June 27, 2025 addressed to SEBI issued by the BRLM.

20. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

21. SEBI observation letter no. [●] dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

____

Bhaveshbhai Bhikhubhai Ramani
Chairman and Managing Director
DIN: 00534813

Date: June 27, 2025
Place: Rajkot, Gujarat, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Jay Atulbhai Tilala
Executive Director and Chief Financial Officer
DIN: 0836292

Date: June 27, 2025
Place: Rajkot, Gujarat, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Rameshchandra Mohanlal Hirani
Non-Executive Director
DIN: 06775835

Date: June 27, 2025
Place: Rajkot, Gujarat, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Amita Chhaganbhai Pragada
Non-Executive Independent Director
DIN: 09578592

Date: June 27, 2025
Place: Rajkot, Gujarat, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Bhuvnesh Kumar
Non-Executive Independent Director
DIN: 10581722

Date: June 27, 2025
Place: Rajkot, Gujarat, India

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or guidelines, or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

Chirag Kantilal Patel
Non-Executive Independent Director
DIN: 10682219

Date: June 27, 2025
Place: Rajkot, Gujarat, India