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

DRAFT RED HERRING PROSPECTUS
Dated: November 3, 2026
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

SITARAM DENIMS INDIA LIMITED

Corporate Identity Number: U17100RJ2011PLC034052

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
F-226,227, G-228, 229, IV Phase RIICO Industrial Area, Bhilwara – 311 001 Rajasthan, India	**Shruti Joshi** *Company Secretary and Compliance Officer*	**E-mail**: cs@sitaramdenims.com **Telephone**: +91 70233 66448	www.sitaramdenims.com

OUR PROMOTERS: ANIL KUMAR NUWAL, MADHU SUDAN NUWAL, JUGAL KISHORE NUWAL AND SITARAM INDIA LIMITED

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE^	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue and Offer for Sale	Up to 26,467,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million	Up to 4,471,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million	Up to 30,938,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million	This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, see "***Other Regulatory and Statutory Disclosures – Eligibility for the Offer***" on page 423. For details in relation to share reservation amongst QIBs, NIBs and RIBs see "***Offer Structure***" on page 445.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER SHARE

NAME OF THE SELLING SHAREHOLDERS	TYPE	MAXIMUM NUMBER OF EQUITY SHARES OFFERED / AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE OF VALUE ₹5 EACH (IN ₹)*
Madhu Nuwal	Promoter Group Selling Shareholder	Up to 1,490,333 Equity Shares of face value ₹5 each aggregating up to ₹[●] million	2.50
Mamta Nuwal	Promoter Group Selling Shareholder	Up to 1,490,333 Equity Shares of face value ₹5 each aggregating up to ₹[●] million	2.50
Sangeeta Nuwal	Promoter Group Selling Shareholder	Up to 1,490,334 Equity Shares of face value ₹5 each aggregating up to ₹[●] million	2.50

**As certified by M/s A Bakliwal & Co., Chartered Accountants by way of their certificate dated November 3, 2026 bearing UDIN:26440315YWACAU7056*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of face value of ₹5 each of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹5 each. The Floor Price, Cap Price and Offer 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 Offer Price***" on page 167, 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 Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 28.

ISSUER'S AND SELLING SHAREHOLDERS' 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 Offer, which is material in the context of the Offer, 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.

Each of the Promoter Group Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only such statements expressly and specifically made or confirmed by such Promoter Group Selling Shareholders in this Draft Red Herring Prospectus, to the extent such statements are solely in relation to such Promoter Group Selling Shareholders and/or its respective portion of the Offered Shares under the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. Each of the Promoter Group Selling Shareholders, severally or jointly assumes no responsibility for any other statement, disclosure or undertaking in this Draft Red Herring Prospectus, including, inter alia, any of the statements, disclosures or undertakings made or

confirmed by or relating to our Company or our Company's business or any other person(s) or any other Promoter Group Selling Shareholders

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**") (collectively referred to as "**Stock Exchanges**"). For the purpose of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents that will be available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "***Material Contracts and Documents for Inspection***" on page 491.

BOOK RUNNING LEAD MANAGER

Name of the Book Running Lead Manager and Logo	Contact Person	Telephone and Email
SMC Capitals Limited	Suhas Satardekar	**Telephone**: +91 22 6648 1818 **E-mail**: sitaram.ipo@smccapitals.com

REGISTRAR TO THE OFFER

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

BID/ OFFER PERIOD

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

[(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/Offer Opening Date.

[(2)]Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1 (one) Working Day prior to the Bid/Offer 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/Offer Closing Day.

*^Our Company, in consultation with the Book Running Lead Manager, may consider an issue of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

DRAFT RED HERRING PROSPECTUS
Dated: November 3, 2026
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

SITARAM DENIMS INDIALIMITED

Our Company was originally incorporated as '*Sitaram Texpark Developers Private Limited*', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated February 2, 2011 issued by the Registrar of Companies, Jaipur at Rajasthan. Subsequently, pursuant to a resolution passed by our Board dated April 7, 2016 and a special resolution passed by our Shareholders dated April 20, 2016. Thereafter, the name of our Company was changed from '*Sitaram Texpark Developers Private Limited*' to '*Sitaram Denim India Private Limited*', and a fresh certificate of incorporation dated May 20, 2016 was issued by the Registrar of Companies, Jaipur at Rajasthan. Subsequently, pursuant to a board resolution dated May 20, 2016 and a special resolution passed by the shareholders on May 23, 2016, our Company was converted into a public limited company and its name was changed from '*Sitaram Denim India Private Limited*' to '*Sitaram Denim India Limited*' and a fresh certificate of incorporation consequent upon conversion was issued on June 3, 2016 by the Registrar of Companies, Jaipur at Rajasthan. Thereafter, pursuant to a resolution passed by our Board dated June 9, 2016 and a special resolution passed by our Shareholders dated June 10, 2016 the name of our Company was changed from '*Sitaram Denim India Limited*' to '*Sitaram Denims India Limited*', and a fresh certificate of incorporation pursuant to change of name was issued on June 16, 2016 by the Registrar of Companies, Jaipur at Rajasthan. For details of change in the name and registered office of our Company, see "***History and Certain Corporate Matters***" on page 287.

Corporate Identity Number: U17100RJ2011PLC034052
Registered Office: F-226,227, G-228, 229, IVth Phase RIICO Industrial Area, Bhilwara – 311 001, Rajasthan, India
Contact Person: Shruti Joshi, Company Secretary and Compliance Officer
Telephone: +91 70233 66448 **E-mail:** cs@sitaramdenims.com **Website**: www.sitaramdenims.com

OUR PROMOTERS: ANIL KUMAR NUWAL, MADHU SUDAN NUWAL, JUGAL KISHORE NUWAL AND SITARAM INDIA LIMITED

INITIAL PUBLIC OFFERING OF UP TO 30,938,000 EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF SITARAM DENIMS INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO 26,467,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 4,471,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION COMPRISING AN OFFER FOR SALE OF UP TO 1,490,333 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY MADHU NUWAL, UP TO 1,490,333 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY MAMTA NUWAL AND UP TO 1,490,334 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY SANGEETA NUWAL ("PROMOTER GROUP SELLING SHAREHOLDERS") ("OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, MAY CONSIDER AN ISSUE OF UP TO 5,000,000 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹[●] MILLION, AS MAY BE PERMITTED UNDER APPLICABLE LAW, TO ANY PERSON(S), AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SCRR. THE UTILISATION OF THE PROCEEDS RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE DONE TOWARDS THE OBJECTS OF THE OFFER IN COMPLIANCE WITH APPLICABLE LAW. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20.00% OF THE SIZE OF THE FRESH ISSUE. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. OUR COMPANY SHALL REPORT ANY PRE-IPO PLACEMENT TO THE STOCK EXCHANGES, WITHIN 24 HOURS OF SUCH PRE-IPO PLACEMENT (IN PART OR IN ENTIRETY). THE PRE-IPO PLACEMENT HAS BEEN AUTHORISED BY OUR BOARD PURSUANT TO THE RESOLUTION PASSED AT ITS MEETING DATED OCTOBER 06, 2026, AND BY OUR SHAREHOLDERS PURSUANT TO A SPECIAL RESOLUTION PASSED AT THEIR EXTRAORDINARY GENERAL MEETING DATED OCTOBER 09, 2026. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND THE PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹5 EACH AND THE OFFER 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 [●] THE ENGLISH NATIONAL DAILY NEWSPAPER AND ALL EDITIONS OF [●] THE HINDI NATIONAL DAILY NEWSPAPER (HINDI ALSO BEING THE REGIONAL LANGUAGE OF RAJASTHAN, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE BSE LIMITED (THE "BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (THE "NSE", AND TOGETHER WITH BSE, 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/Offer Period will be extended by at least 3 (three) additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of 1 (one) Working Day, subject to the Bid/Offer Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the other Designated Intermediaries and the Sponsor Banks, as applicable.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**") and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", and such portion, the "**QIB Portion**"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which 40% shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Offer Price. In case the aggregate demand from Life Insurance Companies and Pension Funds is less than 6.67%, the remaining Equity Shares will be added to the portion allocated to domestic Mutual Funds, in

accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the remaining QIB Portion ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from the Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which (a) one-third of such portion shall be reserved for Bidders with application size of more than ₹ 0.2 million and up to ₹1.00 million; and (b) two-thirds of such portion shall be reserved for Bidders with application size of more than ₹1.00 million provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders; and not less than 35% of the Offer 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 Offer Price. All Bidders (except Anchor Investors) are mandatorily required to utilize the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Banks 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 Offer through the ASBA process. For further details, see "***Offer Procedure***" beginning on page 450.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹5 each. The Offer Price, Floor Price, Cap Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in ''***Basis for Offer Price***'' on page 167) 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 Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 28.

ISSUER'S AND SELLING SHAREHOLDERS' 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 Offer, which is material in the context of the Offer, 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.

Each of the Promoter Group Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only such statements expressly and specifically made or confirmed by such Promoter Group Selling Shareholders in this Draft Red Herring Prospectus, to the extent such statements are solely in relation to such Promoter Group Selling Shareholders and/or its respective portion of the Offered Shares under the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. Each of the Promoter Group Selling Shareholders, severally or jointly assumes no responsibility for any other statement, disclosure or undertaking in this Draft Red Herring Prospectus, including, inter alia, any of the statements, disclosures or undertakings made or confirmed by or relating to our Company or our Company's business or any other person(s) or any other Promoter Group Selling Shareholders.

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from each of the BSE and the NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with the section 26(4) and section 32 of the Companies Act, 2013. For details of the material contracts and documents that will be available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "***Material Contracts and* Documents *for Inspection***" beginning on page 491.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
SMC Capitals Limited A-401/402, Lotus Corporate Park Off Western Express Highway Jai Coach Junction, Goregaon (East) Mumbai – 400063, Maharashtra, India **Tel:** +91 22 6648 1818 **E-mail:** sitaram.ipo@smccapitals.com **Investor Grievance E-mail:** investor.grievance@smccapitals.com **Website:** www.smccapitals.com **Contact Person:** Suhas Satardekar **SEBI Registration Number.:** INM000011427	**Bigshare Services Private Limited** S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, Nxt to Ahura Centre, Andheri East, Mumbai- 400 093, Maharashtra, India **Telephone:** + 91 22 62638200 **E-mail:** ipo@bigshareonline.com **Investor grievance e-mail:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Vinayak Morbale **SEBI Registration Number.:** INR000001385

BID/ OFFER PERIOD

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

[(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/Offer Opening Date.

[(2)] Our Company may, in consultation with the BRLM, consider closing the Bid/offer Period for QIBs 1 (one) Working Day prior to the Bid/Offer 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/Offer Closing Date.

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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. Further, the Offer 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 hereinafter). 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.

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, SEBI Listing Regulations, the SEBI Act, the SCRA, the Depositories Act or the rules and regulations made thereunder, as applicable.

*Notwithstanding the foregoing, terms used in "**Basis for Offer Price**", "**Statement of Possible Special Tax Benefits**", "**Industry Overview**", "**Our Business**", "**Key Regulations and Policies in India**", **"Restated Financial Information"**, "**History and Certain Corporate Matters**", "**Financial Indebtedness**", "**Other Regulatory and Statutory Disclosures**", "**Outstanding Litigations and Material Developments**" and "**Description of Equity Shares and Terms of Articles of Association**" on pages 167, 182, 190, 239, 277, 322, 287, 367, 422, 412 and 473 respectively, shall have the meaning ascribed to such terms in those respective sections.*

General Terms

Term	Description
"Our Company" or "the Company" or "the Issuer" or" "SDIL"	Sitaram Denims India Limited, a public limited company incorporated in India under the erstwhile Companies Act, 1956, whose registered and corporate office is situated at F-226,227, G-228, 229, IVth Phase, RIICO Industrial Area, Bhilwara– 311 001, Rajasthan, India.
"We" or "us" or "our"	Unless the context otherwise requires or implies, refers to our Company

Company Related Terms

Term	Description
"AoA" or "Articles" or "Articles of Association"	The 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 – Committees of the Board – Audit Committee***" on page 304.
"Auditors" or "Statutory Auditors" or "Joint Statutory Auditors"	The statutory auditors of our Company, namely, Pokharna Somani & Associates and R Kabra & Co LLP.
"Board or "Board of Directors" or "our Board"	The board of directors of our Company. For details, see "***Our Management – Brief profiles of our Directors***" beginning on page 298.
"Chairman" or "Chairman and Managing Director" or "Managing Director"	The chairman and managing director of our Company, namely, Anil Kumar Nuwal. For further information, see "***Our Management – Brief profiles of our Directors***" on page 298.
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, namely, Nitesh Mundra. For further details see, "***Our Management – Key Managerial Personnel and Senior Management***" on page 308.

Term	Description
"Company Secretary and Compliance Officer"	The company secretary and compliance officer of our Company, namely, Shruti Joshi. For further details see, "***Our Management – Key Managerial Personnel and Senior Management***" on page 308.
"Corporate Social Responsibility Committee" or "CSR Committee"	Corporate social responsibility committee of our Board, as described in "***Our Management – Committees of the Board – Corporate Social Responsibility Committee***" on page 307.
"Director(s)"	The directors on our Board. For details see, "***Our Management***" on page 296.
"Equity Shares"	The equity shares of our Company of face value of ₹5/- each, unless otherwise specified in the context thereof.
"Executive Director"	The Executive Director of our Company, namely Anil Kumar Kohli.
"Exclusive Infrastructure"	The dedicated weaving and manufacturing infrastructure of our Corporate Promoter, Sitaram India Limited, available to our Company on an exclusive basis pursuant to the Exclusive Job Work Agreement dated March 1, 2026. For details, see "***Our Business***" beginning on page 239.
"Group Company(ies)"	Our group companies as described in "***Our Group Companies***" beginning on page 320.
"Independent Directors(s)" or "Non-Executive Independent Director(s)"	The non-executive independent director(s) on our Board, as described in "***Our Management – Board of Directors***" beginning on page 296.
"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***" beginning on page 308.
"Manufacturing Facility"	The manufacturing facility of our Company, situated at Dantanilwari, Balesaria, Tehsil Banera, District Bhilwara – 311 401, Rajasthan
"Materiality Policy"	The policy adopted by our Board on April 10, 2026 for (i) identification of companies considered to be material to be disclosed as Group Companies; (ii) identification of outstanding material litigation (excluding criminal proceedings and statutory/regulatory actions); and (iii) identification of outstanding dues to material creditors, 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 of Directors as described in *"**Our Management – Committees of the Board – Nomination and Remuneration Committee**"* beginning on page 305.
"Non-executive Director(s)"	Non-executive directors (other than the Independent Directors) on our Board, as described in *"**Our Management – Board of Directors**"* beginning on page 296.
"Promoter(s)"	The Promoters of our Company, namely Anil Kumar Nuwal, Madhu Sudan Nuwal, Jugal Kishore Nuwal and Sitaram India Limited . For details, see ***"Our Promoters and Promoter Group"*** on page 312.
"Promoter Group"	Entities and individuals constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as described in "***Our Promoters and Promoter Group***" on page 312.
"Registered Office"	The registered office of our Company, situated at 'F-226,227, G-228, 229, IV Phase, RIICO Industrial Area, Bhilwara– 311 001, Rajasthan, India.
"Registrar of Companies" or "RoC"	ROC Jaipur at Rajasthan. For further details, see *"**General Information**"* on page 107.
"Restated Financial Information" / "Restated Financial Statements"	The restated financial statements of our company, comprising the restated statements of assets and liabilities as at June 30, 2026, March 31, 2026, March

Term	Description
	31, 2025 and March 31, 2024, the restated statements of profit and loss (including other comprehensive income), the restated statements of cash flows and the restated statement of changes in equity for the three month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, together with the summary of material accounting policies and explanatory information thereon, derived from the audited financial statements as of and for the Fiscals 2026, 2025 and 2024, prepared in accordance with Ind AS and each restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended. The Restated Financial Information of our Company have been prepared to comply in all material respects with the Indian Accounting Standards as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, as applicable, to the financial statements and other relevant provisions of the Companies Act. For details, see "***Restated Financial Information***" on page 322.
"Senior Management"	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in *"**Our Management – Key Managerial Personnel and Senior Management**"* on page 308.
"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, from time to time.
"Stakeholders' Relationship Committee"	The stakeholders' relationship committee of our Board, as described in *"**Our Management – Committees of the Board – Stakeholders' Relationship Committee**"* beginning on page 306.
"Whole-Time Director"	The whole-time director of our Company, namely Madhu Sudan Nuwal for details see, for details see "***Our Management –Board of Directors***" on page 296

Offer Related Terms

Term	Description
"Abridged Prospectus"	Abridged prospectus means a memorandum containing salient features of a prospectus as may be specified by the SEBI in this regard.
"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 Offer of Equity Shares to the successful Applicants.
"Allotment Advice"	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
"Allottee(s)"	A successful Bidder to whom the Equity Shares are Allotted.
"Anchor Investor(s)"	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion with a minimum Bid of ₹100.00 million in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus.
"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

Term	Description
	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 accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus and the Prospectus.
"Anchor Investor Bid" / "Offer Period" or "Anchor Investor Bidding Date"	One Working Day prior to the Bid/ Offer 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 Offer 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 Offer Price but not higher than the Cap Price. The Anchor Investor Offer 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 Offer Price, a date not later than 2 (two) Working Days after the Bid/ Offer 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. 40% of the Anchor Investor Portion shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Offer 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 by an ASBA Bidder 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(s)"	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 and the Prospectus.
"Banker(s) to the Offer"	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and Sponsor Bank, as the case may be.
"Basis of Allotment"	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "***Offer Procedure***" on page 450.
"Bid(s)"	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer 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

Term	Description
	modifications thereto, in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
"Bid Amount"	In relation to each Bid, the highest value of the Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder, 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 such Bid.
"Bid cum Application Form"	The Anchor Investor Application Form or the ASBA Form, as the case may be.
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
"Bid/Offer Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids, which shall be published in all editions of the English national daily newspaper, [●] and all editions of the Hindi national daily newspaper [●] (Hindi also being the regional language of Rajasthan, India where our Registered Office is located), each with wide circulation. In case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the websites of the BRLM and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Banks, which shall also be notified in a public notice in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.
"Bid/Offer Opening Date"	Except in relation to any Bids received from Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national daily newspaper [●] and all editions of the Hindi national daily newspaper [●] (Hindi also being the regional language of Rajasthan, India where our Registered Office is located), each with wide circulation.
"Bid/Offer Period"	Except in relation to the Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer 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 for all categories of Bidders, other than Anchor Investors. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of 1 (one) Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Our Company, in consultation with the BRLM, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.
"Bidder(s)" or "Investor(s)" or "Applicant(s)"	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
"Bidding Centers"	The centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSBs Branches, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
"Book Building Process"	The book building process as described in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.

Term	Description
"Book Running Lead Manager" or "BRLM"	The book running lead manager to the Offer, being SMC Capitals Limited.
"Broker Centers"	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, using the UPI Mechanism). The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
"CAN" or "Confirmation of Allocation Note"	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bid/Offer Period.
"Cap Price"	The higher end of the Price Band, subject to any revision thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, and which 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 among our Company, the Selling Shareholders, the BRLM, the Bankers to the Offer, Syndicate Members and Registrar to the Offer for, inter alia, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
"Client ID"	Client identification number maintained with one of the Depositories in relation to dematerialised account.
"Collecting Depository Participant(s)" or "CDP(s)"	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 the Stock Exchanges, as updated from time to time.
"Cut-off Price"	The Offer Price finalized 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 and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
"Demographic Details"	The demographic details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable.
"Designated CDP Locations"	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
"Designated Date"	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) to the Public Offer 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, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account, as the case may be, in terms of the Red Herring prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted to successful Bidders in the Offer.
"Designated Intermediary(ies)"	Collectively, the Syndicate, Sub-Syndicate Members, SCSBs (other than in relation to UPI Bidders using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders in the Offer.

Term	Description
	In relation to ASBA Forms submitted by Retail Individual Bidders Bidding in the Retail Portion by authorizing an 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 Bidder, as the case may be, using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs.
"Designated RTA Locations"	Such locations of the RTAs where Bidders can submit the ASBA Forms to the RTAs. 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 websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), updated from time to time.
"Designated SCSB Branches"	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://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 Abridged Prospectus"	The memorandum dated November 3, 2026 containing such salient features of this Draft Red Herring Prospectus as may be specified by SEBI in this regard
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated November 3, 2026 filed with the SEBI and the stock exchanges and 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 size of the Offer, including any addenda or corrigenda thereto.
"Eligible FPI(s)"	FPIs that are eligible to participate in the Offer from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares offered thereby.
"Eligible NRI(s)"	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or purchase the Equity Shares offered thereby.
"Escrow Account(s)"	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
"Escrow Collection Bank(s)"	Banks which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●].
"First Bidder" or "Sole Bidder"	Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appears as the first holder of the beneficiary account held in joint names.

Term	Description
"Floor Price"	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted.
"Fresh Issue"	Fresh issue of up to 26,467,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million by our Company. For further information, see "***The Offer***" on page 92. Our Company, in consultation with the Book Running Lead Manager, may consider an issue of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.
"General Information Document" or "GID"	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 BRLMs.
"Gross Proceeds"	Gross proceeds of the Fresh Issue, including the proceeds, if any, received pursuant to the Pre-IPO Placement, that will be available to our Company.
"Life Insurance Company(ies)"	Life insurance companies registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act, 1938
"Monitoring Agency"	[●], being a credit rating agency registered with SEBI
"Monitoring Agency Agreement"	Monitoring agency agreement dated [●] entered into between our Company and the Monitoring Agency.
"Mobile Applications"	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by RIBs 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 Offer Price.
"Mutual Funds"	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

Term	Description
"Net Proceeds"	The proceeds of the Fresh Issue less our Company's share of the Offer related expenses. For further information regarding use of the Net Proceeds and the Offer related expenses, see "***Objects of the Offer***" beginning on page 136.
"Net QIB Portion"	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
"Non-Institutional Bidders" or "NIBs"	All Bidders that are not QIBs or Retail Individual Bidders who have Bid for Equity Shares for an amount of more than ₹0.20 million (but not including NRIs other than Eligible NRIs).
"Non-Institutional Portion"	The portion of the Offer being not less than 15% of the Offer, or [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one-third of such portion shall be reserved for Bidders with application size of more than ₹[●] and up to ₹[●]; and (b) two-thirds of such portion shall be reserved for Bidders with application size of more than ₹[●], 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, subject to valid Bids being received at or above the Offer Price.
"Offer"	The initial public offer of up to 30,938,000 Equity Shares of face value ₹5 per Equity Share aggregating up to ₹[●] million comprising the Fresh Issue and the Offer for Sale. Our Company, in consultation with the Book Running Lead Manager, may consider an issue of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.
"Offer Agreement"	The agreement dated October 31, 2026 entered into by and among our Company, the Selling Shareholders and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Offer.
"Offer for Sale"	The offer for sale of up to 4,471,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million by the Promoter Group Selling Shareholders. For further information, please see the section titled ***"The Offer"*** on page 92.
"Offer Price"	₹[●] per Equity Share, the final price (within the Price Band) at which Equity Shares will be Allotted to successful Bidders (except for the Anchor Investors) in terms of the Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLM, on the Pricing Date

Term	Description
	in accordance with the Book Building Process and the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price.
"Offer Proceeds"	The Proceeds and the proceeds of the Offer for Sale, which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "***Objects of the Offer***" beginning on page 136.
"Offered Shares"	Up to 4,471,000 Equity Shares of face value ₹5 each aggregating up to ₹[●] million being offered for sale by the Selling Shareholders in the Offer for Sale.
"Pension Fund(s)"	A fund registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013.
"Pre-IPO Placement"	A pre-IPO placement of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million which may be undertaken by our Company, in consultation with the Book Running Lead Manager, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.
"Price Band"	Price band of a minimum price of ₹[●] per Equity Share (i.e., the Floor Price) and the maximum price of ₹[●] per Equity Share (i.e., the Cap Price), including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company in consultation with the BRLM and shall be advertised in all editions of the English national daily newspaper, [●], all editions of the Hindi national daily newspaper [●] (Hindi also being the regional language of Rajasthan, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date 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 Offer Price.
"Promoter Group Selling Shareholder(s)" or "Selling Shareholder(s)"	The Promoter Group Selling Shareholders, being Madhu Nuwal, Mamta Nuwal, and Sangeeta Nuwal
"Prospectus"	The prospectus for the Offer to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing, inter alia, the Offer Price that is determined at the end

Term	Description
	of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
"Public Offer Account(s)"	'No-lien' and 'non-interest-bearing' bank account(s) to be opened in accordance with Section 40(3) of the Companies Act, with the Public Offer Account Bank to receive money from the Escrow Account(s) and the ASBA Accounts maintained with the SCSBs on the Designated Date.
"Public Offer Account Bank(s)"	The bank(s) which are clearing members and registered with the SEBI as bankers to an issue and with which the Public Offer Account(s) shall be opened for collection of Bid Amounts from the Escrow Account(s) and ASBA Accounts on the Designated Date, being, [●].
"QIB Portion"	The portion of the Offer being not more than 50% of the Offer, or not more than [●] Equity Shares, which shall be available for allocation on a proportionate basis to QIBs, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price, as applicable.
"Qualified Institutional Buyer(s)" or "QIB(s)" or "QIB Bidder(s)"	Qualified institutional buyer(s) as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
"Refund Account(s)"	Account opened with the Refund Bank(s) from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made.
"Refund Bank(s)"	The bank(s) which are clearing member(s) registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being, [●].
"Registered Brokers"	The stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of the circular (No. CIR/CFD/14/2012) dated October 4, 2012 (to the extent not rescinded by the SEBI ICDR Master Circular) and the UPI Circulars issued by the SEBI.
"Registrar Agreement"	The agreement dated October 31, 2026 entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with the SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the SEBI RTA Master Circular read with the SEBI ICDR Master Circular and the lists available on the website of the BSE and NSE, and the UPI Circulars.
"Registrar to the Offer" or "Registrar"	Bigshare Services Private Limited
"Retail Individual Bidders" or "RIBs"	Individual Bidders submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their karta) and Eligible NRIs.
Resident Indian	A person resident in India, as defined under FEMA.
"Retail Portion"	The portion of the Offer being not less than 35% of the Offer, or [●] Equity Shares of face value ₹5 each, which 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 Offer Price.

Term	Description
"Revision Form"	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any previous Revision Forms. QIBs and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of the quantity of Equity Shares or the Bid Amount) at any stage. Only Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date.
"Self-Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA (other than through the UPI Mechanism), where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and as updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile applications, 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 as updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
"Share Escrow Agent"	Share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●].
"Share Escrow Agreement"	Agreement dated [●] entered among our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and the credit of the Equity Shares to the demat account of the Allottees.
"Specified Locations"	Bidding Centres where the Syndicate will accept ASBA Forms from the ASBA Bidders, a list on which is available on the website of SEBI (www.sebi.gov.in) and as updated from time to time.
"Sponsor Bank"	[●], being a Banker to the Offer, appointed by our Company to act as conduits between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders and carry out other responsibilities, in terms of the UPI Circulars.
"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" or "Members of the Syndicate"	Together, the BRLM and the Syndicate Members.
"Syndicate Agreement"	Agreement dated [●] entered into among the members of the Syndicate, the Selling Shareholders and our Company in relation to the collection of Bid cum Application Forms by the members of the Syndicate.
"Syndicate Members"	Syndicate members to the Offer as defined in Regulation 2(1)(hhhh) of the SEBI ICDR Regulations, being [●].
"Systemically Important NBFC"	In the context of a Bidder, a systemically important non-banking financial company registered with the RBI and as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.

Term	Description
"Underwriters"	[●]
"Underwriting Agreement"	The agreement among the Underwriters, the Selling Shareholders and our Company to be entered into on or after the Pricing Date but prior to the filing of the Prospectus with the RoC.
"Unified Payments Interface or UPI"	An instant payment mechanism developed by the NPCI.
"UPI Bidders"	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion; (ii) individuals applying as Non-Institutional Bidders with an application size of up to ₹0.50 million in the Non-Institutional Portion. Pursuant to the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum 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 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and the SEBI ICDR Master Circular, SEBI RTA Master Circular (to the extent it pertains to UPI) along with the circulars issued by the NSE having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022 and the notices issued by BSE having reference no. 20220722-30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022, SEBI Circular no. SEBI/HO/DEPA-II/DEPA-II_SRG/P/CIR/2025/86 dated June 11, 2025 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
"UPI ID"	An ID created on the UPI for single-window mobile payment system developed by the NPCI.
"UPI Mandate Request"	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Banks to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
"UPI Mechanism"	The bidding mechanism that may be used by an UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer.
"UPI PIN"	Password to authenticate UPI transaction.
"Working Day"	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Offer Closing Date and the 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 the UPI Circulars.

Industry Related Abbreviations and Technical / Industry / Business related terms

Term	Abbreviation	Description
ASEAN	Association of Southeast Asian Nations	A regional intergovernmental organization of Southeast Asian countries promoting economic, political, and trade cooperation.
ATDC	Apparel Training & Design Centre	Institution providing skill development and design training for apparel and textile industry professionals.
ATIRA	Ahmedabad Textile Industry's Research Association	A research and development organization supporting technological advancement in textiles.
ATUFS	Amended Technology Upgradation Fund Scheme	Government scheme providing financial support for modernization and technology upgrades in textiles.
CAD	Computer Aided Design	Software used to design products digitally, widely applied in textile pattern and apparel design.
CAM	Computer Aided Manufacturing	Software and systems that automate manufacturing processes.
CCI	Cotton Corporation of India	Government body ensuring price support and procurement of cotton
CETP	Common Effluent Treatment Plant	Facility for treating industrial wastewater collectively to meet environmental norms.
CEPA	Comprehensive Economic Partnership Agreement	Free trade agreement covering trade in goods, services, and investment between countries.
COVID	Coronavirus Disease of 2019	Global pandemic affecting public health and economic activities.
CPI	Consumer Price Index	Economic indicator measuring changes in retail prices, reflecting inflation.
CSP	Count Strength Product	Metric used in textiles indicating yarn quality based on count and tensile strength.
CY	Calendar Year	Standard 12-month period from January to December used in reporting.
D2C	Direct to Consumer	Business model where manufacturers sell products directly to end-users without intermediaries.
DoCP	Date for Commercial Production	The official start date when a manufacturing unit begins production for sale.
DTA	Domestic Tariff Area	Part of a country where standard customs duties apply, contrasted with SEZs.
eFCI	Eligible Fixed Capital Investment	The portion of capital investment is eligible for government incentives or schemes.
EU	European Union	A political and economic union of European countries for free trade and movement.
F	Forecasted	Projected values or estimates based on predictive analysis.
FE	Final Estimates	Officially published finalized data or statistics.
FDI	Foreign Direct Investment	Investment made by foreign entities into domestic companies or assets.
FMGC	Fast Moving Consumer Goods	Products sold quickly at relatively low cost, including apparel accessories in textiles.
FOB	Freight on Board	Export/import term indicates the seller's responsibility until goods are loaded onto transport.
FRE	First Revised Estimates	Initial revision of previously published statistical estimates.
FTAs	Free Trade Agreements	Agreements between countries to reduce tariffs and trade barriers on goods and services.
FY	Fiscal Year	Accounting period used for financial reporting, e.g., April–March in India.

Term	Abbreviation	Description
GIST 2.0	Grant for Internship Support in Technical Textiles	Government initiative providing internships to build skills in technical textiles.
GNDI	Gross National Disposable Income	Total income available to residents for consumption or saving.
GDP	Gross Domestic Product	Total value of goods and services produced within a country.
GVA	Gross Value Added	Measure of contribution of a sector to the economy, subtracting intermediate consumption.
GREAT Scheme	Grant for Research & Entrepreneurship across Aspiring Innovators in Technical Textiles	Support for R&D and startups in technical textiles.
HS codes	Harmonized System Codes	International standardized codes for identifying traded goods.
IIP	Index of Industrial Production	Measure of industrial output in sectors including textiles.
IMD	India Meteorological Department	Government agency providing weather forecasts relevant to agriculture and industry.
IMF	International Monetary Fund	Global financial institution providing monetary support and policy guidance.
IoT	Internet of Things	Network of connected devices used for automation and monitoring in textile manufacturing.
IPDS	Integrated Processing Development Scheme	Government program for modernization of textile processing units.
Itema S.p.A.	Italian business designation	Italian textile machinery manufacturer.
JLGs	Joint Liability Groups	Groups of borrowers, usually in MSMEs, are jointly responsible for loan repayment.
Kva	Kilovolt Amperes	Unit of electrical power used in machines and plants.
KWH	Kilowatt-Hour	Measure of electricity consumption.
LED	Light Emitting Diode	Energy-efficient lighting technology is used in factories and offices.
MEIS	Merchandise Exports from India Scheme	Export incentive program to promote Indian products abroad.
MITRA	Mega Integrated Textile Region and Apparel	Government initiative creating large integrated textile parks.
MMF	Man Made Fibers	Synthetic or cellulosic fibers are produced artificially.
MSMEs	Micro, Small, and Medium Enterprises	Small-scale enterprises are critical to textiles and apparel sector.
MSP	Minimum Support Price	Price floor for agricultural products like cotton to support farmers.
MUDRA	Micro Units Development and Refinance Agency	Government program providing loans to small enterprises, including textile units.
MW	Megawatt	Unit of electrical power capacity.
NID	National Institute of Design	Design institute contributing to textile and apparel design innovation.
NIFT	National Institute of Fashion Technology	Institution for fashion and textile education.
NTTM	National Technical Textiles Mission	Government mission promoting technical textiles sector.
OE	Open End (spinning method)	A type of rotor spinning used for yarn production.
P	Projected	Estimated value for future periods.
PE	Provisional Estimates	Preliminary published data subject to revision.

Term	Abbreviation	Description
PFCE	Private Final Consumption Expenditure	Measure of household consumption expenditure.
PLI	Production Linked Incentive	Government incentive for manufacturing growth in key sectors.
PM MITRA	Prime Minister Mega Integrated Textile Region and Apparel	Flagship initiative for integrated textile clusters.
PPE kits	Personal Protective Equipment kits	Safety gear used in healthcare and industrial applications.
PSF	Polyester Staple Fiber	Type of man-made synthetic fibre widely used in textiles.
PVA	Polyvinyl Alcohol	Synthetic polymer used in textile finishing and coatings.
R&D	Research and Development	Activities for innovation, product improvement, and process efficiency.
RC	Ranchhodlal Chhotalal Technical Institute	Textile-focused technical institute in India.
RBI	Reserve Bank of India	Central bank regulating currency, credit, and financial stability.
RMG	Ready Made Garments	Finished garments ready for retail sale.
RoDTEP	Remission of Duties and Taxes on Exported Products	Scheme reimbursing taxes and duties to exporters.
RoSCTL	Rebate of State and Central Levies and Taxes	Export incentive scheme replacing MEIS for apparel and textiles.
SAMARTH	Scheme for Capacity Building in Textile Sector	Government initiative providing training to improve workforce skills.
SDP	State Domestic Product	Measure of economic output at the state level.
SEZ	Special Economic Zone	Designated area with tax and regulatory benefits to promote exports.
SHGs	Self Help Groups	Community-based organizations for small enterprise financing.
SITP	Scheme for Integrated Textile Parks	Government program developing textile clusters with infrastructure.
SMEs	Small and Medium Enterprises	Medium-scale enterprises contributing to manufacturing and employment.
TCDS	Textile Cluster Development Scheme	Initiative to strengthen and modernize textile clusters.
TPI	Twist Per Inch	Yarn property indicating twist level affecting strength and texture.
TUFS	Technology Upgradation Fund Scheme	Earlier government programs supported textile machinery modernization.
USD	United States Dollar	International currency used in trade and exports.
US	United States	Major trade partner for Indian textiles.
VSF	Viscose Staple Fiber	Semi-synthetic fibre produced from cellulose, used in fabrics.
WPI	Wholesale Price Index	It measures and tracks the average change in prices of goods traded in bulk at the wholesale or producer level before they reach retail consumers.
ZLD	Zero Liquid Discharge	Environmental practice ensuring no untreated effluent is discharged.

Conventional and General Terms / Abbreviations

Term	Description
"Alternative Investment Funds or AIFs"	Alternative investment funds as defined in, and registered under, the SEBI AIF Regulations
"A.Y." or "AY"	Assessment Year
"A/C"	Account
"AGM"	Annual General Meeting
"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
"Banking Regulation Act"	The Banking Regulation Act, 1949
"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 SEBI FPI Regulations
"Category II FPI"	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
"CDSL"	Central Depository Services (India) Limited.
"CIN"	Corporate Identity Number.
"Companies Act, 1956"	The erstwhile Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
"Companies Act, 2013" or "Companies Act"	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications notified thereunder, as amended
"Competition Act"	Competition Act, 2002, as amended and the rules and regulations made thereunder.
"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.
"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.
"Depositories"	NSDL and CDSL
"DIN"	Director Identification Number.
"DP or Depository Participant"	A depository participant as defined under the Depositories Act
"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.

Term	Description
"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 Account"	Foreign currency non-resident account.
"FDI"	Foreign Direct Investment.
"FDI Policy"	Consolidated Foreign Direct Investment Policy notified by the DPIIT through notification dated October 15, 2020 effective from October 15, 2020
"FEMA"	The Foreign Exchange Management Act, 1999, read with the rules and regulations thereunder
"FEMA Non-debt Instruments Rules or the FEMA NDI Rules or FEMA Rules"	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Financial Year" or "Fiscal" or "fiscal year" or "FY"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
"FPIs"	Foreign portfolio investors as defined in, and registered with, the SEBI under the SEBI FPI Regulations
"Fugitive Economic Offender"	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
"FVCI"	Foreign venture capital investors as defined in, and registered with, the SEBI under the SEBI FVCI Regulations
"GDP"	Gross Domestic Product.
"Government" or "Government of India"	The Government of India.
"GST"	Goods and Services Tax.
"HR"	Human resources
"HUF(s)"	Hindu Undivided Family(ies).
"IBC"	Insolvency and Bankruptcy Code, 2016
"ICAI"	Institute of Chartered Accountants of India
"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
"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.
"Ind AS Rules"	The Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, as amended
"Indian GAAP"	Generally Accepted Accounting Principles in India.
"INR" or "Rupee" or "₹" or "Rs."	Indian Rupees
"Ind AS 24"	Indian Accounting Standard 24 issued by the ICAI.

Term	Description
"IPC"	Indian Penal Code, 1860, as amended.
"IPO"	Initial Public Offering
"IQF"	Individual Quick Freezing.
"IRDAI"	Insurance Regulatory and Development Authority of India.
"IRDAI Investment Regulations"	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
"ISO"	International Organization for Standardization.
"IST"	Indian Standard Time.
"IT"	Information Technology.
"IT Act"	Information Technology Act, 2000
"KPIs"	Key Performance Indicators.
"KVA"	Kilovolt Ampere.
"MAT"	Minimum alternate tax
"MCA"	The Ministry of Corporate Affairs, Government of India.
"MCLR"	Marginal Cost of funds based lending rate
"Mn or 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.
"NBFC"	Non-banking financial company
"NBFC-ND-SI"	Systemically important non-deposit taking non-banking financial company
"NEFT"	National Electronic Fund Transfer.
"NPCI"	National Payments Corporation of India.
"NRE accounts"	NRI Non-Resident External account.
"NR / Non-Resident"	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs and FVCIs
"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"	Non-resident ordinary
"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 (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer.
"P/E Ratio"	Price/Earnings Ratio.
"p.a."	Per annum.
"P&L"	Profit and Loss
"PAN"	Permanent account number.
"PAT"	Profit after tax.
"PCB(s)"	Pollution Control Board(s).
"PPE"	Property Plant Equipment.

Term	Description
"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.
"Resident Indian"	A person resident in India, as defined under FEMA
"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"	SEBI Complaints Redressal System, a centralized web-based complaints redressal system launched by SEBI.
"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 BTI Regulations"	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
"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 ICDR Master Circular"	SEBI master circular bearing reference number HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 9, 2026.
"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
"SEBI RTA Master Circular"	SEBI master circular bearing number HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, and SEBI master circular no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, to the extent they pertain to UPI.
"SEBI Takeover Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
"SEBI VCF Regulations"	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed by the SEBI AIF Regulations
"Specified Securities"	Specified securities in terms of Regulation 2(1)(eee) of the SEBI ICDR Regulations.
"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.
"TAN"	Tax deduction account number.
"TDS"	Tax deducted at source.
"Trade marks Act"	Trade Marks Act, 1999
"U.S." or "United States" or "USA"	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.

Term	Description
"U.S. GAAP"	Generally Accepted Accounting Principles in the United States of America
"VCFs"	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or SEBI AIF Regulations, as the case may be
"Wilful Defaulter" or "Fraudulent Borrower"	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
"Year or calendar year"	Unless the context otherwise requires, shall mean the twelve month period ending December 31

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

KPI	Explanation for KPIs
Financial Indicators	
Revenue from Operations	Revenue from operations represents the scale of our business as well as providing information regarding our financial performance from operating activities.
Gross Profit	Gross Profit provides information regarding the profitability generated from the Company's manufacturing activities before operating expenses.
Gross Profit Margin	Gross profit Margin is an indicator of the operational profitability from manufacturing activities before operating expenses.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit	Net profit provides information regarding the overall profitability of the business.
Net Profit Margin	Net profit Margin is an indicator of the overall profitability and financial performance of our business.
Cash Profit	Profit generated from business operations after adding back non-cash expenses such as depreciation and amortization.
Cash Profit Margin	Cash Profit Margin represents cash profit as a percentage of total income and indicates the proportion of cash earnings generated.
Return on Capital Employed	Return on Capital employed represents the return generated on the total capital employed in the business (including debt and equity).
Return on Equity	Return on Equity provides how efficiently our Company generates profits from shareholders' funds.
Debt to equity	The debt-to-equity ratio is a measure of the extent to which our Company can cover our debt and represents our indebtedness position in comparison to our equity position. It helps evaluate our financial leverage.
Fixed assets turnover	Fixed Assets Turnover represents revenue generated per unit of investment in fixed assets such as Property, Plant & Equipment and indicates the efficiency of utilization of fixed assets in generating income.
Net Working capital Days	Net Working Capital Days represents the number of days required to convert net working capital into revenue and indicates the efficiency of working capital management.
Operational Indicators	
Average Capacity Utilization	Company's installed capacity utilized during the period. It reflects the efficiency of utilization of the Company's production facilities.
Production Volume (Meters)	Total volume of fabric produced by the Company during the period. It reflects the scale of the Company's manufacturing operations.
Revenue per Employee	Revenue generated per employee during the period. It indicates the productivity and efficiency of the Company's workforce.
Number of Looms	Number of looms installed and operational at the Company's manufacturing facilities. It indicates the scale of the Company's installed capacity.

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, or refers to " Sitaram Denims India Limited ".

Financial Data

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 Fiscal, Financial Year, 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.

Unless the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information of the Company comprising the restated financial statements of the Company comprising the restated statements of assets and liabilities as at June 30, 2026, March 31, 2026, March 31, 2025 and March 31, 2024 , and the restated statements of profit and loss (including other comprehensive income), the restated statements of cash flows and the restated statement of changes in equity for the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, together with the summary of material accounting policies and explanatory information thereon, derived from the audited financial statements as of and for the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, prepared in accordance with Ind AS and each restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by the Institute of Chartered Accountants of India, as amended.

For further information, see "***Restated Financial Information***" beginning on page 322.

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 – This Draft Red Herring Prospectus includes certain Non-GAAP Measures, financial and operational performance indicators and other industry measures relating to our operations and financial performance. These measures may not be calculated using a standard methodology applicable across the textile industry and, therefore, may not be comparable with similarly titled financial or industry-related information computed and presented by other companies"*** on page 80. 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.

All figures, including financial information, in decimals (including percentages) have been rounded off to two decimals. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points 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.

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 28, 239 and 374, respectively and elsewhere in this Draft Red Herring Prospectus, have been calculated on the basis of the Restated Financial Information of our Company included in this Draft Red Herring Prospectus.

Non-GAAP Financial Measures

Certain Non-Generally Accepted Accounting Principles ("**Non-GAAP**") measures presented in this Draft Red Herring Prospectus such as Gross Margin, Gross Margin, EBITDA, EBITDA Margin, Cash Profit, Cash Profit Margin, ROE, ROCE, Debt-to-Equity Ratio, Fixed Asset Turnover Ratio and Net Working Capital Days. 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 – This Draft Red Herring Prospectus includes certain Non-GAAP Measures, financial and operational performance indicators and other industry measures relating to our operations and financial performance. These measures may not be calculated using a standard methodology applicable across the textile industry and, therefore, may not be comparable with similarly titled financial or industry-related information computed and presented by other companies"*** on page 80.

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.

Certain numerical information has been presented in this Draft Red Herring Prospectus in "million" units. 1,000,000 represents one million and 1,000,000,000 represents one billion. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

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			
	June 30, 2026*#	March 31, 2026*#	March 31, 2025*#	March 31, 2024*#
1 US$	94.60	94.65	85.58	83.37

**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*
#Exchange Rate is rounded off to two decimal places.
Source: www.fbil.org.in and www.fedai.org.in

Industry and Market Data

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled *"***Textile Research Report***"* dated October 2026 prepared and issued by CARE Analytics and Advisory Private Limited ("**CareEdge Research**") (the "**CareEdge Report**"), which has been exclusively commissioned and paid for by our Company in connection with the Offer pursuant to a mandate letter dated May 27, 2026.

CareEdge Research is an independent agency which has no relationship with our Company, our Promoters, our Promoter Group, Directors, Key Managerial Personnel, Senior Management or the Book Running Lead Manager. The data included herein includes excerpts from the CareEdge 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 Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CareEdge Report is available on the website of our Company at www.sitaramdenims.com/investors.html and has also been included in *"**Material Contracts and Documents for Inspection – Material Documents**"* on page 491 until the Bid/Offer Closing Date.

Further, the CareEdge Report is subject to the following disclaimer:

"*This report is prepared by CARE Analytics and Advisory Private Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure veracity and adequacy of the information while developing this report based on information available in CareEdge Research's proprietary database, and other sources including the information in public domain, considered by CareEdge Research as reliable after exercise of reasonable care and diligence. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.*

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research at the time of issuance of this report; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

Nothing contained in this report is capable or intended to create any legally binding obligations on the sender or CareEdge Research. The subscriber/user assumes the entire risk of any use made of this report or data herein. This report is for the information of the authorized recipient in India only and any reproduction of the report or part of it would require explicit written prior approval of CareEdge Research.

CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this report."

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 Textile Research report Report, see *"**Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from the CareEdge Report, which was prepared by CareEdge Research and exclusively commissioned and paid for by our Company for the purposes of the Offer and any reliance on information from the CareEdge Report for making an investment decision in the Offer is subject to inherent risks**"* on page 67.

In accordance with the SEBI ICDR Regulations, the section "***Basis for Offer Price***" on page 167 includes information relating to our peer group companies. Such information has been obtained from publicly available sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decision should be made solely on the basis of such information.

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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***", "***shall***" "***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.

All forward-looking statements whether made by us or any third parties in this Draft Red Herring Prospectus 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 information in "***Industry Overview***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 190, 239 and 374, respectively, have been obtained from the CareEdge Report, which has been commissioned and paid for by our Company. The Textile Research Report is available on the website of our Company at www.sitaramdenims.com/investors.html.

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 190, 239 and 374, 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.

Forward-looking statements reflect current views on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. 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.

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 Investors 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 Offer. In accordance with regulatory requirements including requirements of SEBI and as prescribed under applicable law, each of the Promoter Group Selling Shareholders will, severally and not jointly, ensure that investors are informed of material developments in relation to the statements and undertakings specifically made or confirmed by such Promoter Group Selling Shareholder in relation to itself as a Promoter Group Selling Shareholder and its respective portion of the Offered Shares from the date of this Draft Red Herring Prospectus until the receipt of the final listing and trading approvals for the

Equity Shares pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by each of the Selling Shareholders, to the extent of information pertaining to it and/or its respective portion of the Offered Shares, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

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. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition as of the date of this Draft Red Herring Prospectus. The risks described below may not be exhaustive or the only ones relevant to us, the Equity Shares or the industry segments in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently do not deem material may arise or may become material in the future. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline and investors may lose all or part of their investment. The risk factors have been presented below on the basis of their materiality. Furthermore, some events may be material collectively rather than individually. Some events may not be material at present but may have a material impact in the future. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer, including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of purchasing our Equity Shares.

*In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "**Industry Overview**", "**Our Business**", "**Key Regulations and Policies in India**", "**Restated Financial Information**", "**Outstanding Litigation and Material Developments**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 190, 239, 277, 322, 412, and 374, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates, uncertainties and other factors, many of which are beyond our control. Our actual results could differ 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 more details, see "**Forward-Looking Statements**" on page 26.*

Our financial year ends on March 31 of each year and references to a particular Financial Year or Fiscal are to the 12-month period ended March 31 that year, unless the context indicates otherwise.

*Unless otherwise stated or the context otherwise requires, the financial information as of three month period ended June 30, 2026 and for the financial years ended, March 31, 2026, March 31, 2025 and March 31, 2024 included in this section have been derived from the "**Restated Financial Information**" included in this Draft Red Herring Prospectus on page 322. We have also included various financial and operational performance indicators in this Draft Red Herring Prospectus, some of which have not been derived from the Restated Financial Information. The manner of calculation and presentation of some of these financial and operational performance indicators and the assumptions and estimates used in such calculations, may vary from those used by other companies in India and other jurisdictions.*

*Unless the context otherwise requires, in this section, references to "**we**", "**us**", "**our**" and "**our Company**" refer to Sitaram Denims India Limited on standalone basis.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Textile Research Report" dated October 2026 (the "**CareEdge Report**") prepared and issued by CARE Analytics and Advisory Private Limited ("**CareEdge**"), appointed by us on May 27, 2026 and exclusively commissioned and paid for by us in connection with the Offer. CareEdge is an independent agency which has no relationship with our Company, our Promoters or any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the CareEdge 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 Offer), that have been left out or changed in any manner. A copy of the CareEdge Report is available on the website of our Company at www.sitaramdenims.com/investors.html until the Bid/Offer Closing Date. Also see, "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data**" on page 24.*

Internal Risks

1. ***We derive a significant portion of our revenue from operations from a limited number of customers. Our top ten customers contributed ₹443.48 million, ₹1,400.05 million, ₹1,347.87 million and ₹707.06 million, representing 59.04%, 57.76%, 64.54% and 63.31% of our revenue from operations during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. Any loss of such customers, reduction in their purchases or deterioration in their financial condition could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

We cater primarily to business-to-business customers across the textile value chain, including textile and apparel manufacturers, wholesalers and other participants in the textile industry. A significant portion of our revenue from operations is derived from a limited number of customers. Accordingly, our financial performance depends, to a significant extent, on our ability to retain these customers, maintain our share of their procurement requirements and secure continued business from them.

Set out below are details of the contribution of our largest customer, top five customers and top ten customers, to our revenue from operations for the periods indicated:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from our largest customer (₹ in million)	121.80	558.81	387.43	115.10
As a percentage of revenue from operations (%)	16.21%	23.05%	18.55%	10.31%
Revenue from our top five customers (₹ in million)	336.08	1,075.41	1,086.68	465.54
As a percentage of revenue from operations (%)	44.74%	44.37%	52.03%	41.68%
Reve nue from our top ten customers (₹ in million)	443.48	1,400.05	1,347.87	707.06
As a percentage of revenue from operations (%)	59.04%	57.76%	64.54%	63.31%

Our top ten customers included Sitaram India Limited, one of our Promoters, during Fiscals 2025 and 2024. Subsequent to Fiscal 2026, we implemented an exclusive job-work arrangement under which Sitaram India Limited undertakes its textile manufacturing activities exclusively for our Company. We have also entered into a non- compete agreement with Sitaram India Limited. We supply yarn and other required materials, while Sitaram India Limited undertakes specified weaving and mending activities through its dedicated infrastructure. It does not undertake textile manufacturing for other customers. Accordingly, its historical contribution as a customer does not reflect the current nature of our manufacturing arrangement and should not be construed as indicative of future revenue from sales to it. Our relationship with Sitaram India Limited now also involves dependence on a Promoter for specified manufacturing activities, and any interruption or adverse modification of this arrangement may affect our production and customer deliveries. For further details, see "***Our Business – Business Operations***", "***Restated Financial Information – Related Party Transcations***" and the "***Risk Factors – We depend on Sitaram India Limited, one of our Promoters, for dedicated weaving infrastructure and specified manufacturing activities. Any interruption, termination or adverse modification of this arrangement could materially and adversely affect our product offerings, business, financial condition, results of operations, cash flows and prospects"*** on pages 254, 352, and 42, respectively.

The following tables set forth the individual contribution of our ten largest customer during the relevant periods.

For three-month period ended June 30, 2026

Sr. No.	Name of the customer[#]	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
1.	Customer No. 1	Proprietorship	121.80	16.21%	No
2.	Customer No. 2	Public Limited Company	63.74	8.48%	No
3.	Customer No. 3	Public Limited Company	60.68	8.08%	No
4.	Customer No. 4	Hindu Undivided Family	46.31	6.16%	No
5.	Customer No. 5	Public Limited Company	43.55	5.80%	No
6.	Customer No. 6	Partnership	26.24	3.49%	No
7.	Customer No. 7	Partnership	23.53	3.13%	No
8.	Customer No. 8	Private Limited Company	20.18	2.69%	No
9.	Customer No. 9	Private Limited Company	19.24	2.56%	No
10.	Customer No. 10	Private Limited Company	18.22	2.43%	No
Total			**443.48**	**59.04%**	

[#]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.

For Fiscal 2026

Sr. No.	Name of the customer[#]	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
1.	Customer No. 1	Proprietorship	558.81	23.05%	No
2.	Customer No. 2	Public Limited Company	167.82	6.92%	No
3.	Sitaram India Limited	Public Limited Company	124.40	5.13%	Yes
4.	Customer No. 4	Partnership	119.88	4.95%	No
5.	Customer No. 5	Public Limited Company	104.51	4.31%	No
6.	Customer No. 6	Hindu Undivided Family	102.83	4.24%	No
7.	Customer No. 7	Partnership	62.88	2.59%	No
8.	Customer No. 8	Private Limited Company	55.60	2.29%	No
9.	Customer No. 9	Limited Liability Partnership	52.23	2.15%	No
10.	Customer No. 10	Public Limited Company	51.09	2.11%	No
Total			**1400.05**	**57.76%**	

[#]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.

For Fiscal 2025

Sr. No.	Name of the customer[#]	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
1.	Customer No. 1	Proprietorship	387.43	18.55%	No
2.	Customer No. 2	Public Limited Company	222.46	10.65%	No
3.	Sitaram India Limited	Public Limited Company	186.72	8.94%	Yes

Sr. No.	Name of the customer[#]	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
4.	Customer No. 4	Hindu Undivided Family	146.16	7.00%	No
5.	Customer No. 5	Partnership	143.91	6.89%	No
6.	Customer No. 6	Partnership	64.65	3.10%	No
7.	Ginni International Limited	Public Limited Company	53.00	2.54%	No
8.	Customer No. 8	Private Limited Company	51.39	2.46%	No
9.	Bhaskar Industries Private Limited	Private Limited Company	49.90	2.39%	No
10.	Customer No. 10	Limited Liability Partnership	42.24	2.02%	No
Total			**1347.86**	**64.54%**	

[#]*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.*

For Fiscal 2024

Sr. No.	Name of the customer	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
1.	Customer No. 1	Public Limited Company	115.10	10.31%	No
2.	Customer No. 2	Proprietorship	112.04	10.03%	No
3.	Sitaram India Limited	Public Limited Company	83.60	7.49%	Yes
4.	Ginni International Limited	Public Limited Company	81.61	7.31%	No
5.	Customer No. 5	Hindu Undivided Family	73.19	6.55%	No
6.	Customer No. 6	Foreign Entity	54.07	4.84%	No
7.	Customer No. 7	Public Limited Company	51.74	4.63%	No
8.	Customer No. 8	Partnership	51.26	4.59%	No
9.	Bhaskar Industries Private Limited	Private Limited Company	45.26	4.05%	No
10.	Customer No. 10	Foreign Entity	39.19	3.51%	No
Total			**707.06**	**63.31%**	

[#]*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.*

The contribution of our largest customer to our revenue from operations increased from 10.31% in Fiscal 2024 to 18.55% in Fiscal 2025 and 23.05% in Fiscal 2026. Consequently, a reduction in purchases by such customer could have a disproportionate impact on our revenue and profitability. The customers comprising our largest customer, top five customers and top ten customers, may vary between periods, and their historical contribution should not be construed as an assurance of future business.

Our ability to retain customers depends on several factors, including the quality and consistency of our products, pricing, timely delivery, availability of the required fabric specifications and our ability to respond to changes in their procurement requirements. Our customers may reduce purchases, change their product mix, negotiate lower prices, source products from competing suppliers or develop alternative procurement arrangements. Any such development could adversely affect our sales volumes, realizations and margins.

Although the number of revenue-generating customers increased from 147 in Fiscal 2024 to 232 in Fiscal 2025 and 316 in Fiscal 2026, our revenue continues to be concentrated among a limited number of customers. Further, customers associated with us for more than three years contributed 71.84%, 78.15% and 72.64% of our revenue from operations during Fiscals 2026, 2025 and 2024, respectively. The duration of these relationships does not assure continued purchases, minimum order volumes or maintenance of existing commercial terms.

Our customer concentration may also expose us to pricing pressure and less favourable commercial terms. Any reduction in orders from a significant customer may require us to identify alternative customers, modify our production mix or offer more competitive prices. We may be unable to replace the lost business within a reasonable period or on comparable terms. This could result in lower utilization of manufacturing capacity, accumulation of inventory, increased working capital requirements and reduced profitability.

Further, adverse developments affecting the business, liquidity or creditworthiness of a significant customer may result in delayed payments, requests for extended credit periods or payment defaults. Our exposure to a limited number of customers could magnify the impact of such developments on our collections and cash flows and may require provisions or write-offs.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any loss of a major customer or cancellation or reduction of orders by a major customer that materially and adversely affected our business, financial condition, results of operations or cash flows.

There can be no assurance that we will retain our significant customers, maintain the existing level of business with them or diversify our customer base sufficiently to reduce our dependence on them. Any loss of such customers, reduction in their purchases, adverse revision of commercial terms or delay or default in payments could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

2. ***Our business depends on the availability of yarn and other raw materials at competitive prices, and our procurement is significantly concentrated in Rajasthan. Any increase in raw material prices, shortage of supply or disruption in procurement could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

Yarn is one of the principal raw materials used in our manufacturing operations. We procure dyed and undyed yarn, including cotton, polyester, viscose and blended yarn, from spinning mills and other suppliers. The availability, quality and cost of these raw materials have a significant bearing on our production schedules, product quality, pricing and profitability.

Set out below are details of our cost of materials consumed for the periods indicated:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Cost of materials consumed (₹ in million)	553.73	1,528.75	1,095.01	647.06
As a percentage of total income (%)	73.41%	62.68%	52.14%	57.10%

Our cost of materials consumed increased from ₹647.06 million in Fiscal 2024 to ₹1,095.01 million in Fiscal 2025 and ₹1,528.75 million in Fiscal 2026. These amounts reflect, among other factors, the scale and mix of our operations and should not be construed as changes attributable solely to raw-material prices. Nevertheless, given the significance of raw materials to our operations, adverse movements in their prices or availability could materially affect our profitability and funding requirements.

Prices of yarn and other raw materials may fluctuate due to changes in cotton and other fibre prices, crop conditions, availability of inputs, demand from competing industries, production levels at spinning mills, energy and transportation costs and broader market conditions. Changes in the prices of petroleum-linked inputs may also affect the cost of synthetic and blended yarn. We may be unable to anticipate such movements accurately or procure the required quantities and specifications at commercially acceptable prices.

We generally procure raw materials pursuant to purchase orders based on our production requirements and do not depend on long-term supply contracts with our suppliers. Accordingly, our procurement arrangements may not protect us against price increases, supply shortages or changes in delivery

schedules. Our ability to obtain raw materials on acceptable terms depends on prevailing market conditions and the willingness and ability of suppliers to meet our requirements.

Our procurement is also significantly concentrated geographically. Set out below are details of raw material purchases sourced from suppliers located in Rajasthan:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Raw-material purchases sourced from Rajasthan (₹ in million)	486.44	1,647.34	1,330.32	685.09
As a percentage of total raw-material purchases (%)	99.96%	97.74%	99.87%	98.88%

Our geographic concentration exposes us to disruptions affecting suppliers in Rajasthan, including interruptions in electricity or water supply, labour shortages, industrial unrest, transportation disruptions, extreme weather events and changes in local operating conditions. Such developments could affect multiple suppliers simultaneously. Procuring materials from alternative locations may involve additional freight costs, longer delivery periods, changes in credit terms and evaluation of the quality and suitability of alternative supplies.

Any interruption in the supply of yarn of the required quality, count, composition or other specifications could delay production, affect fabric quality or impair our ability to fulfil customer requirements. Replacing a supplier may require trials and adjustments to manufacturing parameters, and alternative supplies may not be available within the required time or at comparable prices.

Our ability to recover increases in raw-material costs through selling prices depends on customer demand, competitive conditions, prevailing fabric prices and the timing of price negotiations. We may be required to absorb all or part of such increases or may experience a delay before corresponding revisions in selling prices take effect. Conversely, a decline in raw-material prices after procurement may reduce prevailing fabric prices and the realizable value of inventory manufactured using higher-cost inputs. Either development could adversely affect our margins.

Further, increases in raw-material prices or the need to maintain additional inventory to protect against supply disruptions may increase our working capital requirements and financing costs. Inaccurate procurement estimates may result in either shortages that disrupt production or excess inventory that ties up funds and exposes us to price and obsolescence risks.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any shortage or interruption in raw-material supplies that resulted in a material suspension of our manufacturing operations or materially impaired our ability to fulfil customer orders.

There can be no assurance that raw materials of the required quality and specifications will remain available in sufficient quantities, within the required delivery periods or at commercially acceptable prices, or that we will be able to pass on increases in procurement costs to our customers. Any sustained increase in prices, deterioration in quality or disruption in supply could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

3. ***A significant portion of our revenue from operations is derived from the sale of cotton-spandex fabrics, which contributed ₹380.18 million, ₹1,468.93 million, ₹1,510.63 million and ₹464.47 million, representing 50.61%, 60.60%, 72.33% and 41.59% of our revenue from operations during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. Any decline in demand for such products or adverse changes in customer preferences or realizations could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

We manufacture and supply woven fabrics primarily catering to various categories within the apparel segment. While our product portfolio includes cotton-spandex fabrics, rigid cotton fabrics, polyester-viscose ("**PV**") fabrics, denim fabrics and other blended fabrics, a significant portion of our revenue from operations is derived from the sale of cotton-spandex fabrics. Consequently, adverse developments

affecting this product category could have a disproportionate impact on our business and financial performance.

Set out below are details of revenue from the sale of cotton-spandex fabrics and its contribution to our revenue from operations for the periods indicated:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from sale of cotton-spandex fabrics (₹ in million)	380.18	1,468.93	1,510.63	464.47
As a percentage of revenue from operations (%)	50.61%	60.60%	72.33%	41.59%

Demand for cotton-spandex fabrics depends on several factors, including procurement requirements of textile and apparel manufacturers, consumer spending on apparel, fashion trends, preferences relating to fabric composition and stretch characteristics, and the availability and relative pricing of alternative fabrics. Changes in these factors may reduce demand for our products or require us to modify our fabric constructions, designs, specifications, pricing or production mix.

Our revenue from the sale of cotton-spandex fabrics decreased from ₹1,510.63 million, representing 72.33% of our revenue from operations in Fiscal 2025, to ₹1,468.93 million, representing 60.60% of our revenue from operations in Fiscal 2026. Although our overall revenue from operations increased during this period, there can be no assurance that revenue from other products or activities will continue to grow or be sufficient to offset any future decline in revenue or profitability from cotton-spandex fabrics.

Our ability to retain business in this product category depends on maintaining consistent quality, offering commercially acceptable prices, meeting delivery requirements and responding to changes in customer preferences. Customers may substitute cotton-spandex fabrics with other stretch, rigid, synthetic or blended fabrics based on end-use requirements and relative prices. If we are unable to anticipate and respond to such changes, our products may become less competitive and we may experience lower sales volumes or pressure on realizations.

We manufacture primarily on a make-to-stock basis, with production planning and product mix guided by prevailing market demand and customer-specific requirements. If actual demand for cotton-spandex fabrics differs from our estimates, we may accumulate inventory of fabric constructions, designs or specifications that customers no longer require. Such inventory may take longer to sell, require discounted pricing or become subject to write-downs, adversely affecting profitability and cash flows.

Any reduction in demand may also affect utilization of manufacturing infrastructure deployed for this product category. Reallocating production to alternative products may require changes in yarn procurement, manufacturing parameters, production schedules and customer development efforts. We may be unable to implement these changes promptly or achieve comparable volumes and margins from alternative products. Lower utilization may increase the allocation of fixed costs per unit and adversely affect operating profitability.

Further, our ability to maintain margins in cotton-spandex fabrics depends on recovering increases in yarn, processing and other manufacturing costs through selling prices. Competitive pressures or customer resistance may prevent or delay corresponding price revisions. A decline in prevailing fabric prices may also affect realizations from inventory produced using higher-cost inputs.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material cancellation of orders or loss of customers in relation to cotton-spandex fabrics arising from changes in customer preferences.

While we intend to expand our product offerings across different fibre compositions, fabric constructions, designs and end-use applications, there can be no assurance that these initiatives will reduce our dependence on cotton-spandex fabrics or generate sufficient revenue and margins to compensate for adverse developments affecting this category. Any sustained decline in demand, loss of competitiveness,

accumulation of inventory or pressure on realizations could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

4. ***A significant portion of our domestic revenue is concentrated in Rajasthan and Delhi. Revenue from these markets aggregated to ₹657.36 million, ₹2,078.73 million, ₹1,818.22 million and ₹873.90 million, representing 89.43%, 88.44%, 87.65% and 91.44% of our domestic revenue during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. Any adverse developments affecting these markets could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

Our domestic sales are geographically concentrated, with Rajasthan and Delhi accounting for a significant portion of our domestic revenue. Consequently, our sales and collections are susceptible to economic, commercial and operating conditions affecting customers in these markets.

Set out below are details of revenue from Rajasthan and Delhi for the periods indicated:

(₹ million unless stated otherwise)

States/ Union Territories	Three-month period ended June 30, 2026:	% of domestic revenue	Fiscal 2026:	% of domestic revenue	Fiscal 2025: Amount	% of domestic revenue	Fiscal 2024: Amount	% of domestic revenue
Rajasthan (A)	490.79	66.77%	1,522.00	64.75%	1,353.13	65.23%	672.08	70.32%
Delhi (B)	166.57	22.66%	556.73	23.69%	465.09	22.42%	201.82	21.12%
Subtotal (A+B)	**657.48**	**89.43%**	**2,078.73**	**88.44%**	**1,818.22**	**87.65%**	**873.90**	**91.44%**
Other States and Union Territories (C)*	77.69	10.57%	271.78	11.56%	256.19	12.35%	81.83	8.56%
Total domestic revenue (A+B+C)	**735.17**	**100.00%**	**2,350.51**	**100.00%**	**2,074.41**	**100.00%**	**955.73**	**100.00%**

Note: Other States and Union Territories include Gujarat, West Bengal, Madhya Pradesh, Maharashtra, Uttar Pradesh, Chhattisgarh, Haryana, Tamil Nadu, Karnataka, Punjab, Telangana, Bihar, Odisha and Jammu and Kashmir, as applicable to the respective period.

The above-stated percentages are calculated against domestic revenue.

Demand in these markets may be affected by changes in textile and apparel trading activity, customer inventory levels, credit availability, consumer spending and competition. Any slowdown in purchasing activity or deterioration in the financial condition of customers in these markets may reduce orders, increase pricing pressure or delay collections.

Our geographic concentration may cause adverse developments in these markets to have a greater impact on us than on businesses with more diversified sales. Changes in local operating conditions, transportation restrictions, industrial disruptions, extreme weather events or interruptions in commercial activity may affect customer operations and our ability to deliver products and collect payments.

Our exposure to Rajasthan extends beyond sales. Our Manufacturing Facility and the dedicated infrastructure available through Sitaram India Limited are located in Bhilwara, while a substantial portion of procurement and our downstream processing expenditure is concentrated in Rajasthan. Consequently, a significant regional disruption may affect demand, manufacturing, procurement and processing simultaneously. This could limit our ability to offset the impact through other parts of our operations.

Although we sell products in other domestic markets, expanding our presence may require the development of customer, broker and agent relationships, additional marketing expenditure and competitive commercial terms. Customer preferences, pricing, credit practices and distribution arrangements may differ between markets. We may be unable to establish sufficient business in other locations within the time required to compensate for a decline in Rajasthan or Delhi.

Further, the geographic location of our immediate customers may not reflect the ultimate destination or end-use market of the fabrics sold. Accordingly, sales to customers in Rajasthan and Delhi may also be affected by demand conditions in other markets served by such customers, over which we have limited visibility or control.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any regional disruption in Rajasthan or Delhi that materially and adversely affected our sales or collections.

There can be no assurance that demand and commercial conditions in Rajasthan and Delhi will remain favourable or that expansion into other markets will sufficiently reduce our geographic concentration. Any sustained decline in demand, disruption in customer operations or deterioration in collections in these markets could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

5. ***Our business requires significant working capital, and we have experienced negative cash flows from operating activities. Any inability to fund our working capital requirements or generate sufficient operating cash flows could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

Our operations require significant working capital to procure raw materials, maintain inventories, undertake manufacturing and processing activities and finance the credit extended to customers. We incur expenditure on procurement, production and other operating requirements before realizing the proceeds from sales. Consequently, our liquidity depends on our ability to manage inventory, collect receivables and maintain adequate funding throughout our operating cycle.

Set out below are details of our net working capital and cash flows from operating activities for the periods indicated:

Particulars	For the three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net working capital (₹ in million)	1,465.26	1,328.27	945.42	562.74
Net cash generated from / (used in) operating activities (₹ in million)	(26.22)	23.63	(29.18)	17.52

Net working capital represents current assets excluding cash and cash equivalents, less current liabilities excluding current borrowings.

Our net working capital increased from ₹562.74 million as at March 31, 2024 to ₹945.42 million as at March 31, 2025, ₹1,328.27 million as at March 31, 2026 and ₹1,465.26 million as at June 30, 2026. Further, we recorded negative cash flows from operating activities of ₹29.18 million during Fiscal 2025 and ₹26.22 million during the three-month period ended June 30, 2026. Accordingly, profitability in a particular period may not result in corresponding cash generation, and our reported profits should not be construed as an assurance of our ability to meet funding requirements through operating cash flows.

Our working capital requirements are affected by raw material prices, procurement quantities, production schedules, inventory holding periods, customer credit terms and the timing of payments to suppliers and processors. Any increase in inventory levels or delay in collections, without a corresponding extension of supplier credit, may require us to deploy additional funds in our operations.

We manufacture primarily on a make-to-stock basis, with production planning and product mix guided by prevailing market demand and customer-specific requirements. If demand differs from our estimates, inventories may remain unsold for longer periods, delaying conversion into cash. Changes in customer preferences, fabric specifications or prevailing prices may also require discounted sales or inventory write-downs. Conversely, maintaining insufficient inventory could affect production continuity and our ability to fulfil customer requirements.

Our ability to collect receivables depends on the financial condition and payment behaviour of our customers. Delays, disputes, requests for extended credit or payment defaults may increase our funding requirements and expose us to provisions or write-offs. Our concentration among significant customers may magnify the impact of any such delay or default.

Growth in production volumes and expansion of our operations may require additional expenditure on raw materials, work-in-progress, finished goods, employees and other operating requirements before the corresponding revenue is collected. The proposed expansion into stitching activities may also create additional working capital requirements during commencement and ramp-up of operations. If these requirements exceed our estimates, we may need additional financing or may be required to moderate our production and expansion plans.

We depend, in part, on borrowing facilities to finance our operating cycle. Any reduction in available limits, delay in renewal, increase in borrowing costs or inability to satisfy applicable financing conditions could affect our ability to procure materials, pay suppliers and processors and fulfil customer orders. Additional borrowings may also increase finance costs and place further pressure on cash flows.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material suspension of manufacturing operations or material failure to fulfil customer orders due to an inability to fund our working capital requirements.

There can be no assurance that our working capital requirements will remain within our estimates, that receivables and inventories will be converted into cash within anticipated periods or that adequate financing will remain available on commercially acceptable terms. Any sustained increase in funding requirements or recurrence of negative operating cash flows could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

6. ***Our owned manufacturing operations are concentrated at our Manufacturing Facility in Bhilwara, Rajasthan. Any disruption at this facility could materially and adversely affect our production, business, financial condition, results of operations, cash flows and prospects.***

Our owned manufacturing operations are undertaken at our Manufacturing Facility situated at Balesaria, Gram Danta Nilawari, Tehsil Banera, District Bhilwara, Rajasthan. This facility houses our principal weaving, sizing, preparatory and related manufacturing infrastructure. Concentration of these activities at one location exposes us to the risk that a disruption affecting the facility may interrupt multiple stages of production simultaneously.

Set out below are details of installed weaving capacity and actual fabric production at our Manufacturing Facility:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Installed annual weaving capacity (million meters)*	25.20	19.20	13.20
Actual fabric production (million meters)	24.46	15.27	11.11
Weaving capacity utilization (%)	97.06%	79.54%	84.17%

Capacity utilization is an operational measure calculated with reference to production volumes and installed capacity.

**The annual installed capacity for weaving is calculated based on the applicable technical installed capacity, time-apportioned for the relevant period. Weaving capacity varies depending on the number of picks and construction of the fabric being manufactured. For the purpose of calculating installed capacity and utilization, we have considered an average of 80 picks*

Note: As certified by R.K. Maheshwari, Independent Chartered Engineer Certificate dated October 27, 2026.

Our Manufacturing Facility is equipped with 204 shuttleless airjet looms, together with sizing, automated drawing-in, warp-tying, direct-beaming, cone-winding, inspection, batching and other production-support infrastructure. The functioning of our weaving operations depends on the availability and coordination of these systems. A breakdown in preparatory machinery, compressed-air systems, electrical installations or other supporting equipment may affect production across multiple looms.

Our operations may be interrupted by machinery breakdowns, equipment failures, fires, accidents, shortages or interruptions in electricity or water supply, labour disruptions, extreme weather events, natural disasters or other events beyond our control. Any such interruption may result in production losses, damage to raw materials or inventory, additional repair and maintenance expenditure and delays in delivery to customers.

Our actual fabric production was 24.46 million meters against installed annual weaving capacity of 25.20 million meters during Fiscal 2026, representing capacity utilization of 97.06%. Consequently, depending on the machinery and fabric specifications involved, our ability to recover production lost during a prolonged interruption by increasing subsequent output may be constrained. Delayed deliveries may result in customer complaints, cancellation or reduction of orders, additional logistics expenditure or loss of future business.

Although we have access to dedicated weaving infrastructure through Sitaram India Limited, such infrastructure comprises different weaving technologies and is also located in Bhilwara. It may not be suitable or available to replace all production undertaken at our Manufacturing Facility. Further, disruptions affecting the wider Bhilwara region may simultaneously affect our owned facility, the infrastructure of Sitaram India Limited, raw-material suppliers, processors and transportation arrangements.

Restoration of operations following a disruption may require procurement of replacement machinery or components, engagement of technical personnel, repair of premises and equipment and completion of operational trials. The time and expenditure required may exceed our estimates. Arranging alternative manufacturing capacity may also involve additional costs, quality evaluation and changes to production and delivery schedules.

In addition to unplanned interruptions, we may need to undertake planned shutdowns for maintenance, replacement of components, statutory inspections, equipment calibration, process modifications or installation of additional machinery. Such activities may temporarily reduce available capacity or interrupt preparatory, sizing, weaving or inspection activities. If shutdowns take longer than anticipated, or machinery does not achieve the required performance following recommencement, we may experience production shortfalls, increased costs and delays in customer deliveries.

Our manufacturing operations also involve occupational health and safety risks associated with moving machinery, material handling, electrical installations, compressed-air systems, sizing equipment and other production activities. Accidents or failures in operating procedures may result in injuries, damage to machinery or inventory, investigations, compensation claims or temporary suspension of operations. Safety procedures, employee training and protective measures may not prevent every incident, particularly where equipment malfunctions or operating instructions are not followed.
During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material fire, accident, machinery breakdown or other disruption at our Manufacturing Facility that resulted in a material suspension of manufacturing operations.

There can be no assurance that our maintenance procedures, operational safeguards or alternative arrangements will prevent or adequately address future disruptions. Any prolonged interruption at our Manufacturing Facility could materially and adversely affect our production, business, financial condition, results of operations, cash flows and prospects.

7. ***We depend on a limited number of suppliers for procurement of our key raw materials. Purchases from our top ten suppliers aggregated to ₹338.52 million, ₹1,249.52 million, ₹1,016.76 million and ₹525.52 million, representing 69.56%, 74.13%, 76.33% and 75.85% of our total purchases during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. We generally procure raw materials through purchase orders rather than long-term supply contracts. Any inability to procure materials within the required timelines or on commercially acceptable terms could adversely affect our manufacturing operations, business and results of operations. Further, our historical procurement includes purchases from Sitaram India Limited, one of our Promoters, with whom we implemented an exclusive job-work arrangement subsequent to Fiscal 2026, exposing us to risks associated with related-party dependence.***

Our manufacturing operations depend on the availability of yarn and other raw materials of the required quality and specifications. We procure dyed and undyed yarn, including cotton, polyester, viscose and blended yarn, from textile mills and suppliers. A significant portion of our procurement is concentrated among a limited number of suppliers, principally located in Rajasthan. While proximity to suppliers facilitates procurement coordination and transportation, such concentration exposes us to supplier-specific and regional risks, including production disruptions, capacity constraints, labour shortages, utility interruptions, regulatory actions and logistical bottlenecks.

Set out below are details of supplier concentration for the periods indicated:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Purchases from our largest supplier (₹ in million)	90.83	440.58	287.86	96.85
As a percentage of total purchases (%)	18.67%	26.14%	21.61%	13.98%
Purchases from our top five suppliers (₹ in million)	227.38	999.73	763.00	359.24
As a percentage of total purchases (%)	46.73%	59.31%	57.28%	51.85%
Purchases from our top ten suppliers (₹ in million)	338.52	1,249.52	1,016.76	525.52
As a percentage of total purchases (%)	69.56%	74.13%	76.33%	75.85%

The following tables set forth the individual contribution of our ten largest suppliers during the relevant periods.

For three-month period ended June 30, 2026

Details of suppliers[#]	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 1	Public Limited Company	90.83	18.67%	No
Supplier No. 2	Public Limited Company	40.05	8.23%	No
Supplier No. 3	Hindu Undivided Family	38.44	7.90%	No
Supplier No. 4	Hindu Undivided Family	31.84	6.54%	No
Supplier No. 5	Public Limited Company	26.23	5.39%	No
Supplier No. 6	Public Limited Company	25.39	5.22%	No
Supplier No. 7	Proprietorship	24.99	5.14%	No
Supplier No. 8	Private Limited Company	23.33	4.79%	No
Supplier No. 9	Private Limited Company	19.30	3.97%	No
Supplier No. 10	Private Limited Company	18.12	3.72%	No
Total		**338.52**	**69.56%**	

**Percentage of total purchases represented by purchases of yarn and fabric during the respective period.*

[#]The names of our top ten suppliers have not been disclosed due to non-receipt of the requisite consents from such suppliers.

For Fiscal 2026

Details of suppliers[#]	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 1	Public Limited Company	440.58	26.14%	No
Sitaram India Limited	Public Limited Company	218.25	12.95%	Yes
Supplier No. 3	Proprietorship	143.64	8.52%	No
Supplier No. 4	Public Limited Company	105.56	6.26%	No
Supplier No. 5	Private Limited Company	91.7	5.44%	No
Supplier No. 6	Public Limited Company	57.59	3.42%	No
Supplier No. 7	Hindu Undivided Family	52.89	3.14%	No
Supplier No. 8	Hindu Undivided Family	48.95	2.90%	No
Supplier No. 9	Proprietorship	46.95	2.79%	No
Supplier No. 10	Private Limited Company	43.41	2.58%	No
Total		**1249.52**	**74.13%**	

**Percentage of total purchases represented by purchases of yarn and fabric during the respective period.*
#The names of our top ten suppliers have not been disclosed due to non-receipt of the requisite consents from such suppliers.

For Fiscal 2025

Details of suppliers[#]	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 1	Public Limited Company	287.86	21.62%	No
Supplier No. 2	Private Limited Company	204.40	15.34%	No
Supplier No. 3	Public Limited Company	117.93	8.85%	No
Supplier No. 4	Hindu Undivided Family	88.61	6.65%	No
Supplier No. 5	Public Limited Company	64.20	4.82%	No
Supplier No. 6	Partnership	62.23	4.67%	No
Sitaram India Limited	Public Limited Company	54.29	4.08%	Yes
Supplier No. 8	Hindu Undivided Family	48.21	3.62%	No
Supplier No. 9	Proprietorship	45.79	3.44%	No
Supplier No. 10	Private Limited Company	43.24	3.25%	No
Total		**1,016.76**	**76.33%**	

**Percentage of total purchases represented by purchases of yarn and fabric during the respective period.*
#The names of our top ten suppliers have not been disclosed due to non-receipt of the requisite consents from such suppliers.

For Fiscal 2024

Details of suppliers[#]	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 1	Private Limited Company	96.85	13.98%	No
Sitaram India Limited	Public Limited Company	81.74	11.80%	Yes
Supplier No. 3	Public Limited Company	63.07	9.10%	No
Supplier No. 4	Hindu Undivided Family	59.62	8.61%	No
Supplier No. 5	Public Limited Company	57.96	8.37%	No
Supplier No. 6	Private Limited Company	51.08	7.37%	No
Supplier No. 7	Proprietorship	35.54	5.13%	No
Supplier No. 8	Private Limited Company	34.90	5.04%	No
Supplier No. 9	Proprietorship	24.30	3.51%	No
Supplier No. 10	Public Limited Company	20.46	2.95%	No
Total		**525.52**	**75.85%**	

**Percentage of total purchases represented by purchases of yarn and fabric during the respective period,*
#The names of our top ten suppliers have not been disclosed due to non-receipt of the requisite consents from such suppliers.

For further details relating to our top 10 suppliers, see "***Our Business – Suppliers***" on page 264.

Any inability of our significant suppliers to deliver raw materials in the required quantities, within stipulated timelines or on commercially acceptable terms may adversely affect our production schedules and manufacturing efficiency. In such circumstances, we may be unable to immediately identify and onboard alternative suppliers on comparable terms. Evaluation of replacement materials may require technical validation, production trials and assessment of yarn count, fibre composition, strength,

consistency and other parameters. This process may delay production, reduce utilisation of our Manufacturing Facility and impair our ability to fulfil customer requirements.

Our significant suppliers may reduce supplies, change product specifications, increase prices, shorten credit periods, require advance payments or allocate available production to other customers. Any such development may increase procurement costs or require us to identify alternative sources at short notice.

Our ability to procure yarn at favourable prices and in the required quantities may be affected by changes in fibre prices, cotton availability, production levels at spinning mills, energy costs, demand from other textile manufacturers and broader market conditions. Any increase in procurement costs that cannot be recovered through corresponding revisions in selling prices may adversely affect our margins. Shorter supplier credit periods or advance-payment requirements may also increase the funds deployed in procurement and our working capital requirements.

Further, suppliers may deliver materials that do not consistently meet the required specifications. Variations in yarn quality or composition may affect weaving efficiency, fabric characteristics and rejection rates, resulting in rework, wastage, additional expenditure or delays in delivery. Dependence on a concentrated supplier base may also limit our bargaining power and our ability to negotiate favourable prices, credit terms or remedies for deficient supplies.

Our procurement includes purchases from Sitaram India Limited, one of our Promoters, which was included among our top ten suppliers during Fiscals 2026, 2025 and 2024. Details of purchases included in the supplier concentration disclosures are set out below:

(₹ in million)

Related party	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Purchases	% of total purchases	Purchases	% of total purchases	Purchases	% of total purchases
Sitaram India Limited	218.25	12.95%	54.29	4.08%	81.74	11.80%

Subsequent to Fiscal 2026, we implemented an exclusive job-work arrangement under which Sitaram India Limited undertakes specified weaving and mending activities exclusively for our Company using yarn and other materials supplied by us. We have also entered into a non-compete agreement with Sitaram India Limited. Accordingly, the historical purchases disclosed above may not reflect the nature or extent of transactions under the current arrangement. Our dependence on Sitaram India Limited now also includes access to its dedicated manufacturing infrastructure, and any interruption or adverse modification of this arrangement could affect our production schedules and customer deliveries.

Our relationship with Sitaram India Limited encompasses historical purchases and continuing manufacturing and financing arrangements. Its interests and commercial priorities may not always coincide with those of our Company or our minority Shareholders. Any disagreement concerning job-work charges, quality, production schedules, payment terms or availability of dedicated manufacturing infrastructure could affect our operations. Further, adverse developments affecting its operations or financial condition may impair its ability to perform its obligations under the exclusive job-work arrangement.

Any interruption, termination or adverse modification of this arrangement may require us to identify alternative manufacturing capacity, which may involve additional expenditure, technical evaluation, production trials and delays. Regulatory scrutiny or perceived conflicts of interest concerning related-party transactions may also adversely affect our reputation and business relationships. For further details, see "***Summary of Related Party Transaction***" and "***Restated Financial Information – Related Party Trasncations***" on pages 104 and 352, respectively.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material disruption in raw-material supplies, quality-related issues or inability to procure required materials from our significant suppliers that materially adversely affected our manufacturing operations.

There can be no assurance that we will be able to maintain supplies from our existing suppliers or procure comparable quantities and quality of raw materials from alternative sources within the required timelines and on commercially acceptable terms. Any disruption in procurement, adverse change in supplier terms or continued dependence on a concentrated supplier base, including a Promoter, could materially and adversely affect our manufacturing operations, cost structure, margins, working capital requirements, cash flows and results of operations.

8. ***We depend on Sitaram India Limited, one of our Promoters, for dedicated weaving infrastructure and specified manufacturing activities. Any interruption, termination or adverse modification of this arrangement could materially and adversely affect our product offerings, business, financial condition, results of operations, cash flows and prospects.***

Our manufacturing model combines our owned Manufacturing Facility with dedicated weaving infrastructure available through Sitaram India Limited, one of our Promoters, pursuant to an exclusive job-work arrangement. We have also entered into a non- compete agreement with Sitaram India Limited. Under the said arrangements, Sitaram India Limited undertakes specified weaving and mending activities using 36 Sulzer double-width looms and 72 rapier looms, aggregating to 108 looms, while we supply the yarn and other materials required for production.

The infrastructure owned and operated by Sitaram India Limited supplements our airjet weaving capabilities and supports the manufacture of PV and other blended fabrics and fabric constructions requiring complementary weaving technologies. Our access to this infrastructure depends on the continuation and performance of the job-work arrangement.

Set out below are details of fabric manufactured for us through Sitaram India Limited:

Particulars	Three-month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Fabric manufactured through Sitaram India Limited (million metres)	1.28	2.35	2.56	2.58

**Not annualized*

Job-work charges incurred with Sitaram India Limited for the periods indicated are set out below:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Job-work charges (₹ in million)	25.06	31.33	64.27	45.21
As a percentage of revenue from operations (%)	3.34%	1.29%	3.08%	4.05%

Note: The percentages above express job-work charges relative to revenue from operations and do not represent the revenue contribution of products manufactured through this arrangement.

The machinery used under this arrangement is owned and operated by Sitaram India Limited. Consequently, our ability to manufacture the relevant products depends on its continued availability, maintenance, staffing and operational performance. Machinery breakdowns, labour shortages, utility interruptions, financial difficulties or other adverse developments affecting Sitaram India Limited may disrupt production undertaken for us.

Any termination, non-renewal, suspension or adverse modification of the arrangement, including changes in charges, payment terms, dedicated capacity or production schedules, could affect our ability to manufacture and supply the relevant products on existing commercial terms. The exclusive nature of the arrangement does not eliminate the risk of interruptions, performance deficiencies or disputes concerning its implementation.

Our owned Manufacturing Facility primarily uses airjet looms, whereas the dedicated infrastructure available through Sitaram India Limited comprises Sulzer and rapier looms. These technologies support differing fabric constructions and production requirements. Accordingly, we may be unable to transfer all affected production to our owned facility promptly or without changes in cost, quality, productivity or specifications.

If the arrangement becomes unavailable, we may need to identify alternative job-work providers or invest in additional manufacturing infrastructure. Suitable capacity may not be available within the required time or on comparable terms. Establishing replacement arrangements may require technical trials, quality validation, movement of materials and adjustments to production schedules, which could delay customer deliveries and increase costs.

Our dependence on a Promoter for manufacturing infrastructure also involves related-party considerations. The interests and commercial priorities of Sitaram India Limited may not always coincide with those of our Company or our other shareholders. Any disagreement concerning capacity allocation, pricing, expenditure on maintenance or other commercial terms could affect the continuity or economics of the arrangement. Further, applicable approval and disclosure requirements for related-party transactions may affect the process and timing for entering into or modifying such arrangements.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material interruption in production undertaken through Sitaram India Limited or any material dispute with it concerning the job-work arrangement.

There can be no assurance that this arrangement will continue on existing terms, that the dedicated infrastructure will remain available without interruption or that alternative manufacturing arrangements can be established within the required time and at comparable cost. Any adverse development affecting this arrangement could materially and adversely affect our product offerings, business, financial condition, results of operations, cash flows and prospects.

9. ***We depend on third-party processors for downstream activities, including dyeing and finishing. Processing expenditure of ₹62.73 million, ₹209.42 million, ₹230.97 million and ₹115.80 million, representing 100.00% of our processing expenditure during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively, was incurred with processors located in Rajasthan. Any disruption in their operations or failure to meet our quality and delivery requirements could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

We sell our products in both grey and finished fabric forms. Where finished fabric is required, grey fabric manufactured through our manufacturing platform is sent to third-party processing units for identified downstream activities, including dyeing, finishing and other processing, based on the relevant product specifications. Following processing, fabrics are returned to us for further inspection and sale. Accordingly, our ability to supply finished fabrics depends on the availability, performance and timely execution of work by these processors.

Set out below are details of processing expenditure incurred with third-party processors located in Rajasthan:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Processing expenditure incurred with processors located in Rajasthan (₹ in million)	62.73	209.42	230.97	115.80
As a percentage of total processing expenditure (%)	100.00%	100.00%	100.00%	100.00%

We have limited control over the day-to-day operations, staffing, equipment maintenance, production scheduling and regulatory compliance of independent processors. Their ability to perform services may

be affected by machinery breakdowns, shortages of employees or inputs, interruptions in electricity or water supply, financial difficulties or competing customer requirements. Any such development could delay processing and affect our delivery commitments.

Dyeing and finishing influence fabric characteristics, including colour consistency, appearance, dimensional stability, texture and other customer specifications. Failure by a processor to achieve the required parameters may result in rejection, reprocessing, deterioration in fabric quality or loss of inventory. Defects may become apparent only after processing or delivery, and inspection procedures may not identify every deficiency before dispatch.

We may incur additional expenditure towards reprocessing, replacement materials, transportation, customer claims or commercial settlements. Our ability to recover these amounts from the relevant processor may be limited by contractual terms, disputes over responsibility or the processor's financial position. Even where a claim is recoverable, collection may be delayed and may not compensate us for disruption or loss of customer relationships.

Our concentration of processing expenditure in Rajasthan also exposes us to common regional disruptions. Water shortages, utility interruptions, transportation constraints, industrial unrest or regulatory action affecting processing units may reduce the availability of processing capacity across multiple service providers simultaneously. In particular, disruptions arising from environmental compliance requirements or restrictions on water use or effluent discharge may affect the continuity of services available to us.

If an existing processor becomes unavailable, identifying a suitable replacement may require technical evaluation, trials and validation of the required finishes. Alternative capacity may not be available within the required delivery period or on comparable terms. Changes in processing locations may also increase transportation costs and the time taken to complete production.

Further, increases in processing charges may not be recoverable through corresponding increases in selling prices. Delays in processing may prolong inventory holding periods and increase the funds deployed in work-in-progress, adversely affecting working capital and cash flows. Our proposed strategy to increase participation in finished fabrics may increase our exposure to these risks.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material interruption in downstream processing or any material customer claim attributable to quality deficiencies in work undertaken by third-party processors.

There can be no assurance that our processors will continue to provide adequate capacity, maintain the required quality or complete processing within agreed timelines and at commercially acceptable prices. Any failure in this regard could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

10. There are outstanding legal and tax proceedings involving our Company and certain of our Promoters. Any adverse outcome in such proceedings may adversely affect our reputation, business, results of operations, cash flows and financial condition.

There are outstanding legal and tax proceedings involving our Company and certain of our Promoters. These proceedings are pending at different stages of adjudication before courts, tribunals and tax authorities and include employment-related proceedings, civil recovery proceedings, cheque dishonour proceedings and tax demands.

A summary of the outstanding proceedings involving our Company, Directors, Promoters, Key Managerial Personnel and Senior Management, to the extent ascertainable, is set out below:

Name of Entity	Number of Criminal Proceedings	Number of Tax Proceedings	Number of Statutory or Regulatory Proceedings	Number of Material Civil Proceedings	Number of Disciplinary Actions by the SEBI or the stock exchanges against our Promoters in the last five financial years	Aggregate amount involved (₹ million)[(1)]
Company						
Against our Company	Nil	3	Nil	Nil	Not applicable	0.16
By our Company	Nil	Nil	Nil	1	Not applicable	Not ascertainable
Directors*						
Against our Directors	Nil	Nil	Nil	Nil	Not applicable	Nil
By our Directors	Nil	Nil	Nil	Nil	Not applicable	Nil
Promoters						
Against our Promoters	Nil	20	Nil	1	Nil	10.63
By our Promoters	2	Nil	Nil	1	Not applicable	0.72
Key Managerial Personnel and Senior Management**						
Against such personnel	Nil	Not applicable	Nil	Not applicable	Not applicable	Nil
By such personnel	Nil	Not applicable	Nil	Not applicable	Not applicable	Nil

(1)To the extent ascertainable
**Excluding Directors who are our Promoters*
***Excluding KMPs and SMPs, who are our Directors*
Note: Our Company does not have any Group Company as on the date of this Draft Red Herring Prospectus.

For further details, see "***Outstanding Litigation and Material Developments***" on page 412.

Any adverse development or outcome in these proceedings may require the relevant parties to make payments towards claims, back wages, taxes, interest, penalties or costs. Depending on the nature and outcome of proceedings involving our Company, we may need to recognise additional provisions or liabilities, which could increase expenses and adversely affect our financial condition and results of operations. An unsuccessful outcome in proceedings initiated for recovery of amounts may also affect the recoverability of the claims concerned.

While liabilities arising from proceedings involving our Promoters do not automatically constitute liabilities of our Company, adverse developments affecting Sitaram India Limited may indirectly affect us given our manufacturing, procurement and financing relationships with it. Such developments may affect its ability to perform obligations or continue providing infrastructure, supplies or financial support on existing terms.

We cannot assure you that these proceedings will be decided in favour of our Company or the relevant Promoters or that no further liability will arise from them. Certain claims may not be capable of precise quantification, and the amounts ultimately payable may exceed current estimates or provisions, if any. Further, applications, appeals or rectification requests may be unsuccessful, and additional interest or costs may accrue during the pendency of proceedings.

Even where the relevant parties are successful, pursuing or defending proceedings may involve substantial legal and other expenditure and diversion of management time and resources. Adverse

findings or publicity may also affect our reputation, standing and relationships with employees, customers, suppliers, lenders and other stakeholders.

Except as disclosed under "***Outstanding Litigation and Material Developments***", there are no other outstanding proceedings involving our Company, Directors, Promoters, Key Managerial Personnel or Senior Management required to be disclosed under the applicable disclosure requirements.

There can be no assurance that provisions made, if any, will be sufficient to meet the liabilities ultimately arising or that further proceedings will not be initiated in the future. Any adverse outcome, additional liability or substantial expenditure in connection with these proceedings could adversely affect our reputation, business, results of operations, cash flows and financial condition.

11. We propose to utilize ₹413.73 million from Net Proceeds towards capital expenditure for the establishment of a stitching facility. Any delay in procurement or installation of machinery, cost overrun or inability to successfully implement and operate the proposed facility could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

Our existing operations primarily comprise the manufacture and supply of woven fabrics, with certain downstream processes, including dyeing and finishing, undertaken through third-party processors. As part of our growth strategy, we propose to establish a stitching facility at Danta Nilwari, Tehsil Banera, District Bhilwara, Rajasthan (the "**Proposed Expansion**"), to extend our participation further downstream in the textile value chain. We propose to utilise ₹413.73 million from the Net Proceeds towards capital expenditure for the Proposed Expansion.

The Proposed Expansion is envisaged to have an installed capacity of 3.12 million garments annually. Commercial production is envisaged to commence on April 1, 2028, subject to timely completion of civil works, procurement and installation of machinery and completion of commissioning activities. For further details, see "***Objects of the Offer***" and "***Our Business – Our Strategies – Increase our participation in downstream textile activities through the proposed stitching facility***" on pages 136 and 252, respectively.

Our Company has not previously undertaken stitching or readymade garment manufacturing activities. Operating the Proposed Facility will require capabilities in garment production planning, cutting, stitching, line balancing, finishing, workforce management and garment quality control. Our experience in fabric manufacturing may not be sufficient to address these requirements. The success of the Proposed Facility will depend on our ability to recruit and train suitable employees, establish efficient production processes, maintain consistent product quality and develop relationships with customers whose specifications, quality standards and procurement practices may differ from those of our existing fabric customers.

The cost estimates are based on vendor quotations, technical specifications and assumptions concerning construction, procurement, installation and other project requirements. Vendor quotations may remain valid only for specified periods, and actual expenditure may exceed estimates due to price escalation, changes in specifications, transportation costs, applicable taxes, foreign exchange movements where relevant, or delays in execution. The contingency provision may be insufficient to meet actual cost overruns.

As at the date of this Draft Red Herring Prospectus, we have not placed orders for plant and machinery. Any delay in finalising suppliers, placing orders, making contractual payments or receiving and installing machinery may affect the implementation schedule. Machinery may also fail to achieve the anticipated performance during trials or require modifications before commercial production can commence.

Implementation will depend on obtaining applicable approvals and permissions, completing construction and associated infrastructure, securing utility connections and coordinating the work of vendors and contractors. Delays or deficiencies at any stage may affect subsequent activities and defer commencement of commercial operations. Any shortfall in funding, including the internal accruals required for the project, may require us to arrange additional borrowings, revise expenditure or reschedule implementation, which could increase financing costs and affect anticipated returns.

Further, our existing fabric customers may not purchase stitched products from us. Developing a customer base for garments may require additional marketing expenditure, product sampling, customer qualification, commercial concessions and extended credit terms. We may be unable to achieve the anticipated sales volumes, realisations or margins, particularly during the initial operating period. Any delay in ramp-up may prolong the period over which expenditure is incurred without corresponding revenue and increase our working capital requirements.

As at the date of this Draft Red Herring Prospectus, we have not entered into binding customer arrangements assuring offtake of the Proposed Facility's envisaged production.

There can be no assurance that the Proposed Facility will be completed within the estimated cost or schedule, achieve the envisaged capacity utilisation or generate the anticipated revenue, profitability or returns. Any implementation delay, cost overrun or inability to successfully establish and operate the Proposed Facility could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

12. ***We have entered into related-party transactions, including with our Promoters, during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024 and may continue to do so. Such transactions may involve potential conflicts of interest, and we cannot assure you that they will always be in the best interests of our Company or our minority Shareholders or will not adversely affect our business, financial condition, results of operations and cash flows.***

We have entered into transactions with certain related parties, including our Promoters, Directors, Key Managerial Personnel and their relatives, and may continue to do so in the future. These transactions include purchases, job-work charges, revenue from operations, other income, receipt and repayment of unsecured loans, interest payments, remuneration and rent expenses. For further details, see "***Summary of Related Party Transactions***" and "***Restated Financial Information – Related Party Transcations***" on pages 104 and 352, respectively.

The table below sets forth the absolute sum of all related-party transactions and such amounts as a percentage of our revenue from operations for the periods indicated:

(₹ in million, except percentages)

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Absolute sum of all related-party transactions	129.88	724.71	666.70	543.69
Revenue from operations	751.07	2,423.84	2,088.43	1,116.82
Absolute sum of all related-party transactions as a percentage of revenue from operations	17.29%	29.99%	31.92%	48.76%

Note: The absolute sum includes receipts and payments without netting and excludes closing outstanding balances. Accordingly, these percentages do not represent revenue contribution from related parties.

In particular, we have commercial and financing arrangements with Sitaram India Limited, one of our Promoters. These include historical purchases and sales, weaving and mending activities undertaken for us, unsecured borrowings and the lease of our Registered and Corporate Office. Accordingly, our relationship with Sitaram India Limited extends across multiple aspects of our operations and financing, and adverse changes in these arrangements may affect more than one part of our business simultaneously.

Set out below are details of transactions with Sitaram India Limited for the periods indicated:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Purchases (₹ in million)	25.94	227.38	59.04	81.74
As a percentage of revenue from operations (%)	3.45%	9.38%	2.83%	7.32%

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Job-work charges (₹ in million)	25.06	31.33	64.27	45.21
As a percentage of revenue from operations (%)	3.34%	1.29%	3.08%	4.05%
Revenue from operations (₹ in million)	0.18	124.40	186.66	63.76
As a percentage of our revenue from operations (%)	0.02%	5.13%	8.94%	5.71%
Other income (₹ in million)	Nil	Nil	0.06	19.83
As a percentage of revenue from operations (%)	Nil	Nil	0.00%	1.78%
Loans taken during the period/year (₹ in million)	30.50	129.00	Nil	Nil
As a percentage of revenue from operations (%)	4.06%	5.32%	Nil	Nil
Repayment of loans during the period/year (₹ in million)	31.50	38.50	Nil	Nil
As a percentage of revenue from operations (%)	4.19%	1.59%	Nil	Nil
Interest payments (₹ in million)	1.81	2.01	Nil	Nil
As a percentage of revenue from operations (%)	0.24%	0.08%	Nil	Nil
Rent expense (₹ in million)	0.36	0.60	Nil	Nil
As a percentage of revenue from operations (%)	0.05%	0.02%	Nil	Nil

Details of closing balances with related parties are set out below:

(₹ in million)

Related party	Nature of balance	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Anil Kumar Nuwal	Borrowings payable	164.52	119.77	144.31	91.77
Madhu Sudan Nuwal	Borrowings payable	28.34	27.38	44.87	40.17
Jugal Kishore Nuwal	Borrowings payable	Nil	46.46	46.65	28.23
Sitaram India Limited	Borrowings payable	89.50	92.31	Nil	Nil
Sitaram India Limited	Payable / (advance to supplier)	Nil	(0.40)	28.74	(24.38)
Sitaram India Limited	Receivable / (advance from customer)	Nil	Nil	97.79	Nil

Subsequent to Fiscal 2026, we implemented an exclusive job-work arrangement under which Sitaram India Limited undertakes specified weaving and mending activities exclusively for our Company using yarn and other materials supplied by us. Consequently, historical sales and purchases involving it may not reflect the nature or extent of transactions under the current arrangement. Our dependence on it now also includes access to dedicated manufacturing infrastructure, and any interruption or adverse modification of this arrangement may affect our production schedules and customer deliveries.

Our outstanding borrowings from Sitaram India Limited were ₹89.50 million and ₹92.31 million as at June 30, 2026 and March 31, 2026, respectively. Consequently, in addition to our operational dependence, we are exposed to changes in the availability and terms of financing provided by this Promoter. Any requirement to repay such borrowings in accordance with their terms, or inability to obtain further funding when required, may necessitate alternative financing and affect our liquidity.

The interests of our Promoters and other related parties may not always coincide with those of our Company or our minority Shareholders. Transactions involving pricing, credit periods, job-work charges, interest rates, repayment terms, rent and allocation of manufacturing resources may involve potential conflicts of interest. Our relationship with the relevant counterparty may also affect our ability to negotiate modifications, enforce contractual rights or replace an arrangement on terms comparable to those available from independent third parties.

Any discontinuation or adverse modification of arrangements with Sitaram India Limited or other related parties may require us to identify alternative suppliers, processors, premises or funding sources. Suitable

alternatives may not be available within the required time or on equivalent commercial terms. In particular, replacement of the dedicated manufacturing infrastructure available through Sitaram India Limited may require technical evaluation, production trials and additional expenditure.

Our related-party transactions have been undertaken on an arm's length basis and with the requisite approvals, wherever applicable. Nevertheless, there can be no assurance that comparable arrangements with independent third parties would not have been more favourable to us. Further, related-party transactions undertaken following listing will be subject to applicable approval and disclosure requirements. Any inability to obtain the requisite approvals may affect the continuation or modification of arrangements on which our operations depend.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material dispute with our Promoters or other related parties concerning the pricing, performance, settlement or repayment of the transactions disclosed herein. Further, we have not experienced any material adverse impact on our financial condition or results of operations arising from these transactions during such periods.

Our existing and future related-party transactions may involve potential conflicts of interest, and there can be no assurance that such transactions, individually or in the aggregate, will always be in the best interests of our Company or our minority Shareholders. Any adverse change in these arrangements, dispute with a related party or inability to comply with applicable requirements could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

13. ***We have substantial outstanding indebtedness, including total fund-based borrowings of ₹2,550.25 million as at September 30, 2026. Any inability to meet our debt servicing obligations or comply with the covenants under our financing arrangements may result in acceleration of borrowings and enforcement of security and could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

We depend on borrowings to finance our capital expenditure, working capital requirements and other business needs. Our outstanding indebtedness requires us to allocate funds towards repayment of principal, interest and other financing charges, which reduces the funds available for our operations and future growth. Our ability to service such indebtedness depends on our operating performance, cash generation, collection of receivables and continued access to financing on commercially acceptable terms.

Set out below are details of our borrowings as at September 30, 2026:

Particulars	Amount outstanding (₹ in million)
Secured working capital facilities	1,071.79
Secured term loans	1,203.63
Unsecured borrowings	274.73
Total fund-based borrowings	2,550.25

Our historical borrowings, debt-to-equity ratio and finance costs are set out below:

Particulars	As at three-month period ended June 30, 2026	As at Fiscal 2026	As at Fiscal 2025	As at Fiscal 2024
Total borrowings (₹ in million)	2,459.20	2,272.67	1,941.47	1,532.89
Debt-to-equity ratio (times)	2.03	2.01	2.18	2.10
Finance costs (₹ in million)	40.18	126.22	155.69	54.74
Finance costs as a percentage of total income (%)	5.33%	5.18%	7.41%	4.83%

Our financing arrangements contain financial and restrictive covenants and requirements relating to obtaining lender consent or providing intimation before undertaking certain actions. These include

restrictions concerning the creation of further charges or encumbrances over secured assets and changes in the composition of our Board, as applicable under the respective financing documents. Such conditions may restrict our operational and financial flexibility, delay business decisions or limit our ability to raise additional financing and implement our growth plans. Our ability to obtain the requisite consents or waivers depends on the relevant lenders, and such consents or waivers may be delayed, withheld or subject to additional conditions.

Our borrowing arrangements also provide for events of default, including defaults in payment, breaches of financial or other covenants, misrepresentations, failure to create or perfect security within stipulated timelines and cross-defaults under other facilities. Accordingly, a default under one financing arrangement may trigger consequences under other arrangements, thereby increasing our repayment obligations and liquidity requirements.

Upon the occurrence of an event of default, our lenders may exercise remedies available under the relevant financing documents, including acceleration or recall of facilities, cancellation or suspension of undrawn facilities, enforcement of security and levy of applicable penal charges or additional interest. If substantial amounts become immediately repayable, we may be unable to arrange replacement financing or generate sufficient cash within the required period.

Certain of our borrowings are secured by mortgages over our factory land and building and hypothecation of plant and machinery, stock-in-trade, receivables and other assets. Enforcement of security over these assets could restrict our access to assets and funds required for operations, disrupt manufacturing, impair our ability to fulfil customer requirements and adversely affect our ability to continue operations. Further, existing encumbrances may limit our ability to offer assets as security for additional financing.

Our working capital, cash credit and overdraft facilities from certain banks are repayable on demand. Certain unsecured borrowings are also repayable on demand. A demand for repayment, reduction in sanctioned limits, non-renewal of facilities or imposition of additional conditions could create an immediate funding requirement. We may be required to use operating cash flows, defer expenditure or seek alternative funding on less favourable terms.

Our exposure to borrowings also makes us susceptible to changes in interest rates and financing terms. An increase in applicable interest rates, withdrawal or reduction of interest subsidies, additional security requirements or higher financing charges could increase our debt servicing costs and adversely affect profitability. Our ability to refinance existing debt or obtain additional financing may also be affected by our leverage, financial performance, credit assessment and prevailing credit market conditions.

We propose to utilise ₹400.00 million from the Net Proceeds towards repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company. However, such utilisation will not eliminate our indebtedness or the risks associated with our remaining borrowing arrangements. The actual reduction in our indebtedness and finance costs will depend on the timing of deployment of the Net Proceeds, the borrowings selected for repayment or prepayment, applicable interest rates, prepayment charges and any additional borrowings availed by us.

Any delay in completion of the Offer or deployment of the Net Proceeds may require us to continue servicing the identified borrowings for longer than anticipated, thereby delaying the expected interest savings. Further, we may incur additional indebtedness to fund our working capital requirements, capital expenditure and other business needs, which may offset the reduction achieved through the proposed repayment or prepayment. Accordingly, there can be no assurance that such utilisation will result in a sustained reduction in our indebtedness or achieve the anticipated improvement in our financial position. For further details, see "***Objects of the Offer – Repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company***" on page 138.

As at the date of this Draft Red Herring Prospectus, none of our lenders has accelerated, recalled, cancelled or suspended any borrowing facility, or demanded prepayment on account of a repayment default, covenant breach or other event of default. Further, no lender has initiated or threatened enforcement of security in relation to our outstanding borrowing facilities.

There can be no assurance that we will generate sufficient cash flows to service our indebtedness, comply with all financing covenants or obtain renewals, refinancing or additional facilities on commercially acceptable terms. Any inability to do so could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects. For further details, see "***Financial Indebtedness***" on pages 367.

14. Certain of our borrowing facilities are supported by personal guarantees provided by our Directors and collateral security provided by our Directors or their family members. Any withdrawal or release of such support, where permitted, or inability to provide replacement guarantees or collateral could materially and adversely affect our access to financing, business, financial condition, results of operations, cash flows and prospects.

Certain borrowing facilities availed by our Company are supported by personal guarantees provided by our Directors, Anil Kumar Nuwal, Madhu Sudan Nuwal and Jugal Kishore Nuwal. Certain facilities are also supported by collateral security over specified residential properties belonging to our Directors or their family members. These arrangements supplement the security created over our Company's assets and form part of the credit support available to the relevant lenders.

The continuation, renewal or modification of these facilities may depend on the continued availability and acceptability of such guarantees and collateral. Any request for withdrawal, release or substitution of this support, where permitted under the relevant financing documents and subject to applicable lender consent, may require us to provide alternative guarantees or security or renegotiate the terms of the affected facilities.

Our ability to provide replacement support depends on the availability of suitable assets or guarantors and their acceptability to the relevant lenders. Existing charges over our assets may constrain our ability to provide additional security. Alternative guarantors or collateral providers may also require compensation, indemnities or other commercial terms that increase our financing costs or create additional obligations.

Further, a deterioration in the financial standing of a guarantor, reduction in the value of collateral or dispute concerning ownership or enforceability of third-party security may cause lenders to seek additional credit support. Even if the existing guarantees and security remain in place, lenders may reassess their adequacy when renewing facilities, revising limits or considering additional financing.

If acceptable replacement or additional support is unavailable, lenders may decline to renew or enhance facilities, reduce available limits, impose additional conditions or exercise other rights available under the financing documents. This could affect our ability to fund procurement, manufacturing, working capital and capital expenditure and may require us to seek alternative financing on less favourable terms.

The enforcement of personal guarantees or third-party collateral may also affect our relationships with the relevant Directors or their family members and their willingness or ability to provide support for future financing. To the extent a guarantor or collateral provider becomes entitled to reimbursement, indemnification or recovery from our Company following payment or enforcement, this may give rise to additional claims against us and affect our liquidity.

As at the date of this Draft Red Herring Prospectus, no Director or third-party collateral provider has sought withdrawal or release of any guarantee or collateral supporting our outstanding borrowing facilities. Further, no lender has required replacement of such guarantees or collateral on account of their invalidity, inadequacy or unenforceability.

There can be no assurance that our Directors or their family members will continue to provide guarantees or collateral for renewed, modified or additional facilities, or that existing support will remain acceptable to lenders. Any inability to maintain or replace such support could materially and adversely affect our access to financing, business, financial condition, results of operations, cash flows and prospects. For further details, see "***Financial Indebtedness***" on page 367.

15. ***We have expanded our manufacturing capacity, and our ability to sustain effective utilisation depends on customer demand, product mix and operational efficiency. Any inability to effectively utilise our capacity or accommodate additional production requirements could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

We have expanded our manufacturing infrastructure through additions to weaving capacity and the development of sizing capabilities. Our installed annual weaving capacity increased from 13.20 million metres in Fiscal 2024 to 19.20 million metres in Fiscal 2025 and 25.20 million metres in Fiscal 2026. Our Manufacturing Facility is equipped with 204 shuttleless airjet looms, together with preparatory and production-support infrastructure.

The following table sets forth details of installed capacity, actual production and capacity utilisation at our Manufacturing Facility for the periods indicated:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Weaving				
Installed annual capacity (million metres)[(1)]	25.20	25.20	19.20	13.20
Actual fabric production (million metres)	7.04	24.46	15.27	11.11
Capacity utilisation (%)	27.94*	97.06%	79.54%	84.17%
Sizing				
Installed annual capacity (million kilograms) [(2)]	6.00	6.00	3.00	NA
Actual sizing volume (million kilograms)	1.88	5.88	3.06	NA
Capacity utilisation (%)	31.33*	98.00%	102.10%	NA

Not annualized

Notes:

(1) The annual installed capacity for weaving is calculated based on the applicable technical installed capacity, time-apportioned for the relevant period. Weaving capacity varies depending on the number of picks and construction of the fabric being manufactured. For the purpose of calculating installed capacity and utilization, we have considered an average of 80 picks.

(2) The installed capacity for sizing varies depending on yarn count and beam length. For calculating sizing installed capacity, we have considered 30s yarn and a beam length of 40,000 metres. Our sizing machine was installed during Fiscal 2025 and, accordingly, sizing capacity utilisation is not available for Fiscal 2024.

As certified by R.K. Maheshwari, Independent Chartered Engineer Certificate dated October 27, 2026.

For further details, see "***Our Business – Business Operations – Capacity Utilisation***" on page 257.

Our ability to sustain effective utilisation depends on the availability of orders suited to our machinery, timely procurement of suitable yarn, availability of employees, reliable utility supply, equipment performance and coordination between preparatory, weaving and downstream processing activities. Changes in any of these factors may reduce production or prevent us from achieving the anticipated benefits of our capacity additions.

Capacity utilisation is also affected by the product mix. Different fabric constructions, yarn counts, widths, designs and specifications may require different machine settings, operating speeds and changeover periods. Consequently, installed capacity does not assure a corresponding level of commercially saleable production, and utilisation achieved in one period may not be comparable with that achieved under a different product mix.

Our weaving production increased from 11.11 million metres against installed capacity of 13.20 million metres in Fiscal 2024, representing utilisation of 84.17%, to 15.27 million metres against installed capacity of 19.20 million metres in Fiscal 2025, representing utilisation of 79.54%. In Fiscal 2026, production increased to 24.46 million metres against installed capacity of 25.20 million metres, representing utilisation of 97.06%. These historical levels do not assure that comparable utilisation will be maintained in subsequent periods.

Any sustained reduction in utilisation may result in under-absorption of depreciation, employee expenses, maintenance expenditure and other fixed overheads, thereby increasing manufacturing costs per unit and adversely affecting margins. We may also be required to adjust procurement, staffing and inventory levels to align with lower production, and such adjustments may not be achievable promptly or without additional expenditure.

Conversely, high utilisation may limit our ability to accommodate additional orders, undertake maintenance or recover production lost during an interruption. Our ability to increase output may be constrained by bottlenecks in sizing, yarn preparation, weaving, inspection or other supporting activities. Increasing capacity at one stage may not generate corresponding additional output unless adequate capacity is available across the other stages.

Although our owned infrastructure is supplemented by dedicated weaving infrastructure available through Sitaram India Limited, the technologies and fabric specifications supported by that infrastructure differ from those at our Manufacturing Facility. Accordingly, it may not be possible to transfer production between facilities without affecting cost, productivity, specifications or delivery schedules.

Further expansion may require additional capital expenditure, approvals, machinery procurement, installation and workforce training. Such expenditure may be incurred before additional demand materialises, and the time required to stabilise production may exceed our estimates. Alternatively, delays in adding capacity when required may restrict our ability to accept orders and pursue growth opportunities.

During the three-month period ended June 30 2026 and for Fiscals 2026, 2025 and 2024, we have not experienced any material delay or cost overrun in implementing our weaving and sizing capacity additions that materially and adversely affected our operations or financial condition.

There can be no assurance that we will sustain effective utilisation of our manufacturing infrastructure, align capacity additions with demand or resolve production bottlenecks within the required time and at acceptable cost. Any sustained underutilisation, capacity constraint or inability to realise the anticipated benefits of expansion could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

16. We have experienced negative cash flows from operating and investing activities in certain periods. Any sustained negative cash flows or inability to secure adequate funding could adversely affect our business, results of operations and financial condition.

We have experienced negative cash flows from operating activities during the three-month period ended June 30, 2026 and Fiscal 2025, and from investing activities during each of the periods presented below. The following table sets forth details of our cash flows:

(₹ in million)

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net cash generated from / (used in) operating activities	(26.22)	23.63	(29.18)	17.52
Net cash used in investing activities	(141.48)	(271.69)	(294.53)	(798.38)
Net cash generated from financing activities	168.67	250.84	313.84	823.58
Net increase / (decrease) in cash and cash equivalents	0.97	2.77	(9.86)	42.72

For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Cash Flows***" on page 400.

Our operations require funds for procurement of yarn and other raw materials, manufacturing and processing expenditure, maintenance of inventories and financing of trade receivables. Differences

between the timing of expenditure and collection of customer payments may result in negative operating cash flows even when we report profits. Our ability to generate operating cash flows depends on inventory movement, collection of receivables, supplier payment terms and other working capital movements.

We reported net cash used in operating activities of ₹26.22 million during the three-month period ended June 30, 2026 and ₹29.18 million during Fiscal 2025. Although we generated positive operating cash flows of ₹23.63 million and ₹17.52 million during Fiscals 2026 and 2024, respectively, these amounts were insufficient to meet the investing cash outflows of ₹271.69 million and ₹798.38 million during those Fiscals. Accordingly, our ability to fund expenditure has depended, in part, on cash generated from financing activities.

Our investing cash outflows primarily relate to expenditure on property, plant and equipment, including capital work-in-progress, capital advances and other investing movements. Such expenditure may be incurred before the corresponding assets commence generating revenue or achieve the anticipated operating performance. Delays in commissioning, lower-than-anticipated utilisation or a longer ramp-up period may extend the time required to recover the funds deployed.

We propose to establish a stitching facility and continue funding the requirements of our existing operations. These activities may require additional capital expenditure and working capital, including expenditure incurred before collection of the corresponding revenue. Any cost overrun, implementation delay or increase in inventory and receivables may place further pressure on cash flows.

Our positive financing cash flows during the periods presented above principally reflect proceeds from borrowings, net of repayments and other financing outflows. Continued dependence on external financing exposes us to the availability and cost of funding, lender requirements and repayment obligations. Additional borrowings may increase finance costs and require a greater portion of future cash generation to be allocated towards debt servicing.

Any delay in receivable collections, accumulation of inventory, reduction in supplier credit or expenditure exceeding our estimates may increase our funding requirements. If operating cash flows and available financing are insufficient, we may need to defer expenditure, moderate production or expansion plans, or seek additional funding on less favourable terms.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, our negative cash flows have not resulted in a material suspension of operations or a default in repayment of principal or interest on our borrowings.

There can be no assurance that we will generate sufficient operating cash flows or obtain adequate financing to meet future requirements. Any sustained negative cash flows, higher-than-anticipated expenditure or increased dependence on external funding could adversely affect our liquidity, ability to service debt and fund operations and growth initiatives, and consequently our business, results of operations and financial condition.

17. Any failure to meet customer specifications and quality standards or maintain certifications required by our customers could result in product rejection, customer claims or loss of business and adversely affect our reputation, results of operations, cash flows and financial condition.

We manufacture and supply woven fabrics with specifications that vary according to customer requirements and end-use applications. These specifications include fibre composition, yarn characteristics, fabric construction, weave, width, weight, stretch characteristics, colour, finish and other technical parameters. Our ability to retain customers and secure repeat business depends, in part, on consistently supplying fabrics that meet the agreed specifications and quality requirements.

Our Manufacturing Facility holds certifications under ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018. We also hold scope certifications under the Global Organic Textile Standard ("GOTS") and Global Recycled Standard ("GRS"), valid until July 2, 2027, and ZED Gold certification.

These certifications are subject to their respective scope, conditions, surveillance requirements and renewal processes.

Maintaining these certifications may require periodic audits, appropriate records, traceability of eligible materials and compliance with applicable process and management-system requirements. Any deficiency identified during an audit, failure to complete corrective actions or delay in renewal may result in suspension, withdrawal or restriction of certification.

Any inability to maintain these certifications or substantiate certification-related claims may affect our ability to supply customers that prescribe such requirements, restrict the marketing of relevant products or require additional expenditure on corrective measures. As at the date of this Draft Red Herring Prospectus, none of these certifications has been suspended, withdrawn or cancelled.

Our manufacturing process involves yarn procurement, preparatory activities, weaving, inspection, grading and, where required, downstream processing. Deficiencies at any stage may affect the quality of the resulting fabric. Variations in yarn quality, incorrect machine settings, weaving defects, inconsistencies in fabric construction or deficiencies in dyeing and finishing may result in products that do not meet customer requirements.

We inspect and grade fabrics following weaving and undertake applicable inspection of processed fabrics before final dispatch. However, inspection procedures may not identify every defect or deviation, and certain deficiencies may become apparent only during subsequent processing, cutting, stitching, washing or use by customers.

Our manufacturing infrastructure is supplemented by weaving and mending activities undertaken through Sitaram India Limited, one of our Promoters, and downstream activities undertaken through third-party processors. Accordingly, the quality of certain products also depends on the performance of these service providers. We may incur costs or face customer claims even where a deficiency originates in materials procured from suppliers or activities undertaken by another party. Recovery of such amounts from the responsible party may be disputed, delayed or insufficient to compensate us for the loss incurred.

Any rejection or non-conformity may require segregation, reinspection, reprocessing, replacement or sale at a discount. Reprocessing may not always rectify a defect and may itself affect fabric characteristics or result in additional wastage. These outcomes may increase material, processing, transportation and employee costs, delay customer deliveries and prolong inventory holding periods.

Where fabrics have already been incorporated into a customer's production process, a quality complaint may involve claims relating to processing expenditure, production disruption or other alleged losses, depending on the applicable contractual terms and circumstances. Disputes concerning whether a deficiency arose during our manufacturing process, third-party processing or subsequent handling may also involve expenditure and management time.

Further, customer specifications and acceptance requirements may change over time. Developing new fabric constructions, using different yarns or offering additional finishes may require trials and adjustments to manufacturing parameters. We may be unable to achieve the required quality consistently or within the customer's delivery schedule, particularly during the initial production of new specifications.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any product rejection, quality-related customer claim or order cancellation that materially and adversely affected our business, results of operations, cash flows or financial condition.

There can be no assurance that our quality-control procedures will identify all deficiencies, that our products will consistently meet customer specifications or that we will maintain and renew the certifications required by our customers. Any significant or repeated quality failure, suspension or withdrawal of certification, or delay in renewal could result in product rejection, additional expenditure, customer claims, reduction in orders or loss of customer relationships. Such developments could adversely affect our reputation, business, results of operations, cash flows and financial condition.

18. ***Our manufacturing operations require a continuous and stable supply of electricity and water. Interruptions in supply, increases in utility costs or delays in commissioning additional solar capacity could materially and adversely affect our production, business, financial condition, results of operations, cash flows and prospects.***

Our weaving, sizing, yarn-preparatory, compressed-air, humidification and other production-support systems require a continuous and stable supply of electricity. Our manufacturing operations also require water. Any interruption or deterioration in the availability or quality of these utilities may affect production continuity and product quality.

We meet our electricity requirements through a combination of government-grid supply and solar power. We have access to approximately 2.5 MW (AC) of operational solar capacity and are in the process of installing an additional 7.4 MW (AC), which is expected to increase aggregate solar capacity available to support operations to approximately 9.9 MW (AC) upon commissioning.

Interruptions in grid supply, voltage fluctuations, electrical failures or restrictions on power availability may cause machinery stoppages and disrupt successive manufacturing stages. Restarting production may involve additional time, material wastage and expenditure. Depending on the duration and nature of an interruption, customer deliveries and production schedules may also be affected.

Our ability to obtain electricity at acceptable prices is subject to tariff revisions, applicable charges, supply conditions and changes in the arrangements through which electricity is procured. Higher electricity costs may increase manufacturing expenditure, and we may be unable to recover such increases through selling prices.

The availability of solar power depends on commissioning, equipment performance, irradiation, weather conditions, maintenance and applicable operating arrangements. Delays in delivery or installation of equipment, receipt of approvals or completion of necessary infrastructure may defer the anticipated benefits of additional solar capacity. Actual generation and savings may differ from estimates, and we may need to procure additional grid power or other available supplies at higher costs.

Our water requirements are met through local utility providers and other permissible means. Shortages, restrictions on availability, deterioration in quality or increases in procurement costs may affect sizing and other activities requiring water. Alternative supplies may not be available in sufficient quantities or on commercially acceptable terms.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any interruption in electricity or water supply that resulted in a material suspension of manufacturing operations.

There can be no assurance that electricity and water will remain available in the required quantities and quality or at commercially acceptable prices, or that additional solar capacity will be commissioned within the anticipated schedule and deliver the expected benefits. Any adverse development could materially and adversely affect our production, business, financial condition, results of operations, cash flows and prospects.

19. ***Our insurance coverage may not adequately protect us against all losses. Our insurance coverage was ₹1,465.90 million against insurable assets with a book value of ₹2,003.90 million as at March 31, 2024, representing coverage of 73.15%. Any uninsured or inadequately insured loss could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.***

We maintain insurance coverage for certain insurable assets, including property, plant and equipment and inventories. However, the aggregate amount of insurance coverage does not establish that every asset, location or category of loss is adequately insured. Recovery depends on the terms, exclusions, deductibles, sub-limits and other conditions of the relevant policies.

Set out below are details of the book value of insurable assets and corresponding insurance coverage:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Book value of insurable assets (₹ in million)	3,019.42	2,918.05	2,524.46	2,003.90
Insurance coverage (₹ in million)	4,021.50	4,021.50	3,321.50	1,465.90
Insurance coverage as a percentage of book value of insurable assets (%)	133.19%	137.81%	131.57%	73.15%

As at March 31, 2024, aggregate insurance coverage was lower than the book value of our insurable assets. Although aggregate coverage exceeded the corresponding book values at the subsequent dates presented above, this does not assure that the amount recoverable for a particular loss will be sufficient to replace damaged assets, restore operations or compensate us for consequential losses.

The replacement cost of machinery, buildings or inventory may exceed their recorded book values or the sums insured under the applicable policies. Further, additions to assets, changes in inventory levels or increases in replacement costs may create gaps between actual exposure and available coverage.

Certain events or consequences may be excluded, subject to sub-limits or otherwise not recoverable under our policies. Losses arising from production interruption, delayed customer deliveries, loss of business, contractual claims or damage to reputation may not be fully compensated. Even where physical damage is insured, the time required to replace machinery or restore production may extend beyond the period or amount covered.

Insurance claims may be disputed, delayed or rejected due to differences in assessment, policy interpretation, documentation or compliance with policy conditions. Pending settlement, we may need to finance repairs, replacement assets and operating expenditure from internal resources or borrowings.

Our ability to maintain insurance also depends on the availability of suitable policies and renewal terms. Premiums, deductibles or exclusions may increase following claims or changes in insurers' assessment of risk. Insurance on commercially acceptable terms may not remain available for all exposures.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not suffered any uninsured or inadequately insured loss that materially and adversely affected our business, financial condition, results of operations or cash flows.

There can be no assurance that our existing coverage will be adequate for every event, that claims will be settled promptly or in full, or that suitable insurance will remain available on commercially acceptable terms. Any significant uninsured or inadequately insured loss could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

20. We have contingent liabilities relating to export obligations under the Export Promotion Capital Goods Scheme. Any failure to fulfil these obligations may require payment of customs duties, interest and penalties and could adversely affect our business, results of operations, cash flows and financial condition.

We have imported capital goods at a zero rate of customs duty under the Export Promotion Capital Goods Scheme ("**EPCG Scheme**"), subject to fulfilment of specified export obligations. In connection with these imports, we have executed bonds in favour of the President of India. The export obligations are required to be fulfilled within the applicable periods, with different completion dates extending up to November 11, 2030.

Set out below are details of the contingent liabilities relating to customs duty saved on the unfulfilled portion of our export obligations:

(₹ in million)

Particulars	As at June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Customs duty saved relating to unfulfilled export obligations under the EPCG Scheme (A)	129.50	140.30	153.48	159.72
Net worth (B)	1,210.22	1,130.56	890.81	731.42
Contingent liabilities as a % of net worth (A/B)	10.70%	12.41%	17.23%	21.84%

For further details, see "***Restated Financial Information***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities and Commitments***" on pages 322 and 407, respectively.

Our ability to fulfil these obligations depends on achieving eligible exports within the prescribed periods and satisfying the applicable conditions and documentation requirements. Changes in overseas demand, customer orders, pricing, production availability, logistics or other business conditions may affect the timing and value of eligible exports. Further, export sales or supplies intended to discharge these obligations may not qualify unless the applicable requirements are satisfied.

If we fail to fulfil the export obligations or comply with the conditions attached to the relevant authorisations, we may be required to pay customs duties together with applicable interest and penalties. Consequently, the actual liability may exceed the contingent liability amounts disclosed above. Any extension, relaxation or other relief sought may not be granted within the required time or on acceptable terms.

Any liability that materialises may require payments from internal resources or additional borrowings, reducing funds available for procurement, operations, debt servicing and expansion. Depending on the amount and timing of payment, this could increase financing costs and adversely affect liquidity and profitability.

As at the date of this Draft Red Herring Prospectus, no demand for repayment of customs duty, interest or penalties has been raised against our Company on account of failure to fulfil the export obligations disclosed above. Further, these contingent liabilities have not crystallised into payment obligations during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024.

There can be no assurance that we will fulfil all export obligations within the prescribed periods or that the disclosed amounts will represent the full liability upon non-compliance. Any crystallisation of these contingent liabilities, together with applicable interest and penalties, could adversely affect our business, results of operations, cash flows and financial condition.

21. There have been instances of delay statutory dues by the Company. Any further delay or non-compliance in payment of statutory dues or filing of returns could attract interest, penalties or other action and adversely affect our business, financial condition and results of operations.

Our Company is required to comply with statutory payment and reporting obligations, including those relating to tax deducted at source ("**TDS**"), goods and services tax, provident fund and employees' state insurance. There have been instances of delay in depositing TDS during Fiscals 2026, 2025 and 2024.

Details of interest paid in connection with these delayed deposits are set out below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Interest paid on delayed TDS deposits (₹ in million)	0.02	0.001	0.005

No principal tax remains unpaid in respect of the delayed TDS challans referred to above. The delays in depositing TDS were primarily attributable to administrative and procedural lapses in the computation, reconciliation and processing of statutory payments. We have taken steps to strengthen monitoring of statutory due dates, reconciliation of tax liabilities and coordination within our finance and accounts team to minimise recurrence of such delays.

Details of employee-related statutory payments for the periods indicated are set out below:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Employees' Provident Fund				
Number of employees covered	421	375	259	200
Statutory dues paid (₹ in million)	2.67	8.64	10.92	5.47
Employees' State Insurance				
Number of employees covered	423	348	243	179
Statutory dues paid (₹ in million)	0.28	2.28	1.64	1.14

Apart from the TDS matters described above, no arrears of undisputed statutory dues relating to GST, provident fund, employees' state insurance, income tax, labour welfare fund or customs duty/cess are reported for the periods covered by the certificate.

Our ability to comply within prescribed timelines depends on accurate computation of liabilities, timely reconciliation of records, availability of funds and effective tracking of payment and filing deadlines. Any deficiency in these processes, changes in applicable requirements or failure to identify discrepancies promptly may result in further delays or non-compliance.

There can be no assurance that further delays, reconciliation differences or payment defaults will not occur, or that existing demands will be resolved without additional liability. Any recurring or significant non-compliance with statutory payment or filing requirements could adversely affect our reputation, business, financial condition, results of operations and cash flows.

22. ***There have been multiple instances of delays in statutory filings and non-compliances with corporate and regulatory reporting obligations in the past, which subject us to regulatory actions, penalties and reputational risk.***

In the past, our Company has experienced delays in filing statutory forms and returns with the Registrar of Companies ("**RoC**") as well as discrepancies and procedural non-compliances relating to corporate records, Board composition, constitution of committees, allotment filings, corporate social responsibility obligations and registration of charges. These instances may indicate gaps in our historical compliance tracking, verification and monitoring processes.

Set out below are details of delayed statutory filings made during three-month period ended June 30, 2026 and for Fiscals 2026, 2025 and 2024 and post the three-month period ended June 30, 2026;

Form	Particulars	Actual filing date	Delay reported (days)
MGT-14	Appointment of Secretarial Auditor for Fiscal 2025	April 4, 2026	246
DIR-12	Regularisation of Anil Kumar Kohli as Director	April 18, 2026	1,267
MGT-14	Shareholders' approval for preferential issue of 4,700,000 Equity Shares	April 24, 2026	3,362

Form	Particulars	Actual filing date	Delay reported (days)
MGT-14	Shareholders' approval for preferential issue of 3,000,000 Equity Shares	April 24, 2026	3,253
MGT-14	Shareholders' approval for preferential issue of 3,300,000 Equity Shares	April 24, 2026	2,922
MGT-14	Shareholders' approval for preferential issue of 9,000,000 Equity Shares	April 27, 2026	3,470
MGT-14	Shareholders' approval for preferential issue of 1,500,000 Equity Shares	April 27, 2026	3,159
MGT-14	Board approval of appointment of Ms. Devika Maheshwari as Company Secretary	May 2, 2026	703
MGT-14	Board approval of appointment of Anil Kumar Nuwal as Managing Director	May 2, 2026	697
MGT-14	Board approval of appointment of Madhu Sudan Nuwal as Managing Director	May 4, 2026	2,500
CHG-1	Creation of charge in favour of Punjab National Bank	May 5, 2026	10
MGT-14	Board approval for preferential issue of 3,300,000 Equity Shares	May 7, 2026	2,958
MGT-14	Board approval for preferential issue of 9,000,000 Equity Shares	May 8, 2026	3,503
MGT-14	Board approval for preferential issue of 4,700,000 Equity Shares	May 8, 2026	3,384
MGT-14	Board approval for preferential issue of 3,000,000 Equity Shares	May 8, 2026	3,289
MGT-14	Board approval for preferential issue of 1,500,000 Equity Shares	May 8, 2026	3,192
GNL-2	Private placement offer letter for issue of 3,300,000 Equity Shares	May 25, 2026	2,953
MGT-14	Shareholders' approval of appointment of Madhu Sudan Nuwal as Managing Director	May 29, 2026	2,451
MGT-14	Approval of Bank of Baroda term loan facility of ₹3.60 million	June 11, 2026	2,100
MGT-14	Approval of SIDBI financing for a rooftop solar power plant under the STAR Scheme	June 11, 2026	1,940
MGT-14	Approval of Bank of Baroda borrowing facilities and creation/extension of security	June 11, 2026	1,922
MGT-14	Enhancement/restructuring of working capital limits under a multiple banking arrangement	June 11, 2026	261
MGT-14	Approval of Bank of Baroda term loan / working capital facilities	June 12, 2026	3,405
MGT-14	Approval of Bank of Baroda vehicle loan of ₹1.00 million	June 12, 2026	2,957
MGT-14	Approval of Bank of Baroda term loan of ₹30.00 million and creation of security	June 12, 2026	2,747
MGT-14	Approval of Bank of Baroda cash credit facility of ₹30.00 million and creation of security	June 12, 2026	2,653
MGT-14	Approval of Bank of Baroda term loan facility	June 12, 2026	2,220
MGT-14	Approval of Bank of Baroda working capital term loan	June 12, 2026	1,567
MGT-14	Enhancement of Bank of Baroda cash credit limit	June 12, 2026	1,273
MGT-14	Approval of ICICI Bank working capital facility of ₹400.00 million	June 12, 2026	315
MSME-1	Half-yearly return for October 2024–March 2025	June 12, 2026	44
MGT-14	Approval of SIDBI working capital term loan under TWARIT 2.0 and creation of security	June 13, 2026	1,581
MGT-14	Approval of additional HDFC Bank credit facilities and execution of security documents	June 13, 2026	948
MGT-14	Approval of SIDBI term loan of ₹20.00 million under the PCS-Gold Scheme	June 13, 2026	791

Form	Particulars	Actual filing date	Delay reported (days)
MGT-14	Approval of HDFC Bank vehicle loan of ₹2.65 million	June 13, 2026	451
MGT-14	Approval of Punjab National Bank vehicle loan for Toyota Innova Hycross	June 13, 2026	210
MGT-14	Approval of Punjab National Bank vehicle loan for Mahindra XEV9E	June 13, 2026	209
MGT-14	Approval of HDFC Bank vehicle loan of ₹2.70 million	June 15, 2026	270
MSME-1	Half-yearly return for October 2025–March 2026	June 15, 2026	47
MSME-1	Half-yearly return for October 2023–March 2024	June 19, 2026	781
MGT-14	Board approval for issue of bonus shares, subject to shareholders' approval	July 10, 2026	82
PAS-6	Reconciliation of share capital audit report for October 2025–March 2026	July 28, 2026	59
MGT-14	Appointment of Internal Auditor for Fiscal 2025	August 3, 2026	807
DIR-12	Corrective filing recording the appointment date and designation of Anil Kumar Kohli as Additional Director	September 10, 2026	1,616
MSME-1	Half-yearly return for April–September 2023	September 12, 2026	1,048
MSME-1	Half-yearly return for April–September 2024	September 12, 2026	683
MSME-1	Half-yearly return for April–September 2025	September 12, 2026	317
DIR-12	Regularisation of Anil Kumar Kohli's appointment	September 14, 2026	1,416
AOC-4 XBRL	Financial statement filing of Fiscal 2026 along with the CSR 2	October 19, 2026	13
MGT-14	Board resolution for approval of issue of share through Initial Public Offer	October 30, 2026	38
CHG-1	Creation of charge in favour of HDFC Bank Limited for a vehicle loan	April 21, 2025	22
DPT-3	Return of transactions not considered deposits for Fiscal 2025	July 22, 2025	22
CHG-1	Creation of charge in favour of ICICI Bank Limited	August 2, 2025	1
MGT-14	Shareholders' approval of appointment and remuneration of Anil Kumar Nuwal as Managing Director	August 13, 2025	414
MR-1	Appointment of Anil Kumar Nuwal as Managing Director	September 9, 2025	432
DIR-12	Changes in designation of Madhu Sudan Nuwal and Anil Kumar Nuwal	September 9, 2025	436
PAS-6	Reconciliation of share capital audit report for April–September 2025	December 27, 2025	27
MGT-14	Appointment of Internal Auditor	January 7, 2026	75
MGT-14	Reappointment of Vishvnath Garg and Raj Kumar Nyati as Independent Directors	February 20, 2026	1,210
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2016	February 26, 2026	3,464
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2017	February 26, 2026	3,099
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2018	February 26, 2026	2,736
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2020	February 26, 2026	1,945
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2021	February 26, 2026	1,607
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2022	February 26, 2026	1,304
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2023	February 26, 2026	919

Form	Particulars	Actual filing date	Delay reported (days)
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2024	February 26, 2026	596
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2025	February 26, 2026	183
MGT-14	Board approval of financial statements and Board's Report for Fiscal 2019	March 2, 2026	2,424
CHG-4	Satisfaction of charge in favour of Bank of Baroda, Charge ID 100175705	July 5, 2024	48
DIR-12	Resignation of Ms. Priya Lakhotia and appointment of Ms. Devika Maheshwari as Company Secretary	July 9, 2024	41
DPT-3	Return of transactions not considered deposits for Fiscal 2024	July 27, 2024	27
AOC-4 XBRL	Financial statements for Fiscal 2024	November 8, 2024	10
CRA-2	Appointment of Cost Auditor for Fiscal 2025	January 14, 2025	84
DPT-3	Return of transactions not considered deposits for Fiscal 2023	August 24, 2023	55
AOC-4 XBRL	Financial statements for Fiscal 2023	November 9, 2023	11
CHG-1	Modification of charge in favour of HDFC Bank Limited	January 6, 2024	6
MGT-14	Shareholders' resolution approving borrowings exceeding the specified capital and reserves limits	March 19, 2024	49

In respect of certain delayed filings, we have filed the relevant forms with payment of applicable additional fees. However, acceptance of a filing or payment of additional fees does not, by itself, assure that the underlying non-compliance has been fully regularised or that the relevant authorities will not initiate adjudication or other proceedings.

Further, our Company has filed applications with the RoC, Rajasthan at Jaipur, for adjudication of penalties in relation to certain historical non-compliances. These include:

Matter	Particulars
Appointment of Independent Directors and constitution of committees	Delay in the initial appointment of Independent Directors and consequent delay in constitution of the Audit Committee and Nomination and Remuneration Committee. An adjudication application was filed on June 11, 2026.
Return of allotment	A combined Form PAS-3 was filed for allotments of 2,000,000 Equity Shares and 910,000 Equity Shares made on May 18, 2018 and May 19, 2018, respectively, recording May 18, 2018 as the allotment date for both. An adjudication application was filed on June 12, 2026.
Transfer of unspent CSR amount	Delay in transferring the unspent CSR amount relating to Fiscal 2024 and Fiscal 2025 to a fund specified in Schedule VII. The transfer to the Clean Ganga Fund was made on May 21, 2026, and an adjudication application was filed on September 12, 2026.

The adjudication applications are pending for consideration by the RoC, Rajasthan. The outcome, penalties and any further directions will depend on the determination of the adjudicating authority. There can be no assurance that the applications will be disposed of without penalties or other adverse consequences.

These delays and discrepancies, taken together, may indicate weaknesses in our historical compliance processes and internal controls. Although corrective filings and adjudication applications have been undertaken, there can be no assurance that all historical non-compliances have been identified, that corrective submissions will be considered sufficient or that further action will not be required.

With a view to strengthening our internal compliance framework and ensuring timely adherence to applicable statutory and regulatory requirements, our Company has appointed a Compliance Officer with effect from February 19, 2026. The Compliance Officer is responsible for overseeing and monitoring statutory compliances, coordinating with relevant departments and ensuring timely completion of applicable regulatory filings and other compliance requirements.

There can be no assurance that the relevant authorities will not seek further information, initiate inquiries or proceedings, impose penalties or require additional corrective action. Any such development may result in financial liabilities, reputational harm and diversion of management time and resources and could adversely affect our business, financial condition, results of operations and cash flows.

23. ***Our ability to access debt financing on competitive terms is influenced by our credit ratings. Any downgrade, adverse revision in outlook, suspension or withdrawal of such ratings could adversely affect our access to financing, business, financial condition, results of operations and cash flows.***

We depend on borrowings to finance our working capital requirements, capital expenditure and other business needs. Our credit ratings form part of the information considered by lenders when assessing our creditworthiness and determining the availability, pricing and terms of financing. Any adverse rating action may affect our ability to obtain new facilities, renew existing facilities or refinance borrowings on commercially acceptable terms. Set out below are the details of the rating:

Rating agency	Date of rating	Facilities	Rating / outlook
India Ratings and Research	June 26, 2025	Additional fund-based working capital limits	IND BB+/Positive / IND A4+
India Ratings and Research	June 26, 2025	Additional term loan	IND BB+/Positive
India Ratings and Research	June 26, 2025	Existing fund-based working capital limits	IND BB+/Positive / IND A4+
India Ratings and Research	June 26, 2025	Existing term loan	IND BB+/Positive
Crisil Ratings Limited	October 31, 2025	Long-term bank loan facilities	Crisil BBB-/Stable

Any downgrade or adverse revision in outlook may cause lenders to reassess our credit facilities, increase interest rates or other charges, seek additional security or guarantees, reduce available limits or impose more restrictive conditions, depending on the applicable financing arrangements. It may also constrain our ability to raise incremental debt for procurement, operations, capital expenditure or expansion and increase our reliance on internal accruals or equity funding.

Further, maintaining ratings requires timely provision of information and continued engagement with the relevant agencies. Any failure to provide adequate information or complete the review process may result in a rating action based on limited information, suspension, withdrawal or other adverse categorisation in accordance with the agency's policies.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material reduction in financing availability or material increase in borrowing costs attributable to an adverse credit rating action.

There can be no assurance that our ratings or outlooks will be maintained or that future rating actions will not adversely affect the availability and cost of financing. Any such development could adversely affect our liquidity, ability to service debt and fund operations and growth initiatives, and consequently our business, financial condition, results of operations and cash flows.

24. ***We have availed unsecured loans, including from our Promoters and related parties, and certain unsecured loans are repayable on demand. Any demand for repayment or inability to obtain replacement financing could adversely affect our business, results of operations, cash flows and financial condition.***

We have availed unsecured loans to meet our financing requirements, including from our Promoters and related parties. Our outstanding unsecured borrowings aggregated to ₹274.73 million as at September 30, 2026. The continued availability of such funding depends on the terms of the respective arrangements and the willingness and financial capacity of the lenders to extend or renew financial support.

Details of outstanding borrowings from our Promoters and related parties for the periods indicated are set out below:

(₹ in million)

Lender	As at June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Anil Kumar Nuwal	164.52	119.77	144.31	91.77
Madhu Sudan Nuwal	28.34	62.36	44.87	40.17
Jugal Kishore Nuwal	Nil	46.46	46.65	28.23
Sitaram India Limited	89.50	9.05	Nil	Nil
Total	**282.36**	**237.64**	**235.83**	**160.17**

Certain unsecured loans, including those availed from Jitendra Synthetics Private Limited and Nitin Finance and Investment Private Limited, are repayable on demand. For further details, see "***Financial Indebtedness***" on pages 367.

If the relevant lenders require repayment in accordance with the applicable terms, we may need to deploy operating cash flows, use available borrowing facilities or arrange alternative financing at short notice. Such financing may not be available within the required time or on comparable commercial terms.

Repayment may reduce funds available for procurement, manufacturing, payment of suppliers and processors, capital expenditure and other business requirements. If repayment demands coincide with increased working capital requirements, delayed customer collections or other financial obligations, the resulting pressure on liquidity may be significant. We may need to defer expenditure, moderate business expansion or incur additional financing costs.

Further, loans from our Promoters and related parties do not assure continued financial support. Their ability or willingness to provide additional funds, extend repayment periods or maintain existing terms may change. Any withdrawal or reduction of such support could increase our dependence on banks or other lenders, who may require security, guarantees, restrictive covenants or higher interest rates.

Our unsecured borrowings also expose us to changes in interest rates and other commercial terms upon renewal or modification. Additional or replacement financing may increase debt servicing costs and adversely affect profitability. Any inability to repay amounts when due could also result in disputes, recovery proceedings or other consequences under the applicable financing arrangements.

As at the date of this Draft Red Herring Prospectus, we have not received any demand for repayment of unsecured loans that remains unpaid beyond the applicable due date, and we have not defaulted in repayment of principal or interest under such arrangements.

There can be no assurance that unsecured funding will remain available on existing terms or that we will obtain sufficient replacement financing when required. Any substantial repayment requirement or inability to refinance these borrowings could adversely affect our liquidity, business, results of operations, cash flows and financial condition.

25. ***We are exposed to interest rate fluctuations as a significant portion of our borrowings carries floating rates of interest. Our finance costs amounted to ₹40.18 million, ₹126.22 million, ₹155.69 million and ₹54.74 million for the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively.***

Our term loans and working capital facilities carry interest at floating rates linked to the respective lenders' benchmark rates, including the repo rate and marginal cost of funds based lending rate. As at June 30, 2026, March 31, 2026 and March 31, 2025, our variable rate term loans from banks aggregated to ₹1,346.40 million, ₹1,108.24 million and ₹1,162.05 million, respectively, and our working capital facilities, which are also linked to benchmark rates, were utilised to the extent of ₹801.18 million, ₹827.69 million and ₹503.42 million, respectively. Based on our variable rate term loans, an increase of 50 basis points in interest rates would have decreased our profit before tax by ₹6.73 million, ₹5.54 million and ₹5.81 million for the three months period ended June 30, 2026 and Fiscals 2026 and 2025, respectively.

We do not currently hedge our interest rate exposure. Any increase in interest rates, whether due to monetary policy changes, inflation or a deterioration in our credit profile, would increase our finance costs and may adversely affect our results of operations, cash flows and financial condition. We have not experienced any material adverse impact on our results of operations on account of interest rate fluctuations during the three months period ended June 30, 2026 and last three Fiscals.

26. ***We operate in a competitive and fragmented industry, and any inability to compete effectively could adversely affect our customer relationships, pricing, margins, business and results of operations.***

The woven fabrics industry comprises organised and unorganised manufacturers with varying product portfolios, manufacturing capacities, levels of integration and geographic presence. We compete with manufacturers supplying cotton-spandex, rigid cotton, polyester-viscose ("**PV**"), blended and denim fabrics to domestic and international customers, including manufacturers operating in Bhilwara and other textile clusters.

Certain competitors may have greater manufacturing capacity, more integrated operations, stronger financial resources, wider distribution networks or more established customer relationships. Manufacturers with integrated spinning, weaving or processing capabilities may have cost or operational advantages, while smaller manufacturers may compete through lower overheads, flexible production arrangements or aggressive pricing.

Competition depends on factors including fabric quality and consistency, pricing, product specifications, range of offerings, delivery timelines, credit terms and responsiveness to customer requirements. Our customers may procure similar fabrics from multiple manufacturers and may shift orders based on relative prices, availability or commercial terms. Historical customer relationships do not assure continued purchases or a particular share of their procurement requirements.

Increased competition or additional capacity in the industry may place pressure on selling prices and limit our ability to pass on increases in yarn, processing, employee and financing costs. We may need to offer discounts, extend credit periods, introduce additional specifications or incur expenditure on product development and customer acquisition. Such measures may reduce margins or increase working capital requirements without generating corresponding growth in sales.

Our proposed entry into stitching activities will also expose us to competition from established garment manufacturers with relevant production experience, trained workforces and customer relationships. Our existing position in fabric manufacturing may not provide equivalent competitive advantages in stitched products.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any loss of business attributable to competitive pressures that materially and adversely affected our operations or financial condition.

There can be no assurance that we will maintain our competitive position, retain customers or achieve sufficient realisations to offset operating costs. Any inability to compete effectively could adversely affect our business, results of operations, cash flows and financial condition.

27. Any inability to collect trade receivables within agreed timelines, or any delay or default in payment by our customers, could adversely affect our liquidity, cash flows, profitability and financial condition.

We supply woven fabrics primarily to business-to-business customers, including textile and apparel manufacturers, wholesalers and other participants in the textile industry. Our ability to realise revenue in cash depends on customers meeting their payment obligations within agreed timelines. Delayed collections or payment defaults may require us to fund expenditure already incurred on procurement, manufacturing, processing and delivery for longer than anticipated.

Our trade receivables increased from ₹270.46 million as at March 31, 2024 to ₹506.18 million as at March 31, 2025. Further increases in receivables accompanied the growth in our operations during Fiscal 2026 and the three-month period ended June 30, 2026. An increase in outstanding receivables exposes a greater amount of our funds to customer credit risk, although an increase in receivables does not, by itself, indicate that amounts are overdue or impaired.

The timing and recoverability of customer payments may be affected by their financial condition, inventory movement, access to credit and demand from their own customers. Adverse conditions in the textile and apparel industry may result in requests for extended credit periods, payment deferments or defaults. Our ability to assess customer creditworthiness may not prevent losses arising from an unexpected deterioration in their financial position.

Collections may also be delayed by disputes concerning fabric quality, specifications, quantities, delivery or commercial adjustments. Customers may withhold payment pending resolution of a complaint or seek deductions, discounts or set-offs. Even where we consider an amount recoverable, resolving a dispute may involve additional expenditure, management time and delays in receipt of funds.

Our revenue is concentrated among a limited number of customers. Consequently, a payment delay or default by a significant customer may have a disproportionate effect on collections and liquidity. Historical relationships and past payment performance do not assure that customers will continue to meet their obligations within agreed timelines.

Any extension of collection periods may increase our reliance on working capital facilities and associated finance costs. If additional funding is unavailable or existing limits are insufficient, delayed collections may affect our ability to pay suppliers and processors, procure materials and maintain production schedules. We may also need to restrict further credit or supplies to affected customers, which could reduce sales or adversely affect customer relationships.

Where receivables become doubtful or unrecoverable, we may be required to recognise additional impairment allowances or write off outstanding amounts. Such charges may reduce profitability without a corresponding reduction in expenditure already incurred. Recovery proceedings may be time-consuming and costly, and amounts ultimately recovered may be lower than the sums outstanding.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any customer payment default or receivable write-off that materially and adversely affected our business, results of operations, cash flows or financial condition.

There can be no assurance that customers will pay within agreed timelines, that outstanding receivables will be recovered in full or that impairment allowances will be sufficient to cover eventual credit losses. Any material delay in collections, payment default or increase in unrecoverable receivables could adversely affect our liquidity, cash flows, profitability and financial condition.

28. Industry information included in this Draft Red Herring Prospectus has been derived from the CareEdge Report, which was prepared by CareEdge Research and exclusively commissioned and paid for by our Company for the purposes of the Offer and any reliance on information from the CareEdge Report for making an investment decision in the Offer is subject to inherent risks.

Certain sections of this Draft Red Herring Prospectus include information that is based on or derived from the CareEdge Report, which was prepared by CareEdge Research and exclusively commissioned and paid for by our Company for the purposes of the Offer pursuant to an engagement letter dated *May 27, 2026*. CareEdge Research is not related to our Company, our Promoters, our Directors, Key Managerial Personnel, Senior Management or the Book Running Lead Managers. A copy of the CareEdge Report will be available on the Company's website at http://www.sitaramdenims.com/www.sitaramdenims.com/investors.html from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date.

In view of the foregoing, 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 CareEdge Report before making any investment decision regarding the Offer. Also see, "***Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data***" and "***Industry Overview***" on pages 24 and 190, respectively.

29. Information relating to installed capacity, actual production and capacity utilisation included in this Draft Red Herring Prospectus involves technical assumptions and estimates that may not reflect actual operating conditions. Actual production and future capacity utilisation may differ, and such information may not be directly comparable with similarly titled information presented by other companies.

Information relating to the installed weaving and sizing capacities, actual production and capacity utilisation of our Manufacturing Facility included in this Draft Red Herring Prospectus is determined using technical assumptions relating to the relevant manufacturing processes. These include assumptions concerning yarn count, beam length, fabric construction and other operating parameters. Variations in these parameters may affect the production achievable using the same machinery.

Our weaving output depends on factors including loom speed, fabric width, weave, number of picks, yarn characteristics, machine efficiency, stoppages and time required for style changes and maintenance. Sizing output similarly depends on yarn specifications, operating speed, beam characteristics and process requirements. Accordingly, the installed capacities expressed in metres of fabric or kilograms of yarn do not represent assured output across all product specifications or operating conditions.

Capacity utilisation is determined by comparing actual production with the applicable capacity for the relevant period. Where capacity has been added or commissioned during a period, the treatment of commissioning dates and the use of annual or proportionately adjusted capacity may materially affect the resulting utilisation percentage. Consequently, utilisation calculated for an interim period may not be directly comparable with utilisation for a full Fiscal unless the denominator is adjusted on a consistent basis.

Actual production may differ from technically assessed capacity due to changes in product mix, customer requirements, machinery performance, availability of employees and utilities, maintenance requirements and other operating conditions. Historical capacity utilisation does not assure that similar utilisation will be achieved or sustained in future periods. Further, other manufacturers may adopt different assumptions or methodologies, limiting the comparability of their capacity and utilisation disclosures with ours.

Accordingly, undue reliance should not be placed on installed capacity or historical production and capacity utilisation as indicators of future output, sales or profitability. For further details, see "***Our Business – Business Operations – Capacity Utilisation***" on page 257.

30. Our Registered and Corporate Office is situated on premises leased from Sitaram India Limited, one of our Promoters. Any non-renewal, termination or adverse modification of the lease could disrupt our administrative operations and adversely affect our business, results of operations and financial condition.

Our Registered and Corporate Office, situated at Plot Nos. F-226, F-227, G-228 and G-229, RIICO Industrial Area, IV Phase, Pur Road, Bhilwara, Rajasthan, is occupied pursuant to a lease agreement dated August 31, 2026 with Sitaram India Limited, one of our Promoters. The lease is for a period of eleven months commencing August 31, 2026, at a monthly rent of ₹0.10 million. While the land comprising our Manufacturing Facility is owned by our Company, our continued occupation of the Registered and Corporate Office depends on the subsistence of this lease and compliance with its terms. For further details, see "***Our Business – Properties***" on page 275.

Upon expiry of the lease, we may need to negotiate an extension or renewal, including revised rent and other commercial terms. There can be no assurance that the lease will be renewed within the required time or on terms acceptable to us. The relationship of the lessor with our Company does not assure continued availability of the premises or renewal on existing terms. Further, the interests and commercial priorities of Sitaram India Limited may not always coincide with those of our Company or our minority Shareholders.

If the lease is terminated or not renewed, or our access to the premises is otherwise restricted, we may need to identify alternative premises and relocate our administrative functions. Suitable premises may not be available within the required time, at a convenient location or on comparable commercial terms. Relocation may involve additional rent, deposits, fit-out expenditure, movement of records and information systems and interruption of administrative activities. We may also need to complete applicable filings and update registrations, correspondence details and business records.

Our occupation may also be affected by disputes concerning the premises, the lessor's rights or interpretation of the lease terms. Any such dispute could involve expenditure and diversion of management time, even if ultimately resolved in our favour. Further, continuation or modification of the arrangement with a Promoter will be subject to applicable related-party approval and disclosure requirements.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any non-renewal, termination or dispute concerning premises occupied by us under lease or rental arrangements that materially and adversely affected our operations.

There can be no assurance that we will retain uninterrupted access to our Registered and Corporate Office or secure suitable alternative premises without additional expenditure or disruption. Any loss of access, relocation or adverse change in lease terms could adversely affect our administrative operations, business, results of operations and financial condition.

31. Our historical results, including growth in revenue from operations from ₹1,116.82 million in Fiscal 2024 to ₹2,423.84 million in Fiscal 2026 and improvements in profitability and margins, may not be indicative of our future performance. Any inability to sustain such growth or improvements could adversely affect our business, results of operations, cash flows and financial condition.

We have experienced growth in revenue from operations, EBITDA and profit after tax during Fiscals 2026, 2025 and 2024. Our revenue from operations increased from ₹1,116.82 million in Fiscal 2024 to ₹2,088.43 million in Fiscal 2025 and ₹2,423.84 million in Fiscal 2026. However, historical growth rates and profitability should not be construed as an assurance that comparable performance will be achieved in future periods.

The following table sets forth certain financial performance indicators for the periods indicated:

(₹ in million, except percentages)

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations	751.07	2,423.84	2,088.43	1,116.82
EBITDA	157.81	504.79	418.80	203.00
EBITDA margin	21.01%	20.83%	20.05%	18.18%
Profit after tax	79.78	242.26	159.42	52.35
Profit after tax margin	10.62%	9.99%	7.63%	4.69%

Note: EBITDA and profit after tax margins are calculated as a percentage of revenue from operations. The three-month results are not annualised and should not be directly compared with full-year results or extrapolated to estimate performance for the full Fiscal.

Our EBITDA increased from ₹203.00 million, representing an EBITDA margin of 18.18% in Fiscal 2024, to ₹504.79 million, representing an EBITDA margin of 20.83% in Fiscal 2026. Profit after tax increased from ₹52.35 million, representing a margin of 4.69% in Fiscal 2024, to ₹242.26 million, representing a margin of 9.99% in Fiscal 2026. These improvements may not be sustained as our business expands or operating conditions change.

Our financial performance has coincided with expansion of our manufacturing infrastructure and increased production. Installed annual weaving capacity increased from 13.20 million metres in Fiscal 2024 to 25.20 million metres in Fiscal 2026, while actual fabric production increased from 11.11 million metres to 24.46 million metres over the same period. Further growth may require additional capacity, investment and working capital, and we may be unable to achieve corresponding increases in sales or profitability from such expenditure.

Our revenue and margins depend on customer demand, product mix, selling prices, yarn and other input costs, manufacturing efficiency, capacity utilisation, processing charges and financing costs. Changes in these factors may offset the benefits of higher production volumes or result in lower realisations and margins. In particular, competitive pricing pressure or delays in passing on increases in raw-material and processing costs may adversely affect profitability.

Our finance costs may also be affected by the availability and timing of interest subsidies. During Fiscal 2026, finance costs reflected an interest subsidy of ₹25.04 million under the Rajasthan Investment Promotion Scheme. The timing and amount of such benefits may vary between periods, and there can be no assurance that comparable benefits will continue to be available or recognised in future periods.

Further, accounting profits do not necessarily result in corresponding operating cash generation. Despite reporting profits, we recorded negative cash flows from operating activities of ₹29.18 million during Fiscal 2025 and ₹26.22 million during the three-month period ended June 30, 2026. Any increase in inventories, delay in collection of receivables or other adverse working capital movement may constrain liquidity notwithstanding growth in revenue or profitability.

Our proposed expansion into stitching activities will involve a different operating model and additional implementation, workforce, customer-development and working capital requirements. The performance of our existing fabric business may not indicate the results achievable from these activities, particularly during commissioning and the initial ramp-up period.

As at the date of this Draft Red Herring Prospectus, there has been no material adverse change in our financial or operating performance subsequent to June 30, 2026, except as disclosed in this Draft Red Herring Prospectus.

There can be no assurance that the factors supporting our historical growth and profitability will continue, that our interim performance will be sustained for the full Fiscal or that future expansion will generate anticipated returns. Any inability to sustain growth, margins or operating efficiencies could adversely affect our business, results of operations, cash flows and financial condition.

32. Conflicts of interest may arise between our Company and our Promoters, Directors or Promoter Group entities engaged in similar or related businesses. Although we have entered into an exclusive job-work agreement and a non-compete agreement with Sitaram India Limited, one of our Promoters, there can be no assurance that these arrangements will prevent all potential conflicts or that such conflicts will be resolved in a manner favourable to our Company.

Certain of our Promoters, Directors and members of our Promoter Group have interests in other entities through their ownership, directorships or other associations. These interests may give rise to potential conflicts concerning business opportunities, procurement, deployment of personnel, allocation of resources and commercial arrangements.

Sitaram India Limited, one of our Promoters, has historically undertaken textile manufacturing activities and has been both a supplier and customer of our Company. Subsequent to Fiscal 2026, we implemented an exclusive job-work arrangement under which it undertakes specified weaving and mending activities exclusively for our Company using yarn and other materials supplied by us. We have also entered into a non-compete agreement with Sitaram India Limited to address potential competition between the two entities.

These arrangements support our access to complementary manufacturing infrastructure and are intended to mitigate potential competition from Sitaram India Limited. However, they do not eliminate all potential conflicts arising from our relationship with it. Decisions concerning job-work charges, payment terms, production priorities, maintenance expenditure, quality requirements and availability of dedicated machinery may involve interests that differ between our Company and Sitaram India Limited.

Our ability to obtain the intended protection under the non-compete agreement depends on its scope, continued validity, enforceability and compliance by the parties. Any ambiguity concerning the activities covered, breach, amendment or termination may result in disputes or reduce the protection available to us. Enforcing our rights may involve expenditure, management time and delays, and available remedies may not adequately compensate us for lost business opportunities or operational disruption.

As at the date of this Draft Red Herring Prospectus, other than Sitaram India Limited, no other member of our Promoter Group is engaged in a line of business similar to that of our Company. However, the agreements with Sitaram India Limited do not, by themselves, restrict other Promoter Group entities from undertaking similar or competing activities in the future. Any future overlap with our existing fabric business or proposed stitching activities may result in competition for customers, suppliers, employees or business opportunities.

Our Promoters or Directors having interests in other entities may also face competing demands on their time and attention or participate in decisions where their interests differ from those of our Company or our minority Shareholders. Applicable approval processes and governance measures may not prevent every conflict or perception of preferential treatment.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, no conflict of interest involving our Promoters, Directors or Promoter Group entities has arisen that materially and adversely affected our business or financial condition, except as disclosed in this Draft Red Herring Prospectus.

There can be no assurance that the arrangements with Sitaram India Limited will prevent all potential conflicts or that any existing or future conflict will be resolved in a manner favourable to our Company or our minority Shareholders. Any such conflict, dispute or perceived conflict could adversely affect our ability to pursue business opportunities, reputation, business, results of operations, cash flows and financial condition.

33. We may be subject to industrial unrest, labour shortages, workforce-related disruptions or increased employee costs, which could adversely affect our business, results of operations, cash flows and financial condition.

Our manufacturing operations depend on the availability and continued services of employees engaged in yarn preparation, sizing, weaving, machinery maintenance, inspection, quality control and other production-support functions at our Manufacturing Facility in Bhilwara, Rajasthan. The availability of suitably trained personnel and their productivity are important to maintaining production schedules, product quality and operational efficiency.

Our ability to operate efficiently depends on maintaining satisfactory employee relations and retaining an adequately trained workforce. Strikes, work stoppages, absenteeism, labour unrest or slowdowns arising from disputes concerning wages, working conditions, benefits or other matters may disrupt manufacturing, delay customer deliveries and increase operating costs. Labour shortages may also require overtime, recruitment of replacement personnel or additional training expenditure.

Our location within the Bhilwara textile cluster exposes us to competition for personnel with experience in operating and maintaining textile machinery. The loss of experienced employees or inability to recruit replacements within the required time may affect machinery utilisation, productivity and quality. Training new personnel may require time, and their initial productivity may be lower than that of experienced employees.

Our manufacturing platform also includes specified activities undertaken by Sitaram India Limited under the exclusive job-work arrangement and downstream processing undertaken by third parties. Labour shortages or disputes affecting these entities may interrupt services provided to us, even where our own workforce remains available.

Further, our proposed stitching facility will require recruitment and training of personnel with skills in cutting, stitching, line supervision, finishing and garment quality control. We may be unable to recruit sufficient personnel, achieve the anticipated productivity or retain trained employees at the compensation levels assumed in our estimates. Any such difficulty may delay commencement or ramp-up of operations and increase production costs.

We may face upward pressure on compensation and benefits due to inflation, statutory wage revisions, competition for skilled employees or changes in applicable employment requirements. Additional expenditure on recruitment, training, employee welfare and retention may also be necessary as our operations expand. If increases in employee costs are not accompanied by corresponding improvements in productivity or recoverable through selling prices, our margins may be adversely affected.

Employment-related disputes may also result in claims for reinstatement, back wages, compensation or other relief and involve legal expenditure and management time. Our Company is involved in an employment-related proceeding concerning an ex-parte award directing reinstatement with partial back wages and our application seeking to set aside that award. For further details, see "***Outstanding Litigation and Material Developments***" on page 412.

As at the date of this Draft Red Herring Prospectus, our workforce is not represented by a registered labour union. During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any strike, lockout or labour-related work stoppage that materially disrupted our manufacturing operations.

There can be no assurance that we will maintain satisfactory employee relations, retain sufficient skilled personnel or contain increases in employee costs. Any industrial unrest, labour shortage, workforce disruption or inability to achieve anticipated productivity could adversely affect our business, results of operations, cash flows and financial condition.

34. ***Our business depends on demand from the apparel industry and our ability to anticipate changes in customer preferences. Our inventories amounted to ₹1,216.80 million, ₹1,107.53 million, ₹684.80 million and ₹388.84 million, representing 27.46%, 27.01%, 21.02% and 15.15% of our total assets as at June 30, 2026, March 31, 2026, March 31, 2025 and March 31, 2024, respectively. Any inability to align procurement and production with demand may result in excess or slow-moving inventory, write-downs and increased working capital requirements and could adversely affect our business, results of operations, cash flows and financial condition.***

We manufacture and supply woven fabrics used across menswear applications, including shirting, bottom wear, casual wear and formal wear. Demand for our products depends on the procurement requirements of our customers, including textile and apparel manufacturers and wholesalers, which are influenced by consumer demand, fashion trends, discretionary spending, seasonal patterns and prevailing inventory levels across the textile value chain.

We manufacture primarily on a make-to-stock basis. Our procurement and production planning therefore involve estimates concerning demand for different fibre compositions, fabric constructions, designs, colours, finishes and other specifications. Any misjudgement of demand may result in excess inventory that takes longer to sell, requires discounted pricing or becomes subject to write-downs. Conversely, insufficient inventory of the required specifications may affect our ability to fulfil orders and result in lost sales opportunities.

The table below sets forth the composition of our inventories as at the dates indicated:

(₹ in million, except percentages)

Particulars	As at June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Raw materials	506.16	573.25	416.53	179.50
Work-in-progress	296.31	192.05	99.90	72.43
Finished goods	407.86	335.27	162.88	131.10
Stores, spares and packing materials	10.55	8.06	5.49	5.81
Less: Provision for obsolete and slow-moving inventories	(4.08)	(1.10)	Nil	Nil
Total inventories	1,216.80	1,107.53	684.80	388.84
Inventories as a percentage of total assets	27.46%	27.01%	21.02%	15.15%

Changes in apparel demand or customer preferences may reduce the marketability of fabrics manufactured or materials procured based on earlier estimates. Customers may change their preferred fabric composition, construction, weight, colour or finish, defer purchases or source alternative products. Fabrics manufactured to particular specifications may have a limited alternative customer base, and we may be unable to sell such inventory promptly or at the anticipated prices.

Our inventories increased from ₹388.84 million as at March 31, 2024 to ₹684.80 million as at March 31, 2025, ₹1,107.53 million as at March 31, 2026 and ₹1,216.80 million as at June 30, 2026. Higher inventory levels increase the funds deployed in our operating cycle and our exposure to changes in demand and prices. If sales do not develop as anticipated, the period required to convert inventories into cash may increase, resulting in additional working capital and financing requirements.

We recognised provisions for obsolete and slow-moving inventories of ₹4.08 million and ₹1.10 million as at June 30, 2026 and March 31, 2026, respectively. Estimates of recoverability depend on assumptions concerning future demand, selling prices and expenditure required to complete and sell the products. Actual realisations may differ from these estimates, and additional provisions or write-downs may be necessary.

Our inventory values are also exposed to movements in yarn and fabric prices. A decline in market prices after procurement or production may reduce realisations from inventory acquired or manufactured using higher-cost inputs. Discounted sales, reprocessing or changes to product specifications may not enable us to recover the costs incurred and may adversely affect margins.

Further, work-in-progress and finished fabrics may remain at different stages of production, including processing undertaken by third parties. Delays in completion, quality issues or changes in customer requirements may prolong holding periods and increase the risk of deterioration, reprocessing costs or reduced realisable value. Maintaining larger inventories may also increase storage, handling and insurance requirements.

Our proposed stitching activities may introduce additional inventory categories and demand-estimation requirements relating to garment styles, sizes and specifications. Our experience in managing fabric inventories may not fully address these requirements, and inaccurate planning may result in further accumulation of slow-moving inventory.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, except for the inventory provisions disclosed above, we have not experienced any inventory obsolescence, write-off or distress sale that materially and adversely affected our business, results of operations or financial condition.

There can be no assurance that we will accurately anticipate changes in demand, maintain appropriate inventory levels or realise the carrying value of inventories through sales. Any slowdown in apparel demand, adverse change in customer preferences or inability to align procurement and production with market requirements could result in excess or slow-moving inventory, additional provisions, reduced margins and increased funding requirements and could adversely affect our business, results of operations, cash flows and financial condition.

35. Our funding requirements and the proposed deployment of the Net Proceeds are based on management estimates and assumptions, which may vary due to factors beyond our control, and any variation may adversely affect our business and results of operations.

The funding requirements for the Objects of the Offer and the proposed deployment of the Net Proceeds have been determined based on management estimates, internal assessments, the TEV Report prepared by D&B, quotations received from equipment suppliers and contractors, and past expenditure patterns. As of the date of this Draft Red Herring Prospectus, the proposed Objects of the Offer have not been appraised by any bank or financial institution, as the proposed capital expenditure and working capital requirements are intended to be funded primarily through the Net Proceeds of the Offer.

Our estimates and proposed utilization of the Net Proceeds are based on current business plans, prevailing market conditions, cost assumptions and technical parameters. These estimates are subject to change due to various factors, including changes in equipment prices, interest rates, input costs, availability of vendors, changes in regulatory requirements, delays in implementation, variations in project scope, inflationary pressures, and other operational or macroeconomic factors, some of which are beyond our control. Any such changes may require us to revise our funding requirements, reallocate the Net Proceeds among the Objects of the Offer, or seek alternative sources of funding. In terms of Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a SEBI-registered credit rating agency as a monitoring agency to monitor the utilization of the Gross Proceeds, to be maintained in a separate bank account by our Company, prior to filing of the Red Herring Prospectus with the RoC, as the size of the Fresh Issue exceeds ₹1,000.00 million. Our Audit Committee and the Monitoring Agency will also monitor the utilization of the Gross Proceeds till the entire Gross Proceeds are utilized.

In addition, the utilization of a portion of the Net Proceeds towards general corporate purposes will be at the discretion of our management and Board of Directors, subject to applicable law. The precise quantum, timing and manner of utilization of funds for general corporate purposes cannot be determined in advance and will depend on our business needs from time to time. In accordance with the SEBI ICDR Regulations, the amount to be utilized towards general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer. Accordingly, investors will need to rely on the judgment of our management with respect to the deployment of such funds.

Any delay, inefficiency or deviation in the deployment of the Net Proceeds, or any failure to achieve the intended benefits from the Objects of the Offer, may adversely affect our business operations, cash flows,

results of operations and financial condition. For further details, see "***Objects of the Offer***" on page 136.

36. ***Our success depends on the continued involvement of our Promoters, Directors, Key Managerial Personnel and Senior Management and our ability to attract and retain suitable employees. We have experienced significant employee attrition, and any inability to maintain an adequately trained workforce could adversely affect our business, results of operations, cash flows and financial condition.***

Our business is led by our Promoters and Directors, whose experience and industry relationships support strategic planning, manufacturing operations, procurement, customer management and expansion initiatives. They are supported by our Key Managerial Personnel, Senior Management and employees across production, maintenance, quality control, sales, finance, administration and compliance functions.

Our future performance depends, in part, on retaining these personnel and recruiting suitable replacements when required. The loss of key individuals may disrupt decision-making, affect customer and supplier relationships or delay strategic initiatives. Suitable replacements may not be available within the required time or on commercially acceptable terms, and newly appointed personnel may require time to become familiar with our operations.

We have also experienced significant turnover within our workforce. The following table sets forth employee movements and attrition for the periods indicated:

Particulars	Three-month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Opening employee headcount	391	314	215	197
Employees joining during the period/year	171	395	320	118
Employees leaving during the period/year	94	318	221	100
Closing employee headcount	468	391	314	215
Average employee headcount	429.50	352.50	264.50	206.00
Attrition rate	**21.89%**	**90.21%**	**83.55%**	**48.54%**

**Not annualised.*

Note: Average employee headcount is calculated as the average of opening and closing employee headcount. Attrition is calculated by dividing the number of employees leaving during the relevant period/year by average employee headcount.

Our attrition has been concentrated primarily among operational and entry-level personnel. These roles involve workforce mobility, including movement between textile, manufacturing and other industrial establishments in surrounding areas. Nevertheless, repeated employee departures require recruitment, induction, training and supervision of replacement personnel and may affect productivity, production continuity and consistency of product quality.

Competition for employees within the Bhilwara textile cluster may affect our ability to maintain sufficient personnel with experience in sizing, weaving, machinery maintenance, inspection and other manufacturing activities. Replacement employees may initially have lower productivity or require closer supervision. Persistent turnover may also increase recruitment and training expenditure, overtime requirements and pressure on compensation.

Our proposed stitching facility will require additional skills in garment production planning, cutting, stitching, line balancing, finishing and quality control. Any inability to recruit, train and retain sufficient personnel may delay commissioning or ramp-up and prevent us from achieving anticipated production levels and operating efficiencies.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, employee attrition has not resulted in any material adverse impact on our operations.

There can be no assurance that we will retain our key personnel, reduce workforce turnover or attract and train sufficient employees for our existing operations and proposed expansion. Any sustained attrition, shortage of experienced personnel or ineffective transition of responsibilities could adversely affect our business, results of operations, cash flows and financial condition.

37. ***We have benefited from incentives under the Rajasthan Investment Promotion Scheme and other Government schemes, including a capital subsidy receivable of ₹130.22 million as at June 30, 2026 and interest subsidy of ₹0.14 million, ₹25.04 million, nil and ₹17.17 million for the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. Any withdrawal or non-receipt of these benefits, or our failure to comply with the conditions attached to them, may adversely affect our results of operations and cash flows.***

Our Company is eligible for certain incentives under the Rajasthan Investment Promotion Scheme, 2022 ("**RIPS 2022**") in respect of eligible investments made in plant and machinery at our Manufacturing Facility, including investment subsidy and interest subsidy on term loans. We have recognised claims recoverable from Government grants of ₹130.22 million as at June 30, 2026 and March 31, 2026 (of which ₹117.20 million has been classified as non-current) and a corresponding deferred Government grant of ₹121.67 million and ₹122.75 million, respectively. We also receive benefits under the Remission of Duties and Taxes on Exported Products scheme and duty drawback on exports. The table below sets forth the incentives recognised by us for the periods indicated:

Particulars	Three months period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Interest subsidy under RIPS adjusted against finance costs (₹ million)	0.14	25.04	Nil	17.17
Income from Government grants (₹ million)	1.08	3.13	Nil	Nil
RoDTEP and duty drawback on exports (₹ million)	0.13	3.31	6.23	5.19
Total (₹ million)	1.35	31.48	6.23	22.36
Total as a % of profit before tax	1.26%	9.68%	2.92%	32.46%

**Not annualised.*

The decrease in our finance costs from ₹155.69 million in Fiscal 2025 to ₹126.22 million in Fiscal 2026 was primarily attributable to the interest subsidy of ₹25.04 million received under RIPS during Fiscal 2026, as against nil in Fiscal 2025. The receipt of such incentives is subject to eligibility criteria, the satisfaction of conditions prescribed under the relevant schemes and the availability of budgetary allocations, and the timing of disbursement is not within our control. There can be no assurance that the subsidy receivable will be disbursed in full or in a timely manner, that the incentives will not be withdrawn, reduced or modified, or that we will continue to satisfy the conditions attached to them. Any failure to comply with such conditions may also require us to refund incentives already received. Any of these events may adversely affect our results of operations, cash flows and financial condition.

38. ***Any lapse in maintaining occupational health and safety standards at our Manufacturing Facility could result in accidents, injuries, regulatory action, operational disruption and financial losses, which could adversely affect our business, results of operations, cash flows and financial condition.***

Our textile manufacturing operations involve inherent occupational health and safety risks associated with moving machinery, yarn-preparatory equipment, sizing operations, weaving looms, compressed-air systems, electrical installations and material handling. Employees engaged in these activities may be exposed to machinery-related injuries, noise, dust, hot surfaces and other workplace hazards. Yarn, fabrics and other materials stored or handled at our Manufacturing Facility may also be exposed to fire hazards.

The effectiveness of safety measures depends on appropriate equipment maintenance, employee training, supervision and adherence to operating procedures. Equipment malfunction, electrical faults, improper handling of materials, failure to use protective equipment or deviations from prescribed procedures may result in accidents, injuries, fires or damage to plant, machinery and inventory. Our employee turnover

may also require recurring induction and safety training to familiarise replacement personnel with workplace hazards and operating procedures.

Any serious incident may require suspension of the affected activity or shutdown of part or all of our Manufacturing Facility while investigations, repairs or corrective measures are undertaken. Such disruption may reduce production, delay customer deliveries and require additional expenditure on restoration, replacement equipment and alternative arrangements. We may also face compensation claims, legal proceedings and other liabilities arising from injuries or damage.

Our operations are subject to applicable occupational health and safety requirements and inspections by competent authorities. Deficiencies identified during inspections or following an incident may result in corrective directions, penalties, restrictions or suspension of operations. Changes in applicable requirements may also necessitate additional expenditure on equipment, infrastructure, training and monitoring.

Safety incidents may adversely affect employee morale and our ability to recruit and retain personnel. Serious or repeated incidents may also damage our reputation and affect the confidence of customers, suppliers, lenders and other stakeholders. Insurance coverage, where available, may not compensate us fully for resulting liabilities, interruption losses or reputational harm.

We undertake measures to address workplace safety risks, including employee instruction and supervision, maintenance of equipment, use of appropriate protective equipment and periodic review of operating practices. Nevertheless, such measures may not identify every hazard or prevent all incidents, particularly where procedures are not followed or equipment fails unexpectedly.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any serious industrial accident or material instance of non-compliance with applicable occupational health and safety requirements at our Manufacturing Facility.

There can be no assurance that our safety procedures and controls will prevent accidents or that we will avoid liabilities or operational restrictions arising from safety-related matters. Any significant incident or failure to maintain adequate health and safety standards could adversely affect our business, results of operations, cash flows and financial condition.

39. We are subject to environmental, health and safety laws and regulations, and any non-compliance with, or lapses in maintaining, such standards may result in penalties, suspension of operations and harm to our reputation.

Our manufacturing operations involve the use of weaving machinery, sizing equipment, a steam boiler, compressed air systems and other equipment, and generate wastewater from the sizing process, which is treated through an effluent treatment plant at our Manufacturing Facility.

We are subject to environmental, health and safety laws, including those relating to air and water pollution, hazardous waste, groundwater abstraction, boilers and factories, and our Manufacturing Facility is subject to inspections by the relevant authorities. Our employees are exposed to risks of accidents and injuries in the course of operations.

Any failure to comply with applicable laws or our consent conditions, any accident at our Manufacturing Facility, or any change in environmental laws requiring additional expenditure, may result in penalties, closure or suspension of operations, claims and reputational harm.

While we have not experienced any serious accident or material non-compliance with environmental, health and safety laws during the last three Fiscals and the three months period ended June 30, 2026, there can be no assurance that such incidents will not occur in the future.

40. We require various licenses and approvals for undertaking our businesses and the failure to obtain or retain such licenses or approvals in a timely manner, or at all, may adversely affect our business, results of operations and financial condition.

Our business operations are subject to various laws, the compliance of which is supervised by multiple regulatory authorities and government bodies in India. In order to conduct our business, we are required to obtain multiple licenses, approvals, permits and consents.

Additionally, our government approvals and licenses are subject to numerous conditions, some of which are onerous including making an application for amending the existing approval. If we are unable to comply with any or all of their applicable terms and conditions or seek waivers or extensions of time for complying with such terms and conditions, our operations may be interrupted and penalties may be imposed on us by the relevant authorities. Further, a majority of these approvals and licenses are subject to inspections and compliance requirements and are valid only for a fixed period of time subject to renewals. For further details, see "***Government and Other Approvals***" on page 418.

Although no proceedings have been initiated against us where a license or approval was not renewed during the last three Fiscals, we cannot assure that no proceeding will be initiated against us in the future for such inconsistencies. We may need to apply for more approvals in the future including renewal of approvals that may expire from time to time. If we fail to renew, obtain or retain any of such approvals, in a timely manner, or at all, our business, results of operations and financial condition may be adversely affected.

41. We do not own the 'Sitaram' brand or any of the trademarks and logos used by us. One of these trademarks is registered in the name of Sitaram India Limited and its registration has expired, and the applications made by Sitaram India Limited, one of our Promoters, for the other trademarks are pending, of which certain applications have been opposed. Any inability to use, protect or enforce these trademarks could adversely affect our brand, reputation, business and results of operations.

We do not own any registered trademark. The 'Sitaram' brand and the word mark and logos used by us in the course of our business are not owned by us. We use the 'Sitaram' brand pursuant to an arrangement with Sitaram India Limited ("**SIL**"), one of our Promoters, under which SIL has granted us a licence to use the brand against an annual royalty payment of ₹0.50 million. We do not acquire any ownership or proprietary interest in the brand beyond the right to use it. For details, see "***Our Business – Intellectual Property***" on page 274.

The device trademark 'SITARAM SUITINGS' bearing registration number 1267440 in Class 24, which is used by us, is registered in the name of Sitaram India Limited and was valid up to February 17, 2024. The registration has accordingly expired, and SIL has made an application for its renewal, which is pending as on the date of this Draft Red Herring Prospectus. Further, SIL has made applications, each dated February 20, 2026, for registration of the word mark 'SITARAM' and three device marks in Class 24, and an application dated October 27, 2026 for registration of the device mark 'SITARAM WITH S LOGO' in Class 24, all of which are pending. Of these, the applications bearing numbers 7551181 and 7551182 have been opposed, the application bearing number 7551183 is under examination and the application bearing number 8088591 has been sent for Vienna codification. We cannot assure you that the renewal will be granted, that the pending applications will proceed to registration, or that the oppositions will be decided in favour of SIL. Until the renewal is granted or the applications are registered, neither we nor SIL may be able to avail of the statutory protection available to registered trademarks, and our ability to prevent others from using identical or deceptively similar marks may be limited to remedies available under common law, such as passing off.

Our continued use of the 'Sitaram' brand depends on the continuation of our arrangement with SIL, and on SIL's rights in the brand. The arrangement may be terminated or not renewed, or its terms, including the royalty payable, may be revised in a manner that is unfavourable to us. Sitaram India Limited, in whose name the trademark bearing registration number 1267440 is registered, or any other person may claim rights in such trademark or object to its use by SIL or by us. Further, SIL may permit the use of the brand by other persons, including persons engaged in businesses similar to ours, which could dilute the brand or cause confusion among our customers. Any adverse publicity or development affecting SIL

or any other user of the brand could also affect our reputation.

Third parties may use, infringe or challenge the validity of the marks used by us, and we may need to depend on SIL to initiate or defend any proceedings in this regard. Any such proceedings could be time-consuming and costly, and may not be decided in favour of SIL. We may also be subject to claims by third parties alleging that our use of these marks infringes their rights, which could require us to cease using the marks or pay damages or royalties. If we are required to stop using the 'Sitaram' brand or to adopt a new brand, we may incur significant costs and lose the goodwill associated with the brand. Any of the foregoing could adversely affect our brand, reputation, business, results of operations and financial condition.

42. ***Our export revenue has fluctuated across periods, and we may be unable to sustain or expand our export business. Our direct export revenue amounted to ₹16.02 million, ₹73.32 million, ₹14.02 million and ₹161.09 million during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. Any inability to manage overseas market risks or develop export relationships could adversely affect our business, results of operations, cash flows and financial condition.***

Our business primarily caters to domestic customers, although we also sell products directly to overseas customers and to merchant exporters. Our direct export revenue and the markets contributing to such revenue have varied between periods. Historical exports do not assure recurring orders, continued market access or successful expansion into additional jurisdictions.

The following table sets forth our direct export revenue for the periods indicated:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Direct export revenue (₹ in million)	16.02	73.32	14.02	161.09
As a percentage of revenue from operations (%)	2.13%	3.02%	0.67%	14.42%

Our export markets have included Mexico, Peru, South Africa, Ecuador, Afghanistan, the United States, Yemen, Colombia, Nepal and Syria during the periods presented. The composition and contribution of these markets have changed over time. Orders from particular jurisdictions may be irregular, and a significant order in one period may not recur in subsequent periods.

Expanding our export business will depend on identifying suitable customers, meeting their product specifications, offering competitive prices and managing delivery, documentation and collection requirements. Developing overseas relationships may involve sampling, product trials, customer qualification, marketing expenditure and coordination with intermediaries. These efforts may not generate sufficient orders or commercially acceptable returns.

Our export operations are exposed to changes in international demand, import duties, trade restrictions, customs requirements, foreign exchange availability and legal and commercial practices in destination markets. Geopolitical developments, sanctions or restrictions affecting particular jurisdictions, counterparties, banks or shipping arrangements may limit our ability to accept orders, deliver goods or receive payments. Changes in applicable requirements may also increase compliance expenditure or require us to discontinue business in affected markets.

Disruptions in shipping routes, freight availability, ports or customs clearance may increase transportation costs and delay deliveries. We may be unable to recover additional expenditure from customers, and delays may affect customer acceptance, repeat orders or the commercial viability of particular transactions.

Direct exports may also expose us to foreign currency movements between pricing, invoicing and settlement. Adverse exchange-rate movements may reduce realisations or margins. Further, payment disputes, banking restrictions or delays in remittance may affect collections, and recovery from overseas

counterparties may involve unfamiliar procedures, additional costs and enforcement difficulties.

Sales to merchant exporters are distinct from direct exports. Merchant exporters undertake export documentation, logistics and destination-market requirements in their own name. Nevertheless, their demand for our products may be affected by overseas market conditions and their ability to fulfil export orders. Such sales do not provide us with the same direct customer relationships or control over overseas distribution as exports undertaken by our Company.

Our export plans may also affect our ability to fulfil obligations associated with capital goods imported under the Export Promotion Capital Goods Scheme. Any inability to achieve eligible exports within the applicable periods may expose us to payment of customs duties, interest and penalties. For further details, see the "***Risk Factors – We have contingent liabilities relating to export obligations under the Export Promotion Capital Goods Scheme. Any failure to fulfil these obligations may require payment of customs duties, interest and penalties and could adversely affect our business, results of operations, cash flows and financial condition"*** on page 57.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any export-related regulatory restriction, shipment disruption or overseas customer payment default that materially and adversely affected our business or financial condition.

There can be no assurance that we will sustain export revenue, secure recurring overseas orders or expand into additional markets profitably. Any inability to manage export-related risks or establish commercially viable overseas relationships could adversely affect our business, results of operations, cash flows and financial condition.

43. Our business may be subject to seasonal variations and cyclicality in the textile industry, which may cause our results of operations to fluctuate.

Demand for our fabrics is influenced by seasonal factors, including festive and wedding seasons, and by cyclicality in the textile and apparel industry, including inventory cycles of garment manufacturers and wholesalers. Raw material prices, particularly of cotton, are also seasonal and depend on crop cycles. Accordingly, our results of operations may vary from period to period, and our results for any interim period, including the three months period ended June 30, 2026, may not be indicative of our results for the full Fiscal. Any adverse seasonal or cyclical developments may adversely affect our business, results of operations and cash flows.

44. Any disruption, failure or security breach of our information technology systems, or difficulties in implementing and integrating new technologies, could adversely affect our business, operations, results of operations, cash flows and financial condition.

We use information technology systems and applications to support procurement, inventory management, production planning, sales, finance and accounts, human resources and other administrative functions. Our manufacturing operations are also supported by technology-enabled systems used for production monitoring, process control and fabric inspection. We use SAP for accounting, finance, inventory management and related business processes. For further details, see "***Our Business – Information Technology***" on page 273.

The effective operation of these systems depends on the availability of appropriate hardware, software, connectivity, reliable data and trained personnel. System failures, incorrect configurations, data-entry errors, inadequate integration or delays in updating records may affect the accuracy and availability of inventory, production, sales and financial information. Such deficiencies could impair procurement and production decisions, delay dispatches or collections and affect financial reporting.

Our technology infrastructure may be disrupted by power failures, telecommunications or internet outages, hardware malfunction, software errors, malicious software, cyberattacks, fire, natural disasters or other events beyond our control. A prolonged interruption may restrict access to business records, disrupt coordination between departments and require temporary manual processes, which may increase processing time and the risk of errors.

Unauthorised access to our systems may compromise confidential business information, customer and supplier records, employee information or financial data. Security incidents may arise through phishing, compromised credentials, malicious software, inappropriate access rights or employee error or misconduct. The methods used to compromise systems continue to evolve, and we may be unable to identify vulnerabilities or implement effective preventive measures before an incident occurs.

Any loss, corruption or unauthorised disclosure of information may require expenditure on investigation, recovery, restoration and additional security measures. It may also expose us to contractual claims, regulatory scrutiny or reputational harm. Backup and recovery arrangements, where maintained, may not enable complete or timely restoration of systems and records.

We also depend on software vendors and service providers for maintenance, updates, technical support and resolution of system issues. Delays in support, discontinuation of software or services, changes in licensing terms or deficiencies in third-party systems may affect our operations or increase costs. Replacing a vendor or migrating to another system may require additional expenditure, employee training and reconciliation of records.

As our operations expand, including through the proposed stitching facility, we may need to modify existing systems or implement additional applications and production technologies. Implementation may involve configuration, data migration, integration, testing and training. Delays, inaccurate migration or unsuccessful integration may disrupt operations, result in duplication or loss of records and prevent us from achieving anticipated efficiencies. Actual implementation and maintenance costs may also exceed our estimates.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any technology-system failure, cyberattack or data breach that materially and adversely affected our business or operations.

There can be no assurance that our systems, security controls or service-provider arrangements will prevent all interruptions, errors or unauthorised access, or that new technologies will be implemented within anticipated timelines and costs. Any significant disruption, security incident or implementation failure could adversely affect our business, reputation, results of operations, cash flows and financial condition.

45. This Draft Red Herring Prospectus includes certain Non-GAAP Measures, financial and operational performance indicators and other industry measures relating to our operations and financial performance. These measures may not be calculated using a standard methodology applicable across the textile industry and, therefore, may not be comparable with similarly titled financial or industry-related information computed and presented by other companies.

Certain Non-GAAP Measures and other performance indicators, including gross profit, gross profit margin, EBITDA, EBITDA margin, cash profit, cash profit margin, return on capital employed, return on equity, debt-to-equity ratio, fixed asset turnover ratio and net working capital days, relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such measures because we consider them useful in evaluating our business and financial performance and because certain of these measures are used to assess the performance of companies in the textile industry.

These Non-GAAP Measures and other performance indicators may not necessarily be defined under, or presented in accordance with, Ind AS. While certain measures are calculated using financial information derived from our Restated Financial Information, others incorporate operational data, assumptions and estimates. These measures may not be computed using a standard methodology applicable across the industry and, therefore, may not be comparable with similarly titled measures presented by other companies in India or other jurisdictions. Such supplemental information is of limited utility as an analytical tool and should not be viewed as a substitute for measures of performance or profitability under Ind AS or as an alternative assessment of our financial condition, cash flows or liquidity. Investors are cautioned against considering such information in isolation or as a substitute for an analysis of our Restated Financial Information.

Further, we track certain financial and operational performance indicators, including EBITDA, EBITDA margin, profit after tax, profit after tax margin, return on capital employed, return on equity, installed capacity, capacity utilisation, production volumes, revenue per employee and number of looms (collectively, the "**Key Performance Indicators**" or "**KPIs**"). Certain KPIs are supplemental measures that are not prescribed by applicable accounting standards, while others are based on financial statement amounts or operational records. The methodologies and assumptions used to calculate these KPIs may differ from those used by other companies.

Our operational KPIs are compiled using internal records and systems and, where applicable, technical assessments or certifications. These records, systems and methodologies have limitations, and errors in recording, classification or computation may result in inaccurate reporting. Changes in our calculation methodologies or assumptions may also affect comparability between periods. In particular, installed capacity and capacity utilisation depend on assumptions concerning yarn specifications, fabric construction, operating conditions and the treatment of capacity additions during a period. There are inherent challenges in measuring manufacturing performance across different products and operating configurations, and limitations or errors in such measurement may affect our assessment of business performance and operational planning.

Further, there can be no assurance that our KPIs will improve, remain at historical levels or compare favourably with those of comparable listed industry peers in the future. Any inability to maintain or improve these indicators, or deterioration relative to comparable companies, may affect investors' assessment of our performance and adversely affect the market price of our Equity Shares.

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

We are responsible for establishing and maintaining adequate internal control measures commensurate with the size and complexity of operations. Our internal audit functions periodically review the adequacy and effectiveness of our internal systems to support adherence to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no instances of failure to maintain effective internal controls and compliance system during the three month period ended June 30, 2026 and Fiscal, 2026, 2025 and 2024. 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.

47. Fraud, employee negligence or similar incidents may adversely affect our results of operations and cash flows.

Our operations may be subject to incidents of damage to inventory or raw materials in transit and prior to or during stocking. The business may also encounter some inventory loss on account of vendor fraud, security lapse and general administrative error. While we have not experienced any instance of fraud or employee negligence in the three-month period ended June 30, 2026 and Fiscal, 2026, 2025 and 2024 which had an adverse effect on our business operations, we cannot assure you that such instance will not arise in the future.

48. Our inability to adopt technological changes in textile manufacturing could adversely affect our business, results of operations, cash flows and financial condition.

Textile manufacturing involves developments in weaving technology, yarn preparation, sizing, automation, fabric inspection and production-control systems. Our ability to maintain manufacturing

efficiency, product quality and competitiveness depends, in part, on evaluating and adopting technologies suited to our product specifications and operating requirements. We cannot assure you that we will make timely and cost-effective enhancements to our manufacturing infrastructure or keep pace with technological improvements adopted by competitors.

Our existing manufacturing platform includes airjet looms and associated preparatory and production-support systems, supplemented by Sulzer and rapier weaving infrastructure available through Sitaram India Limited. Upgrading these capabilities or introducing new technologies may require capital expenditure, employee training, production trials and integration with existing machinery. Implementation may also involve temporary interruptions, and new equipment or systems may not achieve the anticipated productivity, quality or cost savings.

The cost of adopting new technologies and upgrading our manufacturing infrastructure may exceed our estimates. Further, changes in customer requirements may necessitate modifications before we have recovered the investment in existing equipment. Any inability to identify suitable technologies, implement upgrades efficiently or achieve the expected benefits could reduce our competitiveness and adversely affect our business, results of operations, cash flows and financial condition.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we have not experienced any material adverse impact arising from an inability to adopt technological changes.

49. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval.

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract referred to in this Draft Red Herring Prospectus without obtaining the approval of our Shareholders through a special resolution. In the event of any such circumstance that requires us to vary the disclosed utilisation, we may not be able to obtain the approval of our Shareholders in a timely manner, or at all. Any delay or inability in obtaining such approval may adversely affect our business or operations.

Further, our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree with such proposal to vary the Objects, at such price and in such manner as may be prescribed under the SEBI ICDR Regulations. Additionally, the requirement to provide an exit opportunity may deter our Promoters from agreeing to a variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Accordingly, we may not be able to undertake a variation in the use of the Net Proceeds to respond to changes in our business or financial condition, which may adversely affect our business and results of operations. For details, see "***Objects of the Offer – Variation in Objects***" on page 165.

50. Five out of our six Directors do not have prior experience with listed entities, which may require additional time for them to fully understand their roles and responsibilities. This could potentially affect our corporate governance standards, investor confidence and operational performance.

Five out of our six Directors do not have prior experience in holding directorships in listed entities, either in India or internationally. Post listing of the Equity Shares, our Company will be subject to the applicable regulatory requirements under SEBI Listing Regulations and the Companies Act. While these Directors bring valuable expertise and experience from various industries, they may require additional time to fully understand and comply with the regulatory requirements, governance standards and responsibilities applicable to listed companies in India. The lack of prior experience in managing a listed company may pose challenges in effectively overseeing our Company's transition to a listed entity and in ensuring ongoing compliance with applicable laws. Furthermore, any lapses or delays in implementing governance frameworks or ensuring compliance with regulatory obligations could lead to penalties, reputational loss and adverse effects on our business, results of operations, cash flows and financial condition.

To facilitate the transition to a listed entity, our Directors will be provided with appropriate familiarisation programmes in relation to their roles, responsibilities and applicable regulatory

requirements. Our Company will also have the support of its compliance and professional advisors to assist the Board and management in complying with the applicable regulatory and corporate governance requirements. Accordingly, our Company will take appropriate measures to support the Directors in discharging their responsibilities as directors of a listed company.

51. Our Company has, in the last one year, issued Equity Shares by way of a bonus issue, at a price lower than the Offer Price, and has sub-divided its Equity Shares. Our ability to issue bonus shares in the future will depend on our reserves and profitability.

Pursuant to resolutions of our Board dated March 21, 2026 and our Shareholders dated March 27, 2026, each equity share of face value of ₹10 was sub-divided into two Equity Shares of face value of ₹5 each, and on March 30, 2026, our Company allotted 42,020,000 Equity Shares as bonus shares in the ratio of 1:1 to our existing Shareholders, by capitalising ₹210.10 million.

The price at which bonus Equity Shares have been issued is not indicative of the price at which Equity Shares will be issued or traded after listing. For details, see "***Capital Structure – Notes to Capital Structure – Share Capital History of our Company***" on page 119.

Our ability to issue bonus shares in the future will depend on the availability of adequate free reserves, our profitability and compliance with applicable law, and there can be no assurance that we will issue bonus shares in the future.

52. The average cost of acquisition of Equity Shares held by our Promoters and the Promoter Group Selling Shareholders may be lower than the Offer Price.

The average cost of acquisition of Equity Shares held by our Promoters and the Promoter Group Selling Shareholders may be lower than the Offer Price. The details of the average cost of acquisition of Equity Shares held by them are set out below:

Name	Number of Equity Shares held	Face value per Equity Share (₹)	Average cost of acquisition per Equity Share (₹)*
Promoters			
Anil Kumar Nuwal	13,410,000	5	2.50
Madhu Sudan Nuwal	11,008,000	5	2.50
Jugal Kishore Nuwal	11,008,000	5	0.71
Sitaram India Limited	36,000,000	5	2.50
Promoter Group Selling Shareholders			
Madhu Nuwal	3,404,000	5	2.50
Mamta Nuwal	3,404,000	5	2.50
Sangeeta Nuwal	3,404,000	5	2.50

**As certified by M/s A Bakliwal & Co, Chartered Accountants, by way of their certificate dated November 03, 2026, 2026 bearing UDIN: 26440315YWACAU7056.*

For further details, see "***Capital Structure***" on page 117.

53. Our Promoters and members of our Promoter Group together hold 100.00% of our pre-Offer Equity Share capital and will continue to hold a majority of our post-Offer Equity Share capital, which will allow them to exercise significant influence over us, and their interests may conflict with those of our other Shareholders.

As of the date of this Draft Red Herring Prospectus, our Promoters hold 71,426,000 Equity Shares, constituting 84.99% of our pre-Offer issued, subscribed and paid-up Equity Share capital, and our Promoters together with the members of our Promoter Group hold 84,040,000 Equity Shares, constituting 100.00% of our pre-Offer issued, subscribed and paid-up Equity Share capital.

Following the completion of the Offer, our Promoters and Promoter Group will hold [●]% of our post-Offer Equity Share capital. Accordingly, our Promoters will continue to exercise significant control over matters requiring Shareholder approval, including the election of Directors, dividend declarations, capital raising and significant corporate transactions. The interests of our Promoters may conflict with the interests of our other Shareholders, and they may take actions that delay, defer or prevent a change in control of our Company. For details, see "***Capital Structure***" and "***Our Promoters and Promoter Group***" on pages 117 and 312, respectively.

54. Our Company will not receive the proceeds from the Offer for Sale.

The Offer includes an Offer for Sale of up to 4,471,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million by the Promoter Group Selling Shareholders, comprising up to 1,490,333 Equity Shares by Madhu Nuwal, up to 1,490,333 Equity Shares by Mamta Nuwal and up to 1,490,334 Equity Shares by Sangeeta Nuwal. The proceeds from the Offer for Sale will be paid to the Promoter Group Selling Shareholders, in proportion to their respective portion of the Offered Shares, net of their proportion of the Offer related expenses and relevant taxes, and our Company will not receive any such proceeds. For details, see "***The Offer***" and "***Objects of the Offer***" on pages 92 and 136, respectively.

55. The requirements of being a listed company may strain our resources.

We are not currently a listed company and have not been subject to the heightened scrutiny that accompanies being a listed entity. Following listing, we will be subject to the SEBI Listing Regulations and will be required to file audited annual and unaudited quarterly financial results, maintain and enhance our disclosure controls and internal control over financial reporting, and comply with corporate governance requirements. Such compliance will require significant resources, management attention and the recruitment of additional personnel with expertise in legal, accounting and financial reporting matters. Any failure or delay in complying with these requirements may result in penalties and adversely affect investor confidence and the price of our Equity Shares.

56. 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.

Our Company has not declared or paid any dividends on the Equity Shares during the last three Fiscals, the three months period ended June 30, 2026 and until the date of this Draft Red Herring Prospectus. The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to our Articles of Association, the Dividend Distribution Policy and applicable law. Our ability to pay dividends will depend on our earnings, financial condition, cash flows, capital expenditure requirements (including for the Proposed Facility) and the restrictive covenants under our financing arrangements, which may restrict the declaration of dividends without lender consent. There can be no assurance that we will be able to pay dividends in the future. For details, see "***Dividend Policy***" on page 321.

57. Our Company may undertake a Pre-IPO Placement, and the Equity Shares allotted pursuant to the Pre-IPO Placement may be issued at a price lower than the Offer Price.

Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO Placement of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, prior to filing of the Red Herring Prospectus with the RoC, which, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. The price at which Equity Shares are issued in the Pre-IPO Placement will be decided by our Company in consultation with the Book Running Lead Manager and may be lower than the Offer Price. If the Pre-IPO Placement is completed, the amount raised will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. There can be no assurance that the Pre-IPO Placement will be completed or that the Offer will be successful.

External Risks

58. Adverse macroeconomic conditions in India and globally could adversely affect our business, results of operations and financial condition.

Our performance and the growth of our business are dependent on the health of the Indian economy and, in particular, on consumer demand for apparel. Any slowdown in the Indian economy may adversely affect our business, financial condition, results of operations and cash flows. An increase in India's trade deficit, a downgrade in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our ability to raise financing on acceptable terms.

The Indian economy is also influenced by economic and market conditions in other countries. Geopolitical developments, including conflicts in West Asia and between Russia and Ukraine, may affect commodity and energy prices, shipping routes and freight costs, and global trade. For instance, during the early part of calendar year 2026, geopolitical tensions contributed to an increase in raw material prices, and we availed a working capital term loan in June 2026 to address a short-term liquidity mismatch. Further, the imposition of tariffs, export controls or sanctions, including trade tariffs imposed by the United States in 2025, may adversely affect the Indian textile and apparel sector and demand for our products. Other factors that may adversely affect the Indian economy include scarcity of credit, volatility in the stock markets, changes in India's tax, trade, fiscal or monetary policies, political instability, terrorism or military conflict, epidemics and natural or man-made disasters.

59. Changes in Government policies relating to the textile industry, including in relation to import and export duties, incentive schemes and trade agreements, may adversely affect our business, results of operations and financial condition.

The textile industry in India is subject to various policies of the Central and State Governments, including in relation to customs duties on cotton, yarn and fabrics, anti-dumping and safeguard duties, quality control orders, minimum support prices for cotton, export incentives such as RoDTEP and duty drawback, production-linked and investment incentive schemes and free trade agreements. Changes in such policies may affect the availability and prices of our raw materials, increase competition from imported fabrics, reduce the incentives available to us or affect the competitiveness of our exports and of our customers' products. There can be no assurance that such policies will continue in their current form or that future changes will not adversely affect our business, results of operations and financial condition.

60. We face competition from fabric and garment manufacturers in other countries, including Bangladesh, Vietnam and China, and from imports into India. Any increase in such competition, including as a result of changes in trade agreements or tariffs, could adversely affect our business, results of operations and financial condition.

According to the CareEdge Report, Indian garment manufacturers face strong competition from Bangladesh, Vietnam and China, particularly in export markets where pricing, production efficiency and market access influence sourcing decisions. Manufacturers in these countries may benefit from lower labour or input costs, larger scale, greater integration or preferential market access under trade agreements. Our fabrics, and the garments we propose to manufacture at the Proposed Facility, may therefore compete with products manufactured in such countries, both in India and in export markets.

Changes in trade policies, including the imposition or withdrawal of tariffs, anti-dumping or safeguard duties, the entry into or expiry of free trade agreements, or changes in import duties on fabrics and garments, may alter the relative competitiveness of Indian manufacturers. A reduction in import duties, or preferential access granted to products from competing countries, could increase the availability of lower-priced imported fabrics and garments in India, while higher tariffs imposed by importing countries on Indian products could reduce demand for our products and for those of our customers, many of whom are engaged in apparel manufacturing and export. Any such development could exert pressure on our selling prices, volumes and margins and adversely affect our business, results of operations, cash flows and financial condition.

61. Increasing sustainability, environmental, social and traceability requirements of customers, apparel brands and regulators may require us to incur additional expenditure, and any failure to meet such requirements could adversely affect demand for our products.

According to the CareEdge Report, increasing sustainability, ESG, labour and traceability requirements may require textile and garment manufacturers to make additional investments in manufacturing and compliance systems. The fabric dyeing and treatment process uses significant quantities of water and chemicals, and manufacturers are increasingly expected to install wastewater treatment systems and adopt eco-friendly chemicals. Customers, apparel brands and retailers, particularly those catering to export markets, increasingly require suppliers across the value chain to comply with standards relating to environmental performance, chemical management, raw-material traceability, labour practices and workplace safety, and to undergo periodic audits and certifications.

We, and the third-party processors who undertake dyeing and finishing activities for us, may be required to incur capital and operating expenditure to meet such requirements, including in relation to water and effluent management, energy efficiency and documentation of raw-material sources. Regulatory requirements in India and in export markets relating to sustainability disclosures, product labelling and supply-chain due diligence may also become more stringent. We may not be able to pass on the costs of compliance to our customers. Any failure by us or our processors to meet such requirements, or any adverse finding in a customer audit, could result in the loss of customers or orders and adversely affect our reputation, business, results of operations and financial condition.

62. Natural disasters, climate change, epidemics and other events beyond our control could adversely affect our operations, supply chain and results of operations.

Natural disasters such as droughts, floods, extreme heat and earthquakes, the effects of climate change, epidemics and pandemics, and other events beyond our control may disrupt our operations, the operations of SIL and our processors, our supply of raw materials (including through their impact on cotton crop output) and demand for our products. Any such event, particularly if it affects Bhilwara or Rajasthan, may adversely affect our business, results of operations, cash flows and financial condition.

63. Any adverse change in India's sovereign credit rating by an international rating agency could adversely affect our business and results of operations.

Our borrowing costs and our access to debt financing depend on India's sovereign ratings. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revision to India's credit ratings by international rating agencies may adversely affect our ratings and the terms on which we are able to raise additional finances or refinance existing indebtedness, and the price of the Equity Shares.

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

The regulatory and policy environment in which we operate is evolving and subject to change. The GST regime continues to be subject to amendments and its interpretation by the relevant authorities is evolving, and we cannot assure you that the authorities will not make material tax demands on us under GST in the future. The Government of India has also enacted the Income-tax Act, 2025, which seeks to consolidate and restructure the provisions of the Income Tax Act, 1961, and uncertainties may arise in relation to its interpretation and transitional arrangements.

Further, the Government of India has introduced the Code on Wages, 2019, the Code on Social Security, 2020, the Occupational Safety, Health and Working Conditions Code, 2020 and the Industrial Relations Code, 2020 (collectively, the "**Labour Codes**"), which have come into force from November 21, 2025, and which consolidate and replace numerous existing central labour legislations. Given the labour-intensive nature of our operations, the Labour Codes and the rules framed thereunder by the State Government of Rajasthan may increase our employee costs and compliance requirements. In addition,

the Bharatiya Nyaya Sanhita, 2023, the Bharatiya Nagarik Suraksha Sanhita, 2023 and the Bharatiya Sakshya Adhiniyam, 2023 have replaced the Indian Penal Code, 1860, the Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively, with effect from July 1, 2024. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, law, regulation or policy may be time consuming and costly for us to resolve and may affect the viability of our current business or restrict our ability to grow.

65. If inflation rises in India, increased costs could result in a decline in our profits.

Inflation rates in India have been volatile in recent years and such volatility may continue. Increases in inflation may increase our expenses, including raw material costs, power and fuel costs, freight and salaries and wages payable to our employees, which we may not be able to pass on to our customers, whether entirely or in part. Although the RBI has enacted policy measures designed to curb inflation, these may not be successful. Any increase in inflation in India may adversely affect our business, results of operations and financial condition.

66. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which investors may be more familiar with and which may be material to investors' assessments of our financial condition.

Our Restated Financial Information has been prepared in accordance with Ind AS, 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. Ind AS differs in certain respects from other accounting principles with which investors may be more familiar, such as Indian GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of such differences on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of any other accounting principles. Accordingly, 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 Ind AS, and persons not familiar with Ind AS should limit their reliance on it.

67. We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.

The Competition Act, 2002 prohibits any agreement or action in concert which causes or is likely to cause an appreciable adverse effect on competition in India, including agreements among competitors that determine prices, limit production or supply, share markets or result in bid-rigging, and prohibits the abuse of a dominant position. The combination regulation provisions require acquisitions and mergers crossing prescribed thresholds to be notified to and approved by the Competition Commission of India ("**CCI**"). Any breach of the Competition Act may attract substantial penalties. We are not currently party to any proceedings, and have not received any notice, in relation to non-compliance with the Competition Act. However, any enforcement proceedings initiated by the CCI in the future, or any adverse publicity arising from scrutiny by the CCI, may adversely affect our business, results of operations and financial condition.

68. Investors may have difficulty enforcing foreign judgments against our Company or our management.

Our Company is incorporated under the laws of India and all our Directors and Key Managerial Personnel reside in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons outside India, or to enforce judgments obtained against them outside India. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Sections 13 and 44A of the Code of Civil Procedure, 1908 only in respect of decrees of courts in reciprocating territories, and judgments of courts in non-reciprocating territories may be enforced only by filing a fresh suit in India within three years of such judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court, or enforce a foreign judgment that it considers excessive or inconsistent with Indian public policy. Further, a party seeking to enforce a foreign judgment in India is required to obtain the approval of the RBI to repatriate any amount recovered.

69. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

Certain provisions of Indian law, including the SEBI Takeover Regulations, may delay, deter or prevent a future takeover or change in control of our Company, even if such a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Although these provisions have been formulated to protect the interests of shareholders, they may discourage a third party from attempting to take control of our Company.

70. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading 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 a transfer is not in compliance with such requirements, prior regulatory approval will be required. Further, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate them may require a no-objection or tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval can be obtained on any particular terms or at all.

In addition, pursuant to Press Note No. 3 (2020 Series) dated April 17, 2020 issued by the DPIIT, investments under the foreign direct investment route by an entity of a country which shares a 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, can only be made through the Government approval route. Subsequently, pursuant to Press Note No. 2 (2026 Series) dated March 15, 2026 and the Foreign Exchange Management (Non-debt Instruments) (Amendment) Rules, 2026, the expression "beneficial owner" has been defined and prior Government approval is required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over the investor entity, or exercise ultimate effective control over the investee entity. Any subsequent change in beneficial ownership falling within such restriction will also require Government approval. For details, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 471.

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

Our Articles of Association, the composition of our Board, 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 under Indian law, including in relation to class actions, may not be as extensive as shareholders' rights under the laws of other jurisdictions, and investors may face challenges in asserting their rights as shareholders of an Indian company.

72. The determination of the Price Band is based on various factors and assumptions and the Offer Price may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Manager is below their respective issue prices.

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process, on the basis of the factors described in "***Basis for Offer Price***" on page 167. The Offer Price may not be indicative of the market price of the Equity Shares after the Offer, which may fluctuate as a result of, among other things, the following factors:

- quarterly variations in our results of operations;
- results of operations that vary from those of our competitors or from the expectations of research analysts and investors;

- changes in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint ventures or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of our Directors, Key Managerial Personnel and Senior Management;
- changes in exchange rates and in the prices of cotton, yarn and other commodities;
- fluctuations in stock market prices and volumes; and
- general economic and stock market conditions.

In addition, the current market price of securities listed pursuant to certain previous issues managed by the Book Running Lead Manager is below their respective issue prices. For details, see "***Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Manager***" on page 432. You may be unable to resell your Equity Shares at or above the Offer Price, or at all.

73. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Offer. An active or liquid market for the Equity Shares may not develop, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market may not develop or be sustained after the Offer. The market price of the Equity Shares may decline or fluctuate significantly due to a number of factors, some of which may be beyond our control, including:

- announcements about our earnings that are not in line with analyst expectations;
- the public's reaction to our press releases, other public announcements and filings with the regulators;
- significant claims or complaints from our customers, or shortages or interruptions in the availability of raw materials;
- changes in senior management or key personnel;
- macroeconomic conditions in India and the performance of the textile and apparel industry;
- the operating and stock price performance of comparable companies;
- changes in our shareholder base and issuances or sales, or expected issuances or sales, of Equity Shares; and
- changes in the regulatory and legal environment in which we operate.

Any of these factors may result in large and sudden changes in the trading volume and price of the Equity Shares. In the past, following periods of volatility in the market price of a company's securities, shareholders have instituted class action litigation against that company. If we were involved in a class action suit, it could divert the attention of our management and, if adversely determined, could adversely affect our business, results of operations and financial condition.

74. The Offer Price of our Equity Shares, our price-to-earnings ratio and our market capitalization to revenue from operations ratio may not be indicative of the trading price of our Equity Shares upon listing, and as a result, you may lose a significant part or all of your investment.

Our market capitalization is subject to the determination of the Offer Price through the Book Building Process. The table below sets forth our price-to-earnings ratio and market capitalization to revenue from operations ratio at the upper end of the Price Band:

Particulars	Ratio vis-à-vis Fiscal 2026
Price-to-earnings ratio*	[●]
Market capitalisation to revenue from operations ratio*	[●]

**To be updated at the Price Band advertisement stage and in the Prospectus.*

The Offer Price, multiples and ratios may not be indicative of the market price of the Equity Shares on listing or thereafter. We cannot assure you that an active market will develop or that sustained trading

will take place in the Equity Shares, or provide any assurance regarding the price at which the Equity Shares will trade after listing.

75. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Capital gains arising from the sale of Equity Shares are generally taxable in India. Long-term capital gains exceeding ₹125,000 arising from the sale of listed equity shares on a stock exchange held for more than 12 months, on which securities transaction tax has been paid, are subject to tax at the rate of 12.50% (plus applicable surcharge and cess), and short-term capital gains on such shares held for 12 months or less are subject to tax at the rate of 20.00% (plus applicable surcharge and cess). Capital gains arising from the sale of Equity Shares will be exempt from taxation in India only where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is a resident and the conditions of such treaty are satisfied. Further, the Indian Stamp Act, 1899 provides for stamp duty on the transfer of securities. Dividends declared by a domestic company are taxable in the hands of the shareholders and are subject to tax deduction at source. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

76. 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, and Retail Individual Investors are not permitted to withdraw their Bids after the Bid/ Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount (by blocking it in their ASBA Accounts) on submission of the Bid and are not permitted to withdraw or lower their Bids at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/ Offer Closing Date, events affecting the Bidders' decision to invest, including material adverse changes in international or national monetary policy, financial, political or economic conditions, or 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 even if such events occur.

77. Any future issuance of Equity Shares or convertible securities may dilute your shareholding, and sales of Equity Shares by our Promoters or other significant Shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future issuance of Equity Shares or securities convertible into Equity Shares may dilute the shareholding of investors. Any disposal of Equity Shares by our Promoters, members of our Promoter Group or other significant Shareholders after the expiry of the applicable lock-in periods, including to comply with the minimum public shareholding requirements, or the perception that such sales may occur, may adversely affect the trading price of the Equity Shares. We cannot assure you that we will not issue further Equity Shares or that our Promoters or Promoter Group will not dispose of, pledge or encumber their Equity Shares.

78. Fluctuations 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, and any dividends will be paid in Indian Rupees. Any adverse movement in exchange rates during the time taken to convert such amounts into foreign currency for repatriation, including on account of delays in obtaining any required regulatory approvals, may reduce the net proceeds received by foreign investors. The exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to do so.

79. Upon listing, the Equity Shares may be subject to pre-emptive surveillance measures by the Stock Exchanges, such as Additional Surveillance Measures and Graded Surveillance Measures, which may adversely affect the trading price of the Equity Shares.

SEBI and the Stock Exchanges have implemented surveillance measures, including "additional surveillance measures" ("**ASM**") and "graded surveillance measures" ("**GSM**"), to enhance market integrity and safeguard the interests of investors. Securities may be placed under these frameworks on the basis of criteria including price and volume variation, volatility, market capitalisation, price-to-earnings ratio, net worth and net fixed assets. The surveillance actions applicable to such securities include shifting to the trade-for-trade segment, higher margin requirements, restrictions on trading frequency and limits on pledging. If our Equity Shares are placed under the ASM or GSM framework, trading in, and the price of, the Equity Shares may be adversely affected, and investors may be unable to sell their Equity Shares at or above the Offer Price, or at all.

80. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted until after the Equity Shares have been Allotted and certain other actions have been completed. Accordingly, we cannot assure you that trading in the Equity Shares will commence in a timely manner, or at all, and any failure or delay in listing and trading of the Equity Shares on the Stock Exchanges would adversely affect your ability to sell the Equity Shares.

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SECTION III – INTRODUCTION

THE OFFER

The details of the Offer are summarized below:

Particulars	Details of Equity Shares
Offer of Equity Shares of face value of ₹5[(7)] each	Up to 30,938,000 Equity Shares of face value of ₹5 each for cash, at a price of ₹[●] per Equity share, aggregating up to ₹[●] million
Of which:	
Fresh Issue[(1)]	Up to 26,467,000[*] Equity Shares of face value of ₹5 each for cash, at a price of ₹[●] per Equity share, aggregating up to ₹[●] million
Offer for Sale[(2)]	Up to 4,471,000[*] Equity Shares of face value of ₹5 each fully paid up for cash, at a price of ₹[●] per Equity share, aggregating up to ₹[●] million
The Offer consists of:	
A) QIB Portion[(3)(4)(6)]	Not more than [●][*] Equity Shares of face value of ₹5 each, aggregating up to ₹ [●]million
Of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹5 each
of which 40% of the Anchor Investor Portion shall be reserved in the following manner:	
33.33% of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds	[●] Equity Shares of face value of ₹5 each
6.67% of the Anchor Investor Portion shall be reserved for allocation to Life Insurance Companies and Pension Funds	[●] Equity Shares of face value of ₹5 each
Balance for all QIBs including Mutual Funds, Life Insurance Companies and Pension Funds	[●] Equity Shares of face value of ₹5 each
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
Of Which	
Mutual Fund Portion	[●] Equity Shares of face value of ₹5 each
Balance for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹5 each
B) Non–Institutional Portion[(3)(5)(6)]	Not less than [●]Equity Shares of face value of ₹5 each, aggregating up to ₹[●] million
Of which:	
a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size between ₹0.20 million to ₹1.00 million	Up to [●] Equity Shares of face value of ₹5 each
b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	Up to [●] Equity Shares of face value of ₹5 each
C) Retail Portion[(3)(6)]	Not less than [●]Equity Shares of face value of ₹5 each, aggregating up to ₹ [●]million

Particulars	Details of Equity Shares
Pre-Offer and Post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	84,040,000 Equity Shares of face value of ₹5 each
Equity Shares outstanding after the Offer*	[●] Equity Shares of face value of ₹5 each
Utilisation of Net proceeds	For details about the use of Net Proceeds, please see *"**Objects of the Offer**"* on page 136. Our Company will not receive any proceeds from the Offer for Sale.

Notes:

(1) The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated August 24, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated August 29, 2026. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Group Selling Shareholders pursuant to its resolution dated August 24, 2026.

(2) The details of authorization by each Promoter Group Selling Shareholders approving their participation in the Offer for Sale are as set out below:

Sr. No.	*Name of the Promoter Group Selling Shareholders*	*Date of consent letter*	*Number of Equity Shares offered / Amount*
1.	*Madhu Nuwal*	*August 24, 2026*	*Up to 1,490,333 Equity Shares of face value ₹5 each aggregating up to ₹[●] million*
2.	*Mamta Nuwal*	*August 24, 2026*	*Up to 1,490,333 Equity Shares of face value ₹5 each aggregating up to ₹[●] million*
3,	*Sangeeta Nuwal*	*August 24, 2026*	*Up to 1,490,334 Equity Shares of face value ₹5 each aggregating up to ₹[●] million*

Each Promoter Group Selling Shareholders severally and not jointly through their consent letters each dated August 24, 2026, confirms that the Equity Shares being offered by them are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations.

*(3) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except 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 applicable laws. In case of under-subscription in the Offer, the Equity Shares will be allotted in the following order: (i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed; (ii) upon (i), all the Equity Shares held by the Promoter Group Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Promoter Group Selling Shareholders); and (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion. See "**Terms of the Offer – Minimum Subscription**" on page 443.*

*(4) 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 be accordingly reduced for the Equity Shares allocated to Anchor Investors. 40% of the Anchor Investor Portion will be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Offer Price. In case the aggregate demand from Life Insurance Companies and Pension Funds is less than 6.67%, the remaining Equity Shares will be added to the portion allocated to domestic Mutual Funds. In case of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back 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 Offer Price. However, if 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. See "**Offer Procedure**" beginning on page 450.*

(5) The Equity Shares available for allocation to 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 ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million, 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 allocation to each Non-Institutional Bidder shall not be less than the applicable minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Further, SEBI through the SEBI ICDR Master Circular, 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 ₹0.50 million, shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in 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.

(6) Allocation to Bidders in all categories, except the Retail Portion, Non-Institutional Portion (for application sizes of more than ₹0.20 million and up to ₹1.00 million) and the Anchor Investor Portion, if any, shall be made on a proportionate basis, subject to valid Bids being received at or

*above the Offer Price, as applicable. Allocation to Retail Individual Bidders 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. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see "**Terms of the Offer**", **"Offer Structure**" and "**Offer Procedure**" beginning on pages 438, 445, and 450, respectively.*

*(7) Our Company, in consultation with the Book Running Lead Manager, may consider an issue of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 06, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 09, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least [●]% of the post-Offer paid-up Equity Share capital of our Company. Allocation to all categories, except the Anchor Investor Portion, if any, Non-Institutional Portion and the Retail Portion, shall be made on a proportionate basis subject to valid Bids being received at or above the Offer Price, as applicable.

For further details, including grounds for rejection of bids, please see *"**Terms of the Offer**", "**Offer Structure**"* and *"**Offer Procedure**"* on pages 438*, 445,* and *450* and respectively.

SUMMARY OF FINANCIAL INFORMATION

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024. The Restated Financial Information referred to above is presented under the section titled "**Restated Financial Information**" on page 322. 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 Information**" and "**Management's Discussion and Analysis of Financial Position and Results of Operations**" on pages 322 and 374.*

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SUMMARY OF RESTATED STATEMENT OF ASSETS AND LIABILITIES

(amount in ₹ million)

Particulars	Notes	For the three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	4	1,802.62	1,810.52	1,839.67	1,615.05
(b) Capital work-in-progress	4a	173.79	6.63	0.66	76.67
(c) Right of use assets	5	1.52	1.81	-	-
(d) Intangible Assets	6	0.49	0.55	0.21	-
(e) Investment Property	7	84.91	84.91	84.41	50.79
(f) Financial Assets					
(i) Investments	8	0.82	0.76	0.72	0.66
(ii) Others Financial Assets	9	148.42	148.12	22.81	30.67
(g) Income Tax Assets (net)	10d)	-	-	1.63	-
(h) Other Non-Current Assets	11	219.75	243.16	17.10	18.25
TOTAL NON-CURRENT ASSETS (A)		**2,432.32**	**2,296.46**	**1,967.21**	**1,792.10**
Current Assets					
(a) Inventories	12	1,216.80	1,107.53	684.80	388.84
(b) Financial Assets					
(i) Trade Receivables	13	602.93	544.24	506.18	270.46
(ii) Cash and Cash Equivalents	14	0.54	0.13	0.08	12.16
(iii) Bank balances other than (ii) above	15	38.46	37.91	35.19	32.96
(iv) Loans and advances	16	0.60	2.00	2.12	0.39
(v) Others	9	13.78	13.64	-	-
(c) Other Current Assets	17	125.76	98.31	62.10	69.64
TOTAL CURRENT ASSETS (B)		**1,998.88**	**1,803.76**	**1,290.46**	**774.47**
TOTAL ASSETS (A+B)		**4,431.20**	**4,100.22**	**3,257.67**	**2,566.57**
EQUITY AND LIABILITIES					

Particulars		Notes	For the three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
(A) EQUITY						
(a)	Equity Share Capital	18	420.20	420.20	210.10	210.10
(b)	Other Equity	19	790.02	710.36	680.71	521.32
TOTAL EQUITY (A)			**1,210.22**	**1,130.56**	**890.81**	**731.42**
(B) LIABILITIES						
Non-Current Liabilities						
(a)	Financial Liabilities					
	(i) Borrowings	20	1,430.15	1,198.00	1,184.47	1,116.64
	(ii) Lease liabilities	21	0.39	0.68	-	-
	(iii) Other financial liabilities	22	16.59	10.70	15.93	72.72
(b)	Deferred tax liabilities (net)	10c)	85.64	83.64	62.52	27.55
(c)	Other non- current Liabilities	23	121.67	122.75	-	-
(d)	Provisions	24	4.40	3.87	1.99	2.41
TOTAL NON-CURRENT LIABILITIES (B)			**1,658.84**	**1,419.64**	**1,264.90**	**1,219.33**
Current Liabilities						
(a)	Financial Liabilities					
	(i) Borrowings	25	1,029.05	1,074.67	757.00	416.25
	(ii) Lease liabilities	21	1.12	1.10	-	-
	(iii) Trade Payables	26				
	(A) total outstanding dues of micro enterprises and small enterprises; and		84.21	33.61	45.96	29.69
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		337.62	343.66	245.67	146.70
	(iv) Other Financial Liabilities	27	7.27	5.47	6.44	1.06
(b)	Other Current Liabilities	28	26.57	34.61	31.16	6.99

	Particulars	Notes	For the three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
(c)	Provisions	29	28.82	27.12	15.73	12.34
(d)	Current Tax Liabilities (Net)	30	47.48	29.78	-	2.78
TOTAL CURRENT LIABILITIES (C)			**1,562.14**	**1,550.03**	**1,101.96**	**615.82**
TOTAL EQUITY AND LIABILITIES (A+B+C)			**4,431.20**	**4,100.22**	**3,257.67**	**2,566.57**

SUMMARY OF RESTATED STATEMENT OF PROFIT AND LOSS (INCLUDING OTHER COMPREHENSIVE INCOME)

(Amount in ₹ million)

Particulars	Notes	For the three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
INCOME					
Revenue From Operations	31	751.07	2,423.84	2,088.43	1,116.82
Other Income	32	3.25	15.12	11.58	16.38
TOTAL INCOME		**754.32**	**2,438.96**	**2,100.01**	**1,133.20**
EXPENSES					
Cost of Material Consumed	33	553.73	1,528.75	1,095.01	647.06
Change in Inventories	34	(173.88)	(263.44)	(59.25)	(109.16)
Employee Benefit Expenses	35	35.01	117.10	100.86	74.31
Finance Costs	36	40.18	126.22	155.69	54.74
Depreciation & Amortization Expense	37	13.54	68.59	61.70	95.73
Other Expenses	38	178.40	536.64	533.01	301.61
TOTAL EXPENSES		**646.98**	**2,113.86**	**1,887.02**	**1,064.29**
PROFIT BEFORE TAX		**107.34**	**325.10**	**212.99**	**68.90**
Tax Expense	10a)				
Current Tax		25.51	60.87	18.60	10.72
Deferred Tax		2.05	21.97	34.97	5.84
TOTAL TAX EXPENSE		**27.56**	**82.84**	**53.57**	**16.56**
PROFIT FOR THE PERIOD/YEAR		**79.78**	**242.26**	**159.42**	**52.35**
Other Comprehensive Income		-	-	-	**-**
Items that will not be reclassified to profit or loss					
Re-measurement gain / (Loss) on defined benefit obligations		(0.16)	(3.36)	(0.03)	(0.02)
Income tax relating to re-measurement gain on defined benefit obligations	10a)	0.04	0.85	0.01	0.01
TOTAL OTHER COMPREHENSIVE INCOME		**(0.12)**	**(2.52)**	**(0.02)**	**(0.02)**

Particulars	Notes	For the three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
TOTAL COMPREHENSIVE INCOME		**79.66**	**239.74**	**159.40**	**52.33**
Earnings Per Share (In Rs)	39				
(1) Basic		0.95	2.88	1.90	0.62
(2) Diluted		0.95	2.88	1.90	0.62

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(Amount in ₹ million)

	Particulars	For the three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax	107.34	325.10	212.99	68.90
	Adjustments for:				
	Depreciation & Amortization Expense	13.54	68.59	61.70	95.73
	Finance Costs	17.57	79.86	94.74	42.49
	Other income	(0.00)	(0.00)	(0.66)	(0.28)
	Income from Government Grants	(1.08)	(3.13)	-	-
	RODTEP & Duty Drawback on export	(0.13)	(3.31)	(6.23)	(5.19)
	Foreign exchange Gain / (Loss)	(0.27)	(2.08)	-	-
	Gains/(Loss) on Investments Measured at FVTPL	(0.06)	(0.05)	(0.06)	(0.15)
	Interest Income	(1.67)	(5.37)	(4.59)	(5.47)
	Acturial gain and loss	(0.16)	(3.36)	(0.03)	(0.02)
	Operating profit before working capital changes	**135.07**	**456.25**	**357.87**	**196.02**
	Adjustments for:				
	Decrease/(Increase) in Inventories	(109.28)	(422.73)	(295.95)	(156.75)
	Decrease/(Increase) in Loans	1.40	0.11	(1.73)	0.15
	Decrease/(Increase) in Trade Receivables	(58.42)	(35.98)	(235.72)	(87.97)
	Decrease/(Increase) in Other Financial Assets	0.65	(135.83)	7.86	(6.05)
	Decrease/(Increase) in Other assets	(27.32)	(32.90)	13.77	(44.10)
	Increase/(Decrease) in Trade Payables	44.55	85.65	115.23	137.00
	Increase/(Decrease) in Other Financial Liabilities	1.80	(0.97)	5.37	0.76
	Increase/(Decrease) in Other Current Liabilities	(9.10)	126.21	24.16	(19.61)
	Increase/(Decrease) in Provisions	2.23	13.26	2.98	1.83
	Cash flow from operating activities post working capital changes	**(18.41)**	**53.09**	**(6.16)**	**21.28**
	Refund/ (Payment) of income tax (net)	(7.81)	(29.46)	(23.01)	(3.77)
	Net cash flow from operating activities (A)	**(26.22)**	**23.63**	**(29.18)**	**17.52**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				

	Particulars	For the three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
	Purchase of property, plant and equipment including capital work in progress	(172.46)	(44.88)	(210.29)	(877.43)
	(Increase)/Decrease in Capital Advances	23.42	(226.06)	1.15	28.56
	Increase/(Decrease) in Liabilities for Capital Goods	5.89	(5.23)	(56.80)	44.74
	Purchase of Intangible assets	-	(0.39)	(0.23)	-
	Purchase of investment property	-	(0.50)	(33.61)	-
	Other income	0.00	0.00	0.66	0.28
	Interest received	1.67	5.37	4.59	5.47
	Net cash used in investing activities (B)	**(141.48)**	**(271.69)**	**(294.53)**	**(798.38)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Borrowings (net of repayments)	186.53	331.20	408.58	866.07
	Interest paid	(17.57)	(79.86)	(94.74)	(42.49)
	Payment of lease liabilities	(0.30)	(0.50)	-	-
	Net cash used in financing activities (C)	**168.67**	**250.84**	**313.84**	**823.58**
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**0.97**	**2.77**	**(9.86)**	**42.72**
	Cash and cash equivalents as at April 1	**38.04**	**35.26**	**45.13**	**2.41**
	Cash and cash equivalents as at March 31	**39.00**	**38.04**	**35.26**	**45.13**
	NET INCREASE IN CASH AND CASH EQUIVALENTS	**0.97**	**2.77**	**(9.86)**	**42.72**

SUMMARY OF CONTINGENT LIABILITIES

The following is a summary table of our contingent liabilities for the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024.

(Amount in ₹ million)

Particulars	For the three months period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
In respect of capital goods purchase at the zero rate of duty under the Export Promotion Capital Goods Scheme, the company has executed bond in favour of the President of India for export obligation which is required to be met at different dates before November 11, 2030. In the event of non-fulfillment of the export obligation, the company will be liable to pay customs duties and penalties, as applicable. Unfulfilled export obligation as on June 30, 2026 is approx USD 8.95 million. The contingent liability amount mentioned is a duty saved on unfulfilled portion of export obligation. In the event of non fulfilment of export obligation this amount including Interest and Penalties is payable by the company. At present we are not in position to calculate interest and penalties therefor, this amount is excluding of interest and penalties if any.	129.50	140.30	153.48	159.72

For details, see "***Restated Financial Information – Note 40***" on page 352.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions as per the requirements under Ind AS 24 – Related Party Disclosures read with SEBI ICDR Regulations, entered into by our Company with related parties and as disclosed in the Restated Financial Information for the three month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024 are set forth below:

A. Transactions with related parties

(₹ in million, except percentages)

Particulars	Nature of Relationship	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	%^	Amount	%^	Amount	%^	Amount	%^
i. Remuneration									
Anil Kumar Nuwal	Director	2.40	0.32%	7.80	0.32%	5.10	0.24%	2.70	0.24%
Madhu Sudan Nuwal	Director	2.10	0.28%	5.93	0.24%	5.10	0.24%	5.10	0.46%
Jugal Kishore Nuwal	Director (resigned w.e.f. March 13, 2026)	–	–	–	–	5.10	0.24%	5.10	0.46%
Anil Kumar Kohli	Director	0.33	0.04%	1.24	0.05%	–	–	–	–
Harshit Nuwal	Chief Financial Officer (resigned w.e.f. February 19, 2026)	–	–	4.80	0.20%	–	–	–	–
Nitesh Mundra	Chief Financial Officer (appointed w.e.f. February 19, 2026)	0.27	0.04%	0.52	0.02%	–	–	–	–
Shruti Joshi	Company Secretary (appointed w.e.f. February 19, 2026)	0.16	0.02%	0.12	0.00%	–	–	–	–
Devika Maheshwari	Company Secretary (resigned w.e.f. February 19, 2026)	–	–	0.15	0.01%	–	–	–	–
Priya Lakhotiya	Company Secretary (resigned w.e.f. April 30, 2024)	–	–	–	–	0.18	0.01%	0.12	0.01%
Sangeeta Nuwal	Director's relative	–	–	–	–	4.50	0.22%	3.60	0.32%
Mamta Nuwal	Director's relative	–	–	–	–	4.50	0.22%	3.60	0.32%
Madhu Nuwal	Director's relative	–	–	–	–	4.50	0.22%	3.60	0.32%
Jagdish Prasad Nuwal	Director's relative	–	–	–	–	2.10	0.10%	3.60	0.32%
Chetanya Nuwal	Director's relative	–	–	–	–	2.10	0.10%	–	–

Particulars	Nature of Relationship	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	%^	Amount	%^	Amount	%^	Amount	%^
ii. Interest Payment									
Sitaram India Limited	Entity – Other Related Party	1.81	0.24%	2.01	0.08%	–	–	–	–
Anil Kumar Nuwal	Director	–	–	–	–	1.94	0.09%	2.93	0.26%
Madhu Sudan Nuwal	Director	–	–	–	–	0.84	0.04%	1.60	0.14%
Jugal Kishore Nuwal	Director (resigned w.e.f. March 13, 2026)	–	–	–	–	0.60	0.03%	1.71	0.15%
iii. Repayment of Loans									
Anil Kumar Nuwal	Director	1.95	0.26%	67.01	2.76%	72.11	3.45%	23.04	2.06%
Madhu Sudan Nuwal	Director	0.40	0.05%	8.41	0.35%	23.92	1.15%	27.44	2.46%
Jugal Kishore Nuwal	Director (resigned w.e.f. March 13, 2026)	–	–	3.59	0.15%	11.89	0.57%	22.66	2.03%
Sitaram India Limited	Entity – Other Related Party	31.50	4.19%	38.50	1.59%	–	–	–	–
iv. Loan taken									
Anil Kumar Nuwal	Director	6.42	0.85%	42.47	1.75%	124.65	5.97%	110.24	9.87%
Madhu Sudan Nuwal	Director	0.49	0.07%	25.90	1.07%	28.62	1.37%	65.31	5.85%
Jugal Kishore Nuwal	Director (resigned w.e.f. March 13, 2026)	–	–	3.40	0.14%	30.30	1.45%	50.78	4.55%
Sitaram India Limited	Entity – Other Related Party	30.50	4.06%	129.00	5.32%	–	–	–	–
v. Revenue from Operations									
Anil Kumar Nuwal	Director	0.01	0.00%	0.02	0.00%	–	–	–	–
Madhu Sudan Nuwal	Director	–	–	0.00	0.00%	–	–	–	–
Jugal Kishore Nuwal	Director (resigned w.e.f. March 13, 2026)	–	–	0.01	0.00%	–	–	–	–
Harshit Nuwal	Chief Financial Officer (resigned w.e.f. February 19, 2026)	–	–	0.00	0.00%	–	–	–	–
Sitaram India Limited	Entity – Other Related Party	0.18	0.02%	124.40	5.13%	186.66	8.94%	63.76	5.71%
vi. Other Income									
Sitaram India Limited	Entity – Other Related Party	–	–	–	–	0.06	0.00%	19.83	1.78%
Anil Kumar Kohli	Director	–	–	0.12	0.01%	–	–	–	–
vii. Purchase and job processing charges									

Particulars	Nature of Relationship	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	%^	Amount	%^	Amount	%^	Amount	%^
Sitaram India Limited (Purchase)	Entity – Other Related Party	25.94	3.45%	227.38	9.38%	59.04	2.83%	81.74	7.32%
Sitaram India Limited (Job charges)	Entity – Other Related Party	25.06	3.34%	31.33	1.29%	64.27	3.08%	45.21	4.05%
viii. Rent Expense									
Sitaram India Limited	Entity – Other Related Party	0.36	0.05%	0.60	0.02%	–	–	–	–
ix. Purchase of Investment Property (Land)									
Anil Kumar Nuwal	Director	–	–	–	–	28.62	1.37%	–	–

B. Balances outstanding with related parties

(₹ in million, except percentages)

Particulars	Nature of Relationship	As at June 30, 2026		As at March 31, 2026		As at March 31, 2025		As at March 31, 2024	
		Amount	%^	Amount	%^	Amount	%^	Amount	%^
i. Borrowing Payable									
Anil Kumar Nuwal	Director	164.52	3.71%	119.77	2.92%	144.31	4.43%	91.77	3.58%
Madhu Sudan Nuwal	Director	28.34	0.64%	27.38	0.67%	44.87	1.38%	40.17	1.57%
Jugal Kishore Nuwal	Director (resigned w.e.f. March 13, 2026)	–	–	46.46	1.13%	46.65	1.43%	28.23	1.10%
Sitaram India Limited	Entity – Other Related Party	89.50	2.02%	92.31	2.25%	–	–	–	–
ii. Payable / (Advance to suppliers)									
Sitaram India Limited	Entity – Other Related Party	–	–	(0.40)	(0.01%)	28.74	0.88%	(24.38)	(0.95%)
iii. Receivable / (Advance from customers)									
Sitaram India Limited	Entity – Other Related Party	–	–	–	–	97.79	3.00%	–	–
Madhu Sudan Nuwal	Director	–	–	0.00	0.00%	–	–	–	–
Jugal Kishore Nuwal	Director (resigned w.e.f. March 13, 2026)	–	–	0.00	0.00%	–	–	–	–

Notes:
All the related party transactions have been taken at arm's length price.
As certified by M/s A Bakliwal & Co, Chartered Accountants, by way of their certificate dated November 3, 2026 bearing UDIN: 26440315ZJJMZK7804.
^ Percentage of revenue from operations (for transactions) and of total assets (for balances) for the relevant period, as per the Restated Financial Information. Percentages for the three months period ended June 30, 2026 are not annualised.

For details, see "***Restated Financial Information – Note 41 – Related Party Transactions***" on page 352.

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GENERAL INFORMATION

Registered Office of the Company

Sitaram Denims India Limited
F-226,227, G-228, 229, IVth Phase
RIICO Industrial Area, Bhilwara – 311 001
Rajasthan, India
Email: cs@sitaramdenims.com
Telephone: +91 70233 66448
Website: www.sitaramdenims.com

For further details, including in relation to changes in the name and the Registered Office of our Company, please see the section titled "***History and Certain Corporate Matters***" on page 287.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are set forth below**:**

Particulars	Number
Company Registration Number	034052
Corporate Identity Number	U17100RJ2011PLC034052

Address of the Registrar of Companies

Our Company is registered with the RoC, Jaipur at Rajasthan situated at the following address:

Registrar of Companies, Jaipur at Rajasthan
C/6-7, 1st Floor, Residency Area,
Civil Lines, Jaipur-302 001, Rajasthan, India

Board of Directors

The Board of our Company as on the date of this Draft Red Herring Prospectus comprises of the following.

Sr. No.	Name	Designation	DIN	Address
1.	Anil Kumar Nuwal	Chairman and Managing Director	00096471	9, Main Sector, Shastri Nagar, Bhilwara – 311 001, Rajasthan, India
2.	Madhu Sudan Nuwal	Whole Time Director	00212341	8, Main Sector, Shastri Nagar, Bhilwara, Rajasthan – 311 001, India
3.	Anil Kumar Kohli	Executive Director	09530109	H 448/30, Khatri Colony, Bhopalpura Road, Bhilwara – 311 001, Rajasthan, India
4.	Birendranath Bandyopadhyay	Independent Director	10802067	303, Sarthi Residency, Dumas Road, Near V.R. Mall, Magdalla, Rundh, Surat – 395 007, Gujarat, India
5.	Kamlesh Kumar Choudhary	Independent Director	09291860	House No. 123, Main Sector, Shastri Nagar, Bhilwara – 311001, Rajasthan, India
6.	Nupur Manishkumar Varday	Independent Director	10881346	I-22, Behind Hotel Amit Palace, Mohan Lal Sukhadia Nagar, Bhilwara-311001, Rajasthan, India

For brief profiles and further details of our Board, please see the section titled "***Our Management***" on page 296.

Company Secretary and Compliance Officer

Shruti Joshi is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Shruti Joshi
F-226,227, G-228, 229, IV Phase
RIICO Industrial Area, Bhilwara– 311 001
Rajasthan, India
Telephone: +91-70233 66448
E-mail: cs@sitaramdenims.com
Website: www.sitaramdenims.com

Joint Statutory Auditors of our Company

Pokharna Somani & Associates
12 PS House, Sancheti Colony
Mirchi Mandi Road
Near S K Plaza, Pur Road
Bhilwara – 311 001
Rajasthan, India
Email: pokharnasomani@gmail.com
Telephone: +91 70148 68564
Firm registration number: 011535C
Peer review certificate number: 020697

R Kabra & Co LLP
515, Tulsiani Chambers, Nariman Point,
Mumbai-400021
Email: deepa@rkabra.net
Telephone: +91 99201 11345
Firm registration number: 104502W/W100721
Peer review certificate number: 026014

Changes in the auditors

Except as disclosed below, there has been no change in the statutory auditors of the Company in the last three years preceding the date of this Draft Red Herring Prospectus.

Particulars	Date of Appointment/ Cessation	Reason
R Kabra & Co LLP* **Firm registration number:** 104502W/W100721 **Peer review certificate number:** 026014 **Address:** 515, Tulsiani Chambers, Nariman Point, Mumbai- 400 021, Maharashtra, India **Email**: deepa@rkabra.net	April 15, 2026	Appointment as a Joint Statutory Auditor
Pokharna Somani & Associates* **Firm registration number:** 011535C **Peer review certificate number:** 020697 **Address:** 12, PS House, Sancheti Colony,	March 21, 2026	Appointment as a Joint Statutory Auditor

Particulars	Date of Appointment/ Cessation	Reason
Mirchi Mandi Road, Near S K Plaza, Pur road Bhilwara - 311 001, Rajasthan, India **Email:** pokharnasomani@gmail.com		
Jain Dinesh Kumar & Co. **Firm registration number:** 019617C **Peer review certificate number:** 021918 **Address:** A-21(East), Van Vihar, Gopalpura, Tonk Road, Jaipur – 302015, Rajasthan, India. **Email**: jaindkca@yahoo.co.in	March 18, 2026	Cessation due to Pre-occupation
Jain Dinesh Kumar & Co. **Firm registration number:** 019617C **Peer review certificate number:** 021918 **Address:** A-21(East), Van Vihar, Gopalpura, Tonk Road, Jaipur – 302015, Rajasthan, India **Email**: jaindkca@yahoo.co.in	September 30, 2024	Appointment of Statutory Auditor
S Dad & Co. **Firm registration number:** 007534C **Address:** 1st Floor, 44 – Heera Panna Market, Pur Road, Bhilwara–311 001, Rajasthan, India **Email:** sanjaydad@rediffmail.com	September 30, 2024	Cessation due to end of term of appointment.

**Appointed as a Joint Statutory Auditors.*

Investor Grievances

Bidders can contact our Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Offer in case of any pre-Offer or post-Offer 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, etc. For all Offer related queries and for redressal of complaints, bidders may also write to the BRLM.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application 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 Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary(ies) 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 Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications and grievances of ASBA Bidders.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Offer with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All Offer-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. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking

Book Running Lead Manager

SMC Capitals Limited
A- 401/402, Lotus Corporate Park,
Off Western Express Highway,
Jai Coach Junction, Goregaon (East),
Mumbai – 400063, Maharashtra, India
Telephone: +91 22 6648 1818
Email: sitaram.ipo@smccapitals.com
Investor Grievance Email: investor.grievance@smccapitals.com
Website: www.smccapitals.com
Contact Person: Suhas Satardekar
SEBI Registration No.: INM000011427

Statement of responsibilities

SMC Capitals Limited is the sole BRLM to the Offer and all the responsibilities relating to the co-ordination and other activities in relation to the Offer shall be performed by them and hence, a statement of inter se allocation of responsibilities is not applicable.

Legal Counsel to the Offer

Vidhigya Associates, Advocates
B-607/608, 6th floor, Mittal Commercia
Off M. V. Road, Near Mittal Estate, Marol
Andheri East, Mumbai – 400 059
Maharashtra, India
Telephone: +91 84240 30160
Email: rahul@vidhigyaassociates.com
Website: www.vidhigyaassociates.com

Contact Person: Rahul Pandey

Registrar to the Offer

Bigshare Services Private Limited
S6-2, 6th Floor, Pinnacle Business Park
Mahakali Caves Road, Next to Ahura Centra
Andheri East, Mumbai – 400 093
Maharashtra, India
Telephone: +91 2262638200
E-mail: ipo@bigshareonline.com
Investor grievance e-mail: investor@bigshareonline.com
Contact person: Vinayak Morbale
Website: www.bigshareonline.com
SEBI Registration no.: INR000001385

Bankers(s) to the Company

Bank of Baroda
1-A, Near Netradham Hospital
Ram Dham Road, Azad Nagar
Bhilwara-311001, Rajasthan, India
Telephone: +91 98197 23195
E-mail: smebranch.bhilwara@bankofbaroda.bank.in
Website: www.bankofbaroda.bank.in
Contact Person: Siddharth Darda

HDFC Bank Limited
SK Plaza, Pur road
Bhilwara, Rajasthan, India
Telephone: +91 70143 29202
E-mail: pankaj.maheshwari2@hdfc.bank.in
Website: www.hdfc.bank.in
Contact Person: Pankaj Maheswari

ICICI Bank
ICICI Bank Gadhbor Tower, College Road
Bhilwara-311001, Rajasthan, India
Telephone: +91 74330 67987/ 72328 98989
E-mail: harsh.bhanawat@icicibank.com
Website: www.icici.bank.in
Contact Person: Harsh Bhanawat/ Amit Kumar

Punjab National Bank
Shanti Bhavan Bhopalganj,
Bhilwara-311 001, Rajasthan, India
Telephone: 01482-232461
E-mail: bo0052@pnb.bank.in
Website: www.pnbindia.in
Contact Person: Vinod Kumar Meena

Escrow Collection Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Refund Banks(s)

[●]

Sponsor Bank(s)

[●]

Syndicate Member(s)

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, 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 and RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or 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.

SCSBs 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 and 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, Retail Individual 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, which may be 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 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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes 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

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/Markets/PublicIssues/brokercentres_new.aspx? and www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, 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, 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, as updated from time to time.

Details of Pre-IPO Placement

Our Company, in consultation with the Book Running Lead Manager, may consider an issue of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

Grading of the Offer

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

Expert

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

Our Company has received written consent dated November 3, 2026 from Pokharna Somani & Associates, our Joint Statutory Auditors, 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 our Joint Statutory Auditors, and in respect of Statement of Special Tax Benefits dated November 3, 2026 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated November 3, 2026 from R Kabra & Co LLP, our Joint Statutory Auditors, 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 our Joint Statutory Auditors, and in respect of Statement of Special Tax Benefits dated November 3, 2026 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated November 3, 2026 from *M/s A Bakliwal & Co*, Chartered Accountants (Firm Registration Number: 148416W and Peer review Certificate Number: 023102), holding a valid peer review certificate from ICAI, 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, 2013 to the extent and in their capacity as our Independent Chartered Accountant, and in respect of (i) examination report, dated November 3, 2026 on our Restated Financial Statements in this Draft Red Herring Prospectus (ii) the various certifications issued by them in their capacity as an Independent Chartered Accountant to our company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus

Our Company has received written consent dated October 27, 2026 from R. K. Maheshwari, the Chartered Engineer, to include their name as required under section 26 of the Companies Act, 2013 read with the 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 an independent chartered engineer, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated October 17, 2026 from B K Sharma and Associates, independent Practicing Company Secretaries, 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, 2013 to the extent and in their capacity as a practicing company secretary, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus 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 consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Monitoring Agency

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for monitoring the utilisation of Gross Proceeds from the Fresh Issue prior to filing of the Red Herring Prospectus with the RoC, as the proposed Fresh Offer exceeds ₹1,000.00 million.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As the Offer is only for Equity Shares, credit rating is not required.

Debenture trustees

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus, along with the Draft Abridged Prospectus has been filed electronically with SEBI through the SEBI's online intermediary portal at https://siportal.sebi.gov.in, in accordance with the SEBI ICDR Master Circular and was emailed to SEBI at 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" and, as specified in Regulation 25(8) of SEBI ICDR Regulations. A copy

of this Draft Red Herring Prospectus will also be filed with SEBI 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 (East), Mumbai – 400 051
Maharashtra, India

Filing of the Red Herring Prospectus and the Prospectus

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 www.mca.gov.in.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band which will be decided by our Board, as applicable, in consultation with the BRLM, and the minimum Bid lot, which will be decided by our Company, in consultation with the BRLM, and if not disclosed in the Red Herring Prospectus, will be advertised in all editions of the [●] (a widely circulated English national daily newspaper), all editions of the [●] (a Hindi national daily newspaper) and), all editions of the [●] (Hindi also being the regional language of Rajasthan, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges to upload on their respective websites. The Offer Price shall be determined by our Company in consultation with the BRLM, after the Bid/ Offer Closing Date. For further details, see "***Offer Procedure***" on page 450.

All Bidders (other than Anchor Investors) shall participate in the Offer 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 Offer 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 ₹ 0.50 million 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 and Non-Institutional Bidders 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 can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer 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. Pursuant to SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, all individual bidders applying in initial public offerings whose application amount is up to ₹0.50 million shall use UPI Mechanism. Individual bidders Bidding under the Non-Institutional Portion Bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in 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.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Offer, by submitting their Bid in the Offer.

Bidders should note the Offer is also subject to (i) filing of the Prospectus with the RoC; and (ii) obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall obtain in accordance with the SEBI ICDR Regulations and circulars within three Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under applicable law.

For further details on the method and process of Bidding, see "***Offer Structure***" and "***Offer Procedure***" on pages 445, and 450, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "***Terms of the Offer***" and "***Offer Procedure***" on pages 438 and 450, respectively.

Underwriting Agreement

After the determination of the Offer Price, but prior to allocation of Equity Shares and filing of the Prospectus with the RoC, our Company and Promoter Group Selling Shareholders will enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer, who shall be merchant bankers or stock-brokers registered with SEBI. The extent of underwriting obligations and the Bids to be underwritten by BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

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

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. Specific details below have been intentionally left blank and will be filled in before, and this portion will be applicable upon the execution of the Underwriting Agreement and filing of the Prospectus with the RoC, as applicable)

(₹ in million, unless otherwise stated)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be decided after the pricing and actual allocation and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company 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 the SEBI under Section 12(1) of the SEBI Act or registered as brokers with Stock Exchange(s). Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation amongst the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Investors 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 and 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 shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

Details of the share capital of our Company, as on the date of this Draft Red Herring Prospectus, are set forth below.

Sr. No.	Particulars	(Amount in ₹ except share data or indicated otherwise)	
		Aggregate value at face value	Aggregate value at Offer Price*
A.	**AUTHORIZED SHARE CAPITAL(1)**		
	120,000,000 Equity Shares of face value ₹5 each	600,000,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	84,040,000 Equity Shares of face value ₹5 each	420,200,000	-
C.	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS(2)(3)**		
	Offer of up to 30,938,000 Equity Shares of face value ₹5 each aggregating up to ₹ [●] million (2)(3)(4)(5)	[●]	[●]
	of which		
	Fresh Issue of up to 26,467,000 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million (2)	[●]	[●]
	Offer for Sale of up to 4,471,000 Equity Shares of face value ₹5 each aggregating up to ₹[●] million (3)	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER*#**		
	[●] Equity Shares of face value ₹5 each*(assuming full subscription to the Offer)	[●]	-
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer *(as on the date of this Draft Red Herring Prospectus)*		Nil
	After the Offer*		[●]

** To be included upon finalization of Offer Price and subject to the Basis of Allotment*

(1) *For details in relation to changes in the authorised share capital of our Company in last 10 years preceding the date of this Draft Red Herring Prospectus, please see section titled "**History and Certain Corporate Matters – Amendments to our Memorandum of Association**" on page 289.*

(2) *The Offer has been authorised by our Board of Directors and our Shareholders pursuant to the resolutions passed at their meetings dated August 24, 2026, and August 29, 2026, respectively. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Group Selling Shareholders pursuant to its resolution dated August 24, 2026.*

(3) *Each of the Promoter Group Selling Shareholders, severally and not jointly, confirm that the Offered Shares have been held by them for a period of at least one year prior to filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For further details in relation to the Offered Shares, please see section titled "**Other Regulatory and Statutory Disclosures**" on page 422. The Promoter Group Selling Shareholders have consented to participate in the Offer for Sale through consent letters each dated August 24, 2026 aggregating up to 4,471,000 Equity Shares of face value ₹5 each. The details of such consents are provided below:*

Sr. No.	Name of the Promoter Group Selling Shareholder	Date of consent letter	Number of Equity Shares offered
1	Madhu Nuwal	August 24, 2026	Up to 1,490,333 Equity Shares of face value ₹5 each aggregating up to ₹[●] million
2	Mamta Nuwal	August 24, 2026	Up to 1,490,333 Equity Shares of face value ₹5 each aggregating up to ₹[●] million
3	Sangeeta Nuwal	August 24, 2026	Up to 1,490,334 Equity Shares of face value ₹5 each aggregating up to ₹[●] million

(4) *Our Company, in consultation with the Book Running Lead Manager, may consider an issue of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the*

amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

.**Notes to Capital Structure**

1. History of paid-up Equity Share Capital of our Company

Our Company has only one class of share capital i.e. Equity Shares of ₹5 each. The history of the paid-up Equity Share capital of our Company is set forth in the table below:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of the allottees along with number of Equity Shares allotted to each allottee		
At the time of incorporation	10,000	10	10	Cash	Initial Subscription to MOA.	10,000	100,000	**Sr. No.**	**Name of Allottee**	**Number of equity shares**
								1.	Jugal Kishore Nuwal	5,000
								2.	Anil Kumar Nuwal	5,000
September 30, 2016	9,000,000	10	10	Cash	Private Placement	9,010,000	90,100,000	**Sr. No.**	**Name of Allottee**	**Number of equity shares**
								1.	Anil Kumar Nuwal	3,000,000
								2.	Sitaram India Limited	6,000,000
January 12, 2017	4,700,000	10	10	Cash	Private Placement	13,710,000	137,010,000	**Sr. No.**	**Name of Allottee**	**Number of equity shares**
								1.	Anil Kumar Nuwal	580,000
								2.	Mamta Nuwal	850,000
								3.	Madhu Nuwal	850,000
								4.	Sangeeta Nuwal	850,000
								5	Madhu Sudan Nuwal	790,000
								6	Jugal Kishore Nuwal	780,000
May 2, 2017	2,000,000	10	10	Cash	Private Placement	15,710,000	157,100,000	**Sr. No.**	**Name of Allottee**	**Number of equity shares**
								1.	Sitaram India Limited	2,000,000

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of the allottees along with number of Equity Shares allotted to each allottee
May 20, 2017	1,000,000	10	10	Cash	Private Placement	16,710,000	167,100,000	**Sr. No.** / **Name of Allottee** / **Number of equity shares** 1. Sitaram India Limited 1,000,000
August 8, 2017	1,000,000	10	10	Cash	Private Placement	17,710,000	177,100,000	**Sr. No.** / **Name of Allottee** / **Number of equity shares** 1. Madhu Sudan Nuwal 1,000,000
March 31, 2018	390,000	10	10	Cash	Private Placement	18,100,000	181,000,000	**Sr. No.** / **Name of Allottee** / **Number of equity shares** 1. Anil Kumar Nuwal 390,000
May 18, 2018	2,000,000	10	10	Cash	Private Placement	20,100,000	201,000,000	**Sr. No.** / **Name of Allottee** / **Number of equity shares** 1. Madhu Sudan Nuwal 2,000,000
May 19, 2018	910,000	10	10	Cash	Private Placement	21,010,000	210,100,000	**Sr. No.** / **Name of Allottee** / **Number of equity shares** 1. Anil Kumar Nuwal 910,000
March 27, 2026	Pursuant to a resolution passed by our Board in their meetings held on March 21, 2026 and the Shareholders at their EGM held on March 27, 2026, each fully paid-up equity share of our Company having face value of ₹10 each was sub-divided into 2 Equity Shares of face value ₹5 each. Therefore 21,010,000 Equity Shares of our Company having face value of ₹10 each were subdivided into 42,020,000 Equity Shares of face value ₹5 each.							

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of the allottees along with number of Equity Shares allotted to each allottee		
March 30, 2026	42,020,000	5	Nil	NA	Bonus 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	84,040,000	420,200,000	**Sr. No.**	**Name of Allottee**	**Number of equity shares**
								1.	Anil Kumar Nuwal	6,705,000
								2.	Madhu Sudan Nuwal	5,504,000
								3.	Jugal Kishore Nuwal	5,504,000
								4.	Jagdish Prasad Nuwal	1,201,000
								5.	Madhu Nuwal	1,702,000
								6.	Mamta Nuwal	1,702,000
								7.	Sangeeta Nuwal	1,702,000
								8.	Sitaram India Limited	18,000,000

Details of the transfer and acquisition of Equity Shares of our Company through secondary transaction for the Promoters, Selling Shareholders and members of the Promoter Group.

Except as set out below, there has been no acquisition of Equity Shares through secondary transactions by our Promoters, Promoter Group Selling Shareholders and the members of the Promoter Group, as on the date of this Draft Red Herring Prospectus.

Date of transfer	Details of Transferor(s)	Details of Transferee(s)	Number of Equity shares transferred	Face value of Equity shares	Transfer/ Transmission	Price per Equity Share	Nature of consideration
May 20, 2016	Anil Kumar Nuwal	Madhu Nuwal	1,000	10	Transfer	10	Cash
May 20, 2016	Anil Kumar Nuwal	Jagdish Prasad Nuwal	1,000	10	Transfer	10	Cash
May 20, 2016	Jugal Kishore Nuwal	Madhu Sudan Nuwal	1,000	10	Transfer	10	Cash
May 20, 2016	Jugal Kishore Nuwal	Mamta Nuwal	1,000	10	Transfer	10	Cash
May 20, 2016	Jugal Kishore Nuwal	Sangeeta Nuwal	1,000	10	Transfer	10	Cash
January 12, 2026	Anil Kumar Nuwal	Jugal Kishore Nuwal	931,000	10	Transfer	Nil	Gift of shares
January 12, 2026	Anil Kumar Nuwal	Jagdish Prasad Nuwal	599,500	10	Transfer	Nil	Gift of shares
February 27, 2026	Madhu Sudan Nuwal	Jugal Kishore Nuwal	1,039,000	10	Transfer	Nil	Gift of shares

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 and bonus issuance

Except as set out below, our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves or made a bonus issuance at any time since incorporation.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Details of allottees and Equity Shares allotted			Benefits accrued to our Company
March 30, 2026	42,020,000	5	Nil	Bonus Issue in the ratio of 1:1 i.e. 1 fully paid-up Equity shares	**Sr. No.**	**Name of Allottee**	**Number of equity shares**	NA
					1.	Anil Kumar Nuwal	6,705,000	
					2.	Madhu Sudan	5,504,000	

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Details of allottees and Equity Shares allotted			Benefits accrued to our Company
				against 1 existing fully paid-up Equity shares held by the existing Shareholders		Nuwal		
					3.	Jugal Kishore Nuwal	5,504,000	
					4.	Jagdish Prasad Nuwal	1,201,000	
					5.	Madhu Nuwal	1,702,000	
					6.	Mamta Nuwal	1,702,000	
					7.	Sangeeta Nuwal	1,702,000	
					8.	Sitaram India Limited	18,000,000	

4. Issue of Equity Shares pursuant to sections 391 to 394 of the Companies Act, 1956 or sections 230 to 234 of the Companies Act, 2013

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 shares at a price lower than the Offer Price in the last one year

Our Company has not issued any Equity Shares at a price lower than the Offer price, during the period of one (1) year, immediately preceding the date of this Draft Red Herring Prospectus. For details of the allotments made in the last one year, see "***Capital Structure – Share Capital History of Our Company – Equity Share capital***" on page 119 of this Draft Red Herring Prospectus.

7. Shareholding Pattern of our Company

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 8 Shareholders.

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) As a % of (A+B+C2) (VIII)	Number of voting rights held in each class of securities (IX)				Number of Equity Shares underlying outstanding convertible securities (including warrants, ESOP etc.) (X)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XIII)		Number of Equity Shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total Number of Shares encumbered (XVII)* = (XIV+XV+XVI)		Number of Equity Shares held in dematerialised form (XVIII)
								Number of voting rights			Total as a % of (A+B+C)				Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)		
								Class: Equity Shares	Class: Others	Total																
(A)	Promoters and Promoter Group	8	84,040,000	-	-	84,040,000	100.00%	84,040,000	-84,040,000	100.00%		-	84,040,000	100.00%	-	-	-	-	-	-	-	-	-	-	84,040,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**8**	**84,040,000**	**-**	**-**	**84,040,000**	**100.00%**	**84,040,000**	**-84,040,000**	**100.00%**		**-**	**84,040,000**	**100.00%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**84,040,000**

8. Build-up of the Promoter's shareholding in our Company

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-Offer capital (₹)*	% of post-Offer capital (₹)
Anil Kumar Nuwal								
At the time of incorporation	5,000	10	10	Cash	Initial Subscription to MOA.	5,000	Negligible	[●]
May 20, 2016	(1,000)	10	10	Cash	Transfer of Equity Shares to Madhu Nuwal	4,000	Negligible	[●]
May 20, 2016	(1,000)	10	10	Cash	Transfer of Equity Shares to Jagdish Prasad Nuwal	3,000	Negligible	[●]
September 30, 2016	3,000,000	10	10	Cash	Private Placement	3,003,000	7.14	[●]
January 12, 2017	580,000	10	10	Cash	Private Placement	3,583,000	1.38	[●]
March 31, 2018	390,000	10	10	Cash	Private Placement	3,973,000	0.93	[●]
May 19, 2018	910,000	10	10	Cash	Private Placement	4,883,000	2.17	[●]
January 12, 2026	(931,000)	10	Nil	NA	Transfer of Equity Shares to Jugal Kishore Nuwal by way of Gift	3,952,000	2.22	[●]
January 12, 2026	(599,500)	10	Nil	NA	Transfer of Equity Shares to Jagdish Prasad Nuwal by way of Gift	3,352,500	1.43	[●]
March 27, 2026	Pursuant to a resolution passed by our Board in their meetings held on March 21, 2026 and the Shareholders at their EGM held on March 27, 2026, each fully paid-up equity share of our Company having face value of ₹10 each was sub-divided into 2 Equity Shares of face value ₹5 each. Therefore 3,352,500 Equity Shares of our Company having face value of ₹10 each were subdivided into 6,705,000 Equity Shares of face value ₹5 each.							
March 30, 2026	6,705,000	5	Nil	NA	Bonus 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	13,410,000	7.98	[●]
Sub-total (A)	**13,410,000**						**15.96**	[●]
Madhu Sudan Nuwal								
May 20, 2016	1,000	10	10	Cash	Transfer	1,000	Negligible	[●]
January 12, 2017	790,000	10	10	Cash	Private Placement	791,000	1.88	[●]
August 08, 2017	1,000,000	10	10	Cash	Private Placement	1,791,000	2.38	[●]
May 18, 2018	2,000,000	10	10	Cash	Private Placement	3,791,000	4.76	[●]

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-Offer capital (₹)*	% of post-Offer capital (₹)
February 27, 2026	(1,039,000)	10	Nil	NA	Transfer of Equity shares to Jugal Kishore Nuwal by way of Gif	2,752,000	2.47	[●]
March 27, 2026	Pursuant to a resolution passed by our Board in their meetings held on March 21, 2026 and the Shareholders at their EGM held on March 27, 2026, each fully paid-up equity share of our Company having face value of ₹10 each was sub-divided into 2 Equity Shares of face value ₹5 each. Therefore 2,752,000 Equity Shares of our Company having face value of ₹10 each were subdivided into 5,504,000 Equity Shares of face value ₹5 each.							
March 30, 2026	5,504,000	5	Nil	NA	Bonus 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	11,008,000	6.55	[●]
Sub-total (B)	**11,008,000**						**13.10**	**[●]**
Jugal Kishore Nuwal								
At the time of incorporation	5,000	10	10	Cash	Initial Subscription to MOA.	5,000	Negligible	[●]
May 20, 2016	(1,000)	10	10	Cash	Transfer of Equity Shares to Madhu Sudan Nuwal	4,000	Negligible	[●]
May 20, 2016	(1,000)	10	10	Cash	Transfer of Equity Shares to Mamta Nuwal	3,000	Negligible	[●]
May 20, 2016	(1,000)	10	10	Cash	Transfer of Equity Shares to Sangeeta Nuwal	2,000	Negligible	[●]
January 12, 2017	780,000	10	10	Cash	Private Placement	782,000	1.86	[●]
January 12, 2026	931,000	10	10	Cash	Transfer from Anil Kumar Nuwal	1,713,000	2.22	[●]
February 27, 2026	1,039,000	10	10	Cash	Transfer from Madhu Sudan Nuwal	2,752,000	2.47	[●]
March 27, 2026	Pursuant to a resolution passed by our Board in their meetings held on March 21, 2026 and the Shareholders at their EGM held on March 27, 2026, each fully paid-up equity share of our Company having face value of ₹10 each was sub-divided into 2 Equity Shares of face value ₹5 each. Therefore 2,752,000 Equity Shares of our Company having face value of ₹10 each were subdivided into 5,504,000 Equity Shares of face value ₹5 each.							
March 30, 2026	5,504,000	5	Nil	NA	Bonus 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	11,008,000	6.55	[●]
Sub-Total (C)	**11,008,000**						**13.10**	**[●]**

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-Offer capital (₹)*	% of post-Offer capital (₹)
Sitaram India Limited								
September 30, 2016	6,000,000	10	10	Cash	Private Placement	6,000,000	14.28	[•]
May 02, 2017	2,000,000	10	10	Cash	Private Placement	8,000,000	4.76	[•]
May 20, 2017	1,000,000	10	10	Cash	Private Placement	9,000,000	2.38	[•]
March 27, 2026	Pursuant to a resolution passed by our Board in their meetings held on March 21, 2026 and the Shareholders at their EGM held on March 27, 2026, each fully paid-up equity share of our Company having face value of ₹10 each was sub-divided into 2 Equity Shares of face value ₹5 each. Therefore 9,000,000 Equity Shares of our Company having face value of ₹10 each were subdivided into 18,000,000 Equity Shares of face value ₹5 each.							
March 30, 2026	18,000,000	5	Nil	NA	Bonus 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	36,000,000	21.42	[•]
Sub-Total (D)	**36,000,000**						**42.84**	[•]
Total (A)+ (B) + (C) + (D)	**71,426,000**						**84.99**	[•]

**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 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.	Anil Kumar Nuwal	13,410,000	15.96
2.	Madhu Sudan Nuwal	11,008,000	13.10
3.	Jugal Kishore Nuwal	11,008,000	13.10
4.	Sitaram India Limited	36,000,000	42.84
5.	Madhu Nuwal	3,404,000	4.05
6.	Mamta Nuwal	3,404,000	4.05
7.	Sangeeta Nuwal	3,404,000	4.05
8.	Jagdish Prasad Nuwal	2,402,000	2.86
Total		**84,040,000**	**100.00**

Rounded Off to 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.	Anil Kumar Nuwal	13,410,000	15.96
2.	Madhu Sudan Nuwal	11,008,000	13.10

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
3.	Jugal Kishore Nuwal	11,008,000	13.10
4.	Sitaram India Limited	36,000,000	42.84
5.	Madhu Nuwal	3,404,000	4.05
6.	Mamta Nuwal	3,404,000	4.05
7.	Sangeeta Nuwal	3,404,000	4.05
8.	Jagdish Prasad Nuwal	2,402,000	2.86
Total		**84,040,000**	**100.00**

**Rounded Off to 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.	Anil Kumar Nuwal	4,883,000	23.24
2.	Madhu Sudan Nuwal	3,791,000	18.04
3.	Jugal Kishore Nuwal	782,000	3.72
4.	Sitaram India Limited	9,000,000	42.84
5.	Sangeeta Nuwal	851,000	4.05
6.	Mamta Nuwal	851,000	4.05
7.	Madhu Nuwal	851,000	4.05
Total		**21,009,000**	**99.99**

**Rounded off 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.	Anil Kumar Nuwal	4,883,000	23.24
2.	Madhu Sudan Nuwal	3,791,000	18.04
3.	Jugal Kishore Nuwal	782,000	3.72
4.	Sitaram India Limited	9,000,000	42.84
5.	Sangeeta Nuwal	851,000	4.05
6.	Mamta Nuwal	851,000	4.05
7.	Madhu Nuwal	851,000	4.05
Total		**21,009,000**	**99.99**

**Rounded off closest decimal*

Shareholding of our Directors and Key Managerial Personnel and Senior Management in our Company

Except as disclosed below, none of our Directors, Key Managerial Personnel or Senior Management hold any Equity Shares in our Company:

Name	No. of Equity Shares of face value of ₹5 each	% of pre-Offer Equity Share capital	% of post-Offer Equity Share capital
Anil Kumar Nuwal	13,410,000	15.96	[●]%
Madhu Sudan	11,008,000	13.10	[●]%

Name	No. of Equity Shares of face value of ₹5 each	% of pre-Offer Equity Share capital	% of post-Offer Equity Share capital
Nuwal			
Total	**32,550,738**	**29.06**	**[●]%**

The number of specified securities purchased or sold by the our Promoters, our 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, our Promoters Group, 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.

Aggregate pre-Offer as at the date of the Price Band advertisement and post Offer shareholding of Promoters, members of the Promoter Group and additional top 10 shareholders as at the date of this Draft Red Herring Prospectus and at Allotment

The aggregate pre-Offer and post-Offer shareholding of our Promoters, members of the Promoter Group and additional top 10 shareholders as at allotment is set out below.

Sr. No.	Pre-Offer shareholding as at the date of Price Band advertisement [(1)]			Post-Offer shareholding as at Allotment[(2)]			
	Name of the Shareholders	Number of Equity Shares	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)]
Promoters							
1.	Anil Kumar Nuwal	13,410,000	15.96	[●]	[●]	[●]	[●]
2.	Madhu Sudan Nuwal	11,008,000	13.10	[●]	[●]	[●]	[●]
3.	Jugal Kishore Nuwal	11,008,000	13.10	[●]	[●]	[●]	[●]
4.	Sitaram India Limited	36,000,000	42.84	[●]	[●]	[●]	[●]
Sub-total (A)		**71,426,000**	**84.99**	[●]	[●]	[●]	[●]
Promoter Group							
1.	Madhu Nuwal*	3,404,000	4.05	[●]	[●]	[●]	[●]
2.	Mamta Nuwal*	3,404,000	4.05	[●]	[●]	[●]	[●]
3.	Sangeeta Nuwal*	3,404,000	4.05	[●]	[●]	[●]	[●]
4.	Jagdish Prasad Nuwal	2,402,000	2.86	[●]	[●]	[●]	[●]
Sub-total (B)		**12,614,000**	**15.01**	[●]	[●]	[●]	[●]
Additional top 10 shareholders (other than our Promoters and Promoter Group)[(3)]							
		Nil					
Sub-Total (C)		Nil					

Sr. No.	Pre-Offer shareholding as at the date of Price Band advertisement [1]			Post-Offer shareholding as at Allotment[2]			
	Name of the Shareholders	Number of Equity Shares	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]
Total (A + B + C)		**84,040,000**	**100**	[●]	[●]	[●]	[●]

[1] 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-Offer and Price Band advertisement until the date of the Prospectus.
[2] Based on the Offer price of ₹ [●] and subject to finalisation of the basis of allotment.
[3]There are no Shareholders (other than Promoter and Promoter Group) who hold Equity Shares in our Company, as on the date of this Drat Red Herring Prospectus.
[*]Also the Promoter Group Selling Shareholders
[#]rounded off to the closest decimal.

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

The weighted average price at which the Equity Shares were acquired by our Promoters and Promoter Group Selling Shareholders, in the one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name	Number of equity shares acquired	Face value per Equity Share (in ₹)	Weighted average price per Equity Share (₹)*
Promoters			
Anil Kumar Nuwal	4,883,000	5	0.00
Jugal Kishore Nuwal	782,000	5	0.00
Madhu Sudan Nuwal	3,791,000	5	0.00
Sitaram India Limited	9,000,000	5	0.00
Promoter Group Selling Shareholders			
Madhu Nuwal	851,000	5	0.00
Mamta Nuwal	851,000	5	0.00
Sangeeta Nuwal	851,000	5	0.00

**During last one year Promoters and Promoter Group Selling Shareholders has only acquired shared by way of gift deed, share split and bonus*
As certified by M/s A Bakliwal & Co, Chartered Accountants pursuant to their certificate dated November 03, 2026 bearing UDIN: 26440315YWACAU7056.

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

As on the date of this Draft Red Herring Prospectus, there are no Shareholders with right to nominate directors or other special rights.

Except as stated below, none of our Promoters, Promoter Group Selling Sharheolders or 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 (in ₹)	Acquisition price per Equity Share (in ₹)*	Nature of Transaction
Promoters					
Jugal Kishore Nuwal	January 12, 2026	931,000	10	Nil	Transfer of Equity shares by way of Gift
Jugal Kishore Nuwal	February 27, 2026	1,039,000	10	Nil	Transfer of Equity shares by way of Gift
Anil Kumar Nuwal	March 30, 2026	6,705,000	5	Nil	Bonus Issue
Madhu Sudan Nuwal	March 30, 2026	5,504,000	5	Nil	Bonus Issue
Jugal Kishore Nuwal	March 30, 2026	5,504,000	5	Nil	Bonus Issue
Sitaram India Limited	March 30, 2026	18,000,000	5	Nil	Bonus Issue
Promoter Group					
Jagdish Prasad Nuwal	January 12, 2026	599,500	10	Nil	Transfer of Equity shares by way of Gift
Madhu Nuwal#	March 30, 2026	1,702,000	5	Nil	Bonus Issue
Mamta Nuwal#	March 30, 2026	1,702,000	5	Nil	Bonus Issue
Sangeeta Nuwal#	March 30, 2026	1,702,000	5	Nil	Bonus Issue
Jagdish Prasad Nuwal	March 30, 2026	1,201,000	5	Nil	Bonus Issue

#*Also a Promoter Group Selling Shareholder*

Average Cost of Acquisition of Equity Shares by our Promoters and the Promoter Group Selling Shareholders

The average cost of acquisition of our Promoters and the Promoter Group Selling Shareholders as on the date of this Draft Red Herring Prospectus is as follows:

Name	Number of equity shares acquired	Face value per Equity Share (in ₹)	Average cost of acquisition per Equity Share (in ₹)*
Promoters			
Anil Kumar Nuwal	13,410,000	5	2.50
Madhu Sudan Nuwal	11,008,000	5	2.50
Jugal Kishore Nuwal	11,008,000	5	0.71
Sitaram India Limited	36,000,000	5	2.50
Promoter Group Selling Shareholders			
Madhu Nuwal	3,404,000	5	2.50

Name	Number of equity shares acquired	Face value per Equity Share (in ₹)	Average cost of acquisition per Equity Share (in ₹)*
Mamta Nuwal	3,404,000	5	2.50
Sangeeta Nuwal	3,404,000	5	2.50

**As certified by M/s A Bakliwal & Co, Chartered Accountants, pursuant to their certificate dated November 03, 2026 bearing UDIN: 26440315YWACAU7056 .*

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

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

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	0.00#	[●]	[●]
Last eighteen (18) months preceding the date of this Draft Red Herring Prospectus	0.00#	[●]	[●]
Last three (3) years preceding the date of this Draft Red Herring Prospectus	0.00#	[●]	[●]

**As certified by M/s A Bakliwal & Co, Chartered Accountants pursuant to their certificate dated November 03, 2026 bearing UDIN: 26440315YWACAU7056 .*

***To be updated once the price band information is available.*

#Acquisition of shares by way of gift deed, share split and bonus allotment

Details of Promoters' Contribution and lock-in

i. Pursuant to Regulations 14 and 16(1)(a) of the SEBI ICDR Regulations, an aggregate of not less than 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be locked in for a period of three years as minimum promoter's contribution ("**Minimum Promoter's Contribution**") from the date of Allotment or any other date as may be specified by SEBI and the shareholding of the Promoters in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

ii. The details of the Equity Shares held by our Promoters, which shall be locked-in for minimum Promoters' contribution for a period of three years, from the date of Allotment as Promoters' Contribution are set out below:

Name of Promoters	Number of Equity Shares locked-in*	Date of allotment of Equity Shares**	Nature of transaction	Face Value per Equity Share (₹)	Offer / Acquisition price per Equity Share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

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

Note: To be updated at the Prospectus stage.
**Subject to finalisation of Basis of Allotment.*
***Equity Shares were fully paid-up on the date of allotment/acquisition.*

iii. The Promoters have given their consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as the Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations. The Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as "promoter" under the SEBI ICDR Regulations.

iv. Our Company undertakes that the Equity Shares that are being locked-in are not and will not be, ineligible for computation of Minimum Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, our Company confirms the following:

a. The Equity Shares offered for Minimum Promoter's Contribution do not include (i) equity shares acquired during the three immediately preceding years for consideration other than cash, and revaluation of assets or capitalisation of intangible assets in such transaction; (ii) equity shares resulting from bonus issue by utilization 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;

b. The Minimum Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding 1 year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

c. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm; and

d. The Equity Shares held by our Promoters and offered as part of the Minimum Promoters' Contribution are not subject to any pledge or any other encumbrance.

As on the date of this Draft Red Herring Prospectus, all Equity Shares held by our Promoters, members of our Promoter Group, Directors, Key Managerial Personnel, are held in dematerialized form, in accordance with Regulation 7(1)(c) of the SEBI ICDR Regulations, as applicable.

Details of Equity Shares locked-in for six months

In addition to the Equity Shares proposed to be locked-in as part of the minimum Promoters' contribution and the Promoter's shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital of our Company which shall be locked in for a period of one year from the date of Allotment, as stated above, as prescribed under the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company (including any unsubscribed portion of

the Offered Shares) will be locked-in for a period of six months from the date of Allotment of Equity Shares in the Offer, in accordance with Regulations 16(1)(b) and 17 of the SEBI ICDR Regulations except the following: (i) the Equity Shares that are held by any VCFs, AIFs (category I or category II) or FVCIs subject to the conditions set out in Regulation 17 of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs, AIF (category I or category II) or FVCI.

Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

50% of the Equity Shares Allotted to Anchor Investors under 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 under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

Other requirements in respect of lock-in:

Pursuant to Regulation 20 of the SEBI ICDR Regulations, details of locked-in Equity Shares will be recorded by relevant depositories.

In terms of Regulation 17(2) of the SEBI ICDR Regulations, in cases where lock-in of the Equity Shares that, are held by any pre-Offer Shareholders and are not exempt from lock-in, cannot be created, for reasons including creation of pledge on the said Equity Shares, the Depositories shall, upon receipt of instruction from our Company, in consultation with the Registrar and the BRLM, mark lock-in of such Equity Shares and record the said Equity Shares as 'non-transferable' for duration of applicable lock-in period, in compliance with the requirements under NSDL circular bearing number NSDL/CIR/II/19/2026 dated April 7, 2026 and CDSL circular bearing number CDSL/OPS/RTA/CAIPO/2026/104 dated April 6, 2026 (read with SEBI circular dated April 8, 2026 bearing reference number HO/49/(17)2026-CFD-POD2/I/8965/2026). Further, any Equity Shares received by lenders / pledgees, upon invocation of the pledge will remain under lock-in for the balance period as required under the SEBI ICDR Regulations.

Pursuant to Regulation 21 of the SEBI ICDR Regulations, the locked in Equity Shares held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions or a systemically important NBFC or a housing finance company as collateral security for loans granted by such scheduled commercial bank or public financial institution or systemically important NBFC or housing company, provided that specified conditions under the SEBI ICDR Regulations are complied with. However, the relevant lock-in period shall continue pursuant to the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in may be transferred to 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 SEBI 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 Offer and locked-in for a period of six 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 SEBI 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.

Except for the allotment of Equity Shares pursuant to the Offer, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Offer 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.

Our Company shall ensure that the Pre-IPO Placement transactions, if undertaken, shall be reported to the Stock Exchanges within 24 hours of such transactions (in part or in entirety).

Except for the Pre-IPO Placement, our Company will not undertake any further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges.

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 Offer.

All Equity Shares offered pursuant to the Offer 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. Further, none of the Shareholders, the Company, its Promoters, its Directors, its Key Managerial Personnel and Senior Management, members of its Promoter Group are directly/indirectly related with the Book Running Lead Manager and their associates. 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.

The Directors, Key Managerial Personnel, Compliance Officer, Employees as referred to in clause (b) of Regulation 6 of the SEBI Merchant Bankers Regulations and the relatives of such persons of each of the BRLM, do not hold any shares in our Company.

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 Offer, 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 Factors – There have been multiple instances of delays in statutory filings and non-compliances with corporate and regulatory reporting obligations in the past, which subject us to regulatory actions, penalties and reputational risk.***" on page 59, our Company is in compliance with the Companies Act, 1956 and 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 offer shall be reported to the stock exchange(s), within twenty-four hours of such transactions.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to 26,467,000 Equity Shares of face value of ₹5 each, aggregating up to ₹[●] million by our Company and an Offer for Sale of up to 4,471,000 Equity Shares of face value of ₹5 each, aggregating up to ₹[●] million by the Promoter group Selling Shareholders. For details, please refer chapter titled **"*The Offer*"** on page 92.

Offer for Sale

Each of the Promoter group Selling Shareholders will be entitled to their respective portion of the proceeds from the Offer for Sale after deducting proportionate Offer related expenses and relevant taxes thereon. The proceeds of the Offer for Sale shall be received by the Promoter group Selling Shareholders and will not form part of the Net Proceeds. Our Company will not receive any proceeds received from the Offer for Sale. For details, see "***Objects of the Offer - Offer related expenses***" on page 163. The Equity Shares offered for sale by the Promoter group Selling Shareholders in the Offer are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations.

The Promoter group Selling Shareholders have, severally and not jointly, authorized their participation in the Offer for Sale to the extent of its respective portion of the Offered Shares, pursuant to their respective consent letters dated August 24, 2026, as stated below:

Name of the Promoter group Selling Shareholder	Maximum number of Offered Shares	Date of consent letter
Madhu Nuwal	Up to 1,490,333 Equity Shares of face value of ₹5 each	August 24, 2026
Mamta Nuwal	Up to 1,490,333 Equity Shares of face value of ₹5 each	August 24, 2026
Sangeeta Nuwal	Up to 1,490,334 Equity Shares of face value of ₹5 each	August 24, 2026

For further details of the Offer for Sale, see "***The Offer***" on page 92.

Fresh Issue

We propose to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company;
2. Funding proposed expansion towards setting up of readymade garment manufacturing facility at Banera, Bhilwara ("**Proposed Expansion**");
3. Funding working capital requirements; and
4. General Corporate Purposes

(collectively, the "**Objects**").

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 objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities proposed to be funded from the Net Proceeds.

Proceeds of the Fresh Issue

After deducting the Offer related expenses from the Gross Proceeds of the Fresh Issue, we estimate the Net Proceeds to be ₹ [●] million.

The details of the proceeds of the Fresh Issue are summarised in the table below:

(in ₹ million)

Particulars	Estimated amount[(1)]
Gross proceeds from the Fresh Issue^ ("**Gross Proceeds**")	Up to [●]
Less: Estimated Offer related expenses in relation to the Fresh Issue*	[●]
Net Proceeds	[●]

The Offer related expenses shall vary depending upon the final offer size and the allotment of Equity Shares. For further details, see **"Objects of the Offer –Offer Related Expenses" on page 163.*

[(1)]To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with RoC

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 ₹ million)

Particulars	Estimated amount to be funded from Net Proceeds[#]	Estimated deployment of Net Proceeds	
		Fiscal 2027	Fiscal 2028
Repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company	400.00	400.00	-
Funding proposed expansion towards setting up of readymade garment manufacturing facility at Banera, Bhilwara ("**Proposed Expansion**")	413.73	-	413.73
Funding working capital requirements	232.25	182.25	50.00
General corporate purposes*	[●]	[●]	[●]
Total^*	[●]	[●]	[●]

**To be finalized upon determination of the Offer 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 Gross Proceeds, in accordance with the SEBI ICDR Regulations. This includes the Offer expenses amounting to ₹ [●] million.*

*^ Our Company, in consultation with the Book Running Lead Manager, may consider an issue of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.*

 # Includes applicable taxes, to the extent that GST input tax credit cannot be claimed by our Company.

Note: Based on the assumption that the Net Proceeds from the Offer will be received by our Company by January 2027.

The deployment of funds indicated above, including the fund requirements and the intended use of the Net Proceeds, is based on our current business plan, management estimates, prevailing market conditions, and other commercial and technical factors such as interest rates, exchange rate fluctuations, estimated costs based on valid quotations obtained from various third-party vendors, cost vetting report dated October 30, 2026 issued by Dun & Bradstreet Information Services India Private Limited ("D&B") ("**Cost Vetting Report**") and the Techno Economic Viability (TEV) report

dated October 30, 2026, issued by D&B ("**TEV Report**"). The deployment of funds described herein has not been appraised by any bank, financial institution, or any other independent agency and is solely based on management estimates. See **"*Risk Factors – Our funding requirements and the proposed deployment of the Net Proceeds are based on management estimates and assumptions, which may vary due to factors beyond our control, and any variation may adversely affect our business and results of operations*"** on page 73. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy, macro-economic factors, change in government policy, competition, and external factors such as market conditions, interest or exchange rate fluctuations, and other changes in the business environment which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. For further details, please see, **"*Risk Factors – Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval*"** on page 82.

Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes, provided that the total amount utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulations 7(2) and 7(3) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. To the extent our Company is unable to utilise the Net Proceeds (in full or in part) towards the aforementioned Objects, due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other business and commercial considerations, per the estimated schedule of deployment specified above, our Company shall utilize the remaining Net Proceeds in subsequent Fiscals as may be determined by our Company, in accordance with applicable laws. Subject to applicable law, if there is any increase in the actual utilization of funds allocated for the purposes set forth above, the additional funds required for a particular activity will be met through available funding sources, including internal accruals and any additional equity and/or debt arrangements. For further details, see **"*Risk Factors*"** on page 28.

Means of Finance

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards (i) Repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company; (ii) Funding proposed expansion towards setting up of readymade garment manufacturing facility at Banera, Bhilwara ("**Proposed Expansion**"); (iii) funding working capital requirements of our Company; and (iv) general corporate purposes. The Objects are proposed to be funded entirely from the Net Proceeds. Accordingly, 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 Net Proceeds and internal accruals, as required under Regulation 7(1)(e) of the SEBI ICDR Regulations.

Details of the Objects of the Offer

1. **Repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company.**

   Our Company has entered into various financing arrangements for borrowings, in the form of, amongst others, term loans, working capital from various banks and financial institutions and loans and unsecured loans from unsecured lenders and related parties. As on September 30, 2026, the total fund based outstanding borrowings of our Company, is ₹2,550.25 million. For details of these financing arrangements including indicative terms and conditions, see **"*Financial Indebtedness*"** on page 367**.**

   Our current credit ratings have been assigned by Crisil Ratings who have assigned Crisil BBB- /Stable, on all Cash Credit and Term loan Borrowings.

Our Company intends to utilize ₹400.00 million from the Net Proceeds towards repayment or prepayment of all, or a portion, of the outstanding borrowings and payment of prepayment penalties and interest obligations in relation to certain loans availed by our Company, the details of which are listed out in the table below. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, along with interest and other related costs, will also be funded out of the Net Proceeds. In the event the Net Proceeds are insufficient for payment of pre-payment penalty, interest or other related costs, as applicable, such payment shall be made from the internal accruals of our Company.

Given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings 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. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Further, our Company may also avail additional borrowings after the date of this Draft Red Herring Prospectus and/or draw down further funds under existing loans from time to time. Accordingly, in case any of the below-mentioned loans are pre-paid or further drawn-down prior to the completion of the Offer, we may utilize the Net Proceeds towards repayment / pre-payment of such additional borrowings. In light of the above, if at the time of filing the Red Herring Prospectus or the Prospectus with the RoC, 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 and if the terms of new loans are more onerous than the older loans or if the limits under the working capital borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company.

We believe that the repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company, will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid and / or repaid against borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For details, see **"*Financial Indebtedness*"** on page 367.

The details of the outstanding loans of our Company, as on September 30, 2026, which are proposed for repayment or prepayment, in full or in part from the Net Proceeds are set forth below.

[*The remainder of this page has been intentionally left blank.*]

Sr. No.	Date of sanction letter	Name of the lender	Nature of borrowing	Date of first disbursement	Amount sanctioned as on September 30, 2026 *(in ₹ million)*	Tenure of borrowing	Amount outstanding as on September 30, 2026 (*in ₹ million*)	Applicable interest rate % as on September 30, 2026	Pre-payment penalty	Purpose of availing loan	Whether Utilised for Capex (Yes / No)
1.	March 13, 2026	ICICI Bank Limited	Term Loan	March 13, 2026	450.00	120 months, including a 6-month moratorium, followed by 114 monthly instalments starting from August 2026.	418.20	7.75% (floating)	Nil	Capital expenditure towards solar power plant	Yes

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, M/s A Bakliwal & Co, Chartered Accountants, have issued the certificate dated November 3, 2026 bearing UDIN: 26440315MLOBYW9958, certifying that the aforementioned borrowing has been utilised for the purpose for which it was availed.

2. Funding the proposed expansion towards setting up of readymade garment manufacturing facility at Banera, Bhilwara ("Proposed Expansion")

As on the date of this Draft Red Herring Prospectus, our Company operates its Manufacturing Facility located at Balesaria, Gram Danta Nilawari, Tehsil Banera, District Bhilwara, Rajasthan. It is used for the manufacture of cotton-spandex, rigid cotton and denim fabrics. Our PV and certain other blended fabrics are manufactured for us by Sitaram India Limited, one of our Promoters, under an exclusive job-work arrangement. For details, see "***Our Business – Business Operations***" on page 254.

Background and rationale for expansion

We manufacture and supply branded and unbranded woven fabrics, including cotton-spandex, rigid cotton, denim, PV and other blended fabrics. We sell in grey and finished forms. Finished fabrics are produced through third-party processing units that undertake dyeing and finishing. We also undertake job-work weaving and sizing for third-party customers and sell sized yarn.

As part of the next stage of our growth, we intend to extend our participation further downstream in the textile value chain through the establishment of a proposed readymade garment facility, the capital expenditure for which is proposed to be funded from the Net Proceeds of the Offer. The proposed ready garment facility will be based in the Bhilwara textile cluster having ease access to fabrics, processing services, accessories and to support the movement of materials. We intend to leverage our existing customer relationships while developing customer relationships relevant to stitched products. The proposed expansion may also enable us to participate in a broader portion of the value chain by supplying products beyond fabric and addressing requirements of customers seeking stitched apparel across different categories.

As per the CareEdge Report, The Indian readymade garments market grew from USD 70.2 billion in FY20 to USD 110.7 billion in FY26, registering a CAGR of 7.9%. The market is projected to reach USD 128.5 billion by FY30, reflecting a CAGR of 3.8% over FY26–FY30. The strong historical growth was driven by rising household consumption, increasing preference for branded and ready-to-wear apparel, expansion of organised retail and e-commerce, and greater formalisation of the apparel market. In addition, India's large and young consumer base, increasing urbanisation and rising disposable incomes have supported higher spending on apparel. For further details, see "***Industry Overview***" on page 190 and "***Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from the CareEdge Report, which was prepared by CareEdge Research and exclusively commissioned and paid for by our Company for the purposes of the Offer and any reliance on information from the CareEdge Report for making an investment decision in the Offer is subject to inherent risks***" on page 67.

Our Company proposes to utilise ₹413.73 million from the Net Proceeds towards funding capital expenditure for establishing a ready made garment manufacturing facility at Banera, District Bhilwara, Rajasthan (the "**Proposed Expansion**"). The Proposed Expansion will manufacture shirts and trousers and is proposed to have an annual installed capacity of 3.12 million pieces, based on a single eight-hour shift per day and 312 operating days per annum.

The proposed Expansion is intended to enable us to undertake stitching different categories of apparel using fabrics manufactured through our existing manufacturing platform and/or procured or processed in accordance with product requirements. This proposed downstream expansion is intended to build upon our existing capabilities in fabric development, manufacturing, quality control, sourcing and coordination with downstream processors. For details, see "***Our Business – Our Competitive Strengths- Strategic location within the Bhilwara textile ecosystem supports our procurement, manufacturing, downstream processing requirements, while providing proximity to customers, suppliers and job workers***" on page 249.

We propose to establish the Proposed Expansion on land owned and possessed by our Company at Banera, District Bhilwara, Rajasthan, forming part of / adjoining the land on which our Manufacturing Facility is located. We acquired the project land in 2016 and have allocated the adjoining land having an aggregate area of 7,200 square metres towards Proposed Expansion. The estimated project cost therefore does not include any land acquisition cost.

The proposed expansion is its proximity to company existing manufacturing facility which help company to leverage the value-chain advantage enables efficient movement of raw materials, reduced logistics costs, shorter lead times, and improved inventory management and it strategically positioned to significant advantages offered by one of India's leading textile and garment manufacturing regions. Bhilwara is widely recognized as the "Textile City of India" due to its well-established textile ecosystem, extensive presence of spinning, weaving, processing, and fabric manufacturing units, and strong industrial infrastructure. The location provides company with direct access to a well-developed textile value chain, ensuring reliable and cost-effective procurement of denim fabric, cotton fabrics, yarn, and garment accessories required for shirt and trouser manufacturing.

The region also offers access to a large pool of skilled and semi-skilled workforce with experience in textile and garment manufacturing activities. The long-standing presence of textile industries in Bhilwara has created a strong labor base familiar with stitching, cutting, finishing, quality inspection, and related garment manufacturing processes.

Our Board of Directors have approved the proposed capital expenditure for proposed expansion vide its resolution dated October 24, 2026. Our Company proposes to utilize up to ₹413.73 million from the Net Proceeds of the Fresh Issue towards the Proposed Expansion. Our Company has obtained quotations and cost estimates from select vendors for the procurement and installation of plant and machinery. However, as on the date of this Draft Red Herring Prospectus, no purchase orders have been placed, nor have any definitive agreements or memorandum of understanding been executed for the proposed expansion.

As per the CareEdge Report, India and the European Union (EU) concluded negotiations on their free trade agreement (FTA) on January 27, 2026. The agreement is to be signed in 2026, subject to legal review and ratification, and is expected to come into force by early 2027. Under the FTA, apparel exports from India will receive duty-free access across tariff lines, compared to the current tariff of around 12%. This is expected to improve India’s competitiveness in the European apparel market. However, the impact is unlikely to be reflected in the current financial year or in 2026–27, as implementation is expected in early 2027. The agreement is likely to enhance the price competitiveness of Indian exporters, particularly in the RMG segment, which is highly labour-intensive and export oriented. Improved market access is expected to result in increased order inflows from European brands, higher capacity utilization, and incremental employment generation. Additionally, the agreement would enable India to better compete with countries such as Bangladesh and Vietnam, which currently benefit from preferential trade access to the European Union. The anticipated increase in garment exports is also expected to have a positive cascading effect across the textile value chain, including yarn and fabric segments. However, the extent of benefits will depend on the ability of Indian exporters to comply with stringent European standards related to sustainability, traceability, and labour practices. Overall, the agreement is expected to provide a structural boost to India’s textile exports, subject to effective implementation and compliance readiness.

Capital expenditure history

We have in the past invested in plant and machinery to expand our Manufacturing Facility. Our capital expenditure towards plant and machinery, and its proportion of revenue from operations, for the periods indicated was as follows:

Particulars	Three-month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Capital expenditure towards plant and machinery (₹ in million)	1.15	18.02	235.54	606.89
As a % of revenue from operations	0.15%	0.74%	11.28%	54.34%

**Not annualized*

Estimated cost of the Proposed Expansion

Our Company has commissioned a Techno Economic Viability report **(“TEV report”)** and Cost vetting report dated October 30, 2026, prepared by Dun & Bradstreet **(“D&B”)**, which has vetted the quotations

from vendors and also certified the cost to be incurred towards capital expenditure. We confirm that Dun & Bradstreet, appointed to prepare the Techno-Economic Viability ("**TEV**") Report, is an independent agency and is not related to, associated with or affiliated with our Company, its Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or Group Companies. The total estimated cost of the Proposed Expansion is ₹572.74 million, including GST and excluding the cost of land, which is already owned by our Company. This includes a working capital margin of ₹159.01 million, which we propose to fund through internal accruals. Accordingly, we propose to utilise ₹413.73 million from the Net Proceeds towards the Proposed Expansion. As on the date of this Draft Red Herring Prospectus, no funds have been deployed towards the Proposed Expansion.

The break-down of the total estimated costs for the Proposed Expansion is as set out in the table below:

(Amount in ₹ million)

Particulars	Total estimated costs	Amount already deployed as of October 30, 2026	Amount proposed to be funded from the Net Proceeds
Land Acquisition	-	-	-
Factory Building & Civil Construction	113.06	-	113.06
Plant and Machinery	252.06	-	252.06
Solar Power Plant	10.78	-	10.78
Miscellaneous Fixed Assets	21.67	-	21.67
Preliminary & Pre-Operative Expenses	6.10	-	6.10
Contingencies	10.06	-	10.06
Working Capital Margin	159.01*	-	-
Total	**572.74**	**-**	**413.73**

**To be funded from Internal Accruals*
Source: Cost vetting report obtained from D&B dated October 30, 2026

Schedule of Implementation

The implementation schedule of project has been provided below:

Particulars	*Start Date*	*End Date*
Land Acquisition	Already available with our Company	
Construction of factory building / sheds	April, 2027	January, 2028
Placing of orders for plant & machinery	September, 2027	December, 2027
Receipt and installation of plant & machinery and electrical items	December, 2027	January, 2028
Commencement of trial production	February, 2028	March, 2028
Commercial Production	April 2028	

Note: *The aforementioned schedule of implementation is based on the management estimates and as per the TEV report*

Project configuration and installed capacity

The proposed manufacturing facility has an installed production capacity of 10,000 pieces per day, operating in a single 8-hour shift for 26 days per month and 312 days per annum. Based on these operating parameters, the plant will be producing 260,000 pieces per month and 3.12 million pieces per annum at 100% capacity utilization. The product mix comprises shirts and trousers in equal proportion.

Detailed Cost of the Proposed Expansion

Land Cost

The Proposed Expansion involves setting up a ready-made garment manufacturing facility over an area of approximately 7,200 square metres within our Company's existing land parcel. The land earmarked for the Proposed Expansion comprises portions of Khasra No. 955/1 (19.23 square metres), Khasra No. 955 (1,646.50 square metres), Khasra No. 953 (4,606.89 square metres), Khasra No. 950 (27.38 square metres) and Khasra No. 966 (900.00 square metres), aggregating to 7,200 square metres. The identified land parcel was acquired by the company during the year 2016. The land for the Proposed Expansion is NA converted land.

Since the land for the Proposed Expansion is already in possession of the Company, no portion of the Net Proceeds shall be utilised towards acquisition or lease of land.

Factory Building & Civil Construction

Our Company proposes to utilize a portion of the Net Proceeds amounting to ₹113.06 million towards the proposed expansion for development of a total built-up area of approximately 8,100 sq. m., comprising a 5,500 sq. m. factory shed, a 500 sq. m. RCC-framed utility/godown/office building, a 300 sq. m. material and waste godown, and 1,800 sq. m. labour quarters. In addition, the scope includes various external development works such as internal roads, drainage systems, water supply infrastructure, underground water tanks, rainwater harvesting facilities, and other associated site development activities.

The estimated factory building and civil construction cost is ₹113.06 million (including taxes), with an overall average construction cost of approximately ₹13,958 per sq. m. (₹1,296/- per Sq. Ft) including external development and professional fees. An indicative list of the expense proposed to be incurred, along with corresponding quotations received from identified vendors, is provided below. The cost estimates have been assessed in the Cost vetting report issued by D&B.

Sr. No	Building	No.	Parties involved / vendor	Amount Incl. Tax. (In Million)	Date of Quotation	Validity of quotation
	Factory Shed Area (Sheeting structure along with ducts and related infrastructure)	1	Shree Krishna Enterprises	71.36	September 01, 2026	12 months
	Utility/ Godown/ Plant/ office Building(RCC Framed Structure)	1		7.75		
1	**Total For Garment**			**79.11**		
	Godown					
	Material/Waste Godown	1		3.75		
2	Total For Godown			**3.75**		
	External Development Works :					
	External Sanitary & Water Supply Works, Road Work Drainage Works, Under Ground Water Tank, Rain Water Harvesting			5.90		
3	**Total For External Development Works**			**5.90**		
4	**Labour Quarters**	125		**22.50**		
5	**Architect Fees**			**1.80**		
	Total			**113.06**		

*In Khasra No. 966, the ground coverage area is 900 sqm and total area for the building is 1800 sqm as G +1

Plant and Machinery

Our Company proposes to utilize a portion of the Net Proceeds amounting ₹252.06 million towards the acquisition and installation of plant and machinery required for setting up proposed garment manufacturing facility. The facility envisages an investment of ₹252.06 million towards plant and machinery, comprising a comprehensive range of modern equipment across the cutting, sewing, finishing, checking, and packing sections. The machinery configuration has been designed to support the planned production capacity of 10,000 garments per day and includes a high degree of automation to ensure productivity, quality consistency, and operational efficiency.

The cutting section, with an estimated investment of ₹47.30 million, incorporates advanced equipment such as Lectra automatic cutter, Gerber CAD system, automatic spreading machines, fabric inspection machines, fusing presses, and cutting tables, enabling precision cutting and material optimization. The sewing section represents the largest investment component at approximately ₹162.83 million, comprising 539 specialized sewing and automation machines from reputed global manufacturers such as Juki, Ngai Shing, Filc, and Qonvolv, including programmable sewing systems, button-holing machines, automatic pocket welding machines, collar and cuff processing equipment, and template sewing machines. The finishing, checking, and packing section accounts for approximately ₹37.00 million and includes shirt finishers, trouser toppers, pressing equipment, folding and packing machines, and needle detection systems to ensure product quality and compliance with customer requirements. In addition, an allocation equivalent to 2% of machinery cost ₹4.94 million has been provided towards installation, freight, loading and unloading, insurance, and other associated expenses.

An indicative list of the plant and machinery proposed to be procured, along with corresponding quotations received from identified vendors, is provided below. The cost estimates have been assessed in the Cost vetting report issued by D&B.

Sr. No	Machine Description	Make / Vendor	Qty	Total Price (including GST) in ₹ Million	Date of Quotation	Validity of Quotation
(A) MACHINERY FOR CUTTING:						
1	STRAIGHT KNIFE CUTTING MACHINE	*Iigm Private Limited*	2	0.25	September 10, 2026	March 09, 2027
2	BAND KNIFE CUTTING MACHINE	*Iigm Private Limited*	1	0.57	September 10, 2026	March 09, 2027
3	END CUTTER	*Iigm Private Limited*	2	0.09	September 10, 2026	March 09, 2027
4	ROUND KNIFE CUTTING M/C. FOR SAMPLING	*Iigm Private Limited*	1	0.05	September 10, 2026	March 09, 2027
5	PROFESSIONAL CAD SOFTWARE / DIGITIZER / PLOTTER	GERBER	1	2.74	September 10, 2026	March 09, 2027
6	AUTOMATIC SPREADING M/C. (UPTO 125KG ROLLS)	GERBER	1	5.58	September 10, 2026	March 09, 2027
7	AUTOMATIC CUTTER	LECTRA	1	24.67	September 10, 2026	March 09, 2027
8	TEXTILE SPREADING TABLE WITH COMPLETE ACCESSORIES	*Iigm Private Limited*	2	2.54	September 10, 2026	March 09, 2027
9	FABRIC INSPECTION MACHINE	*Iigm Private Limited*	3	2.20	September 10, 2026	March 09, 2027
10	Pin Table 8 Meter x1.8 WITH 2 NOS projector	*Iigm Private Limited*	1	2.52	September 10, 2026	March 09, 2027
11	FABRIC ROLL LOADER MACHINE	*Iigm Private Limited*	1	0.94	September 10, 2026	March 09, 2027
12	CONTINUOUS FUSING PRESS MACHINE (60 CM)	*Iigm Private Limited*	2	1.94	September 10, 2026	March 09, 2027
13	CONTINUOUS FUSING PRESS MACHINE (90 CM)	*Iigm Private Limited*	2	2.23	September 10, 2026	March 09, 2027
14	LABORATORY EQUIPMENT	*Iigm Private Limited*	1	0.98	September 10, 2026	March 09, 2027

Sr. No	Machine Description	Make / Vendor	Qty	Total Price (including GST) in ₹ Million	Date of Quotation	Validity of Quotation
TOTAL CUTTING SECTION			**21**	**47.30**		
(B) MACHINERY FOR SEWING:						
15	1-NEEDLE, DIRECT DRIVE, LOCKSTITCH M/C. WITH AUTO THREAD TRIMMER & COMP. PANEL	JUKI	356	21.66	August 18, 2026	February 17, 2027
16	2-NEEDLE, 5-THREAD SAFETY STITCH OVERLOCK M/C.	JUKI	38	2.76	August 18, 2026	February 17, 2027
17	2-NEEDLE, LOCKSTITCH M/C. WITH FIXED NEEDLE BAR	JUKI	4	0.86	August 18, 2026	February 17, 2027
18	2-NEEDLE, DOUBLE CHAINSTITCH, FEED-OFF-THE-ARM M/C. WITH PULLER	JUKI	15	5.26	August 18, 2026	February 17, 2027
19	COMPUTER CONTROLLED, EYE-LET BUTTON HOLING M/C.	JUKI	2	2.12	August 18, 2026	February 17, 2027
20	COMPUTER CONTROLLED, LOCKSTITCH BARTACKING M/C.	JUKI	9	2.51	August 18, 2026	February 17, 2027
21	COMPUTER CONTROLLED, LOCKSTITCH BUTTON-HOLING M/C.	JUKI	5	2.10	August 18, 2026	February 17, 2027
22	COMPUTER CONTROLLED, LOCKSTITCH BUTTON-SEWING M/C.	JUKI	4	1.53	August 18, 2026	February 17, 2027
23	1-NEEDLE, CHAINSTITCH INDUSTRIAL SEWING MACHINE	JUKI	7	2.73	August 18, 2026	February 17, 2027
24	1-NEEDLE COMPUTER-CONTROLLED INDUSTRIAL CYCLE SEWING MACHINE	JUKI	7	6.89	August 18, 2026	February 17, 2027

Sr. No	Machine Description	Make / Vendor	Qty	Total Price (including GST) in ₹ Million	Date of Quotation	Validity of Quotation
25	4-NEEDLE, CYLINDER-BED, WAISTBAND ATTACHING M/C. WITH PULLER	*Iigm Private Limited*	2	0.38	September 10, 2026	March 09, 2027
26	2-NEEDLE, BOTTOM COVERING BELT-LOOP MAKING M/C.	*Iigm Private Limited*	1	0.18	September 10, 2026	March 09, 2027
27	1-NEEDLE,BLIND STITCH BELT LOOP MAKING WITH IRONING DEVICE M/C.	FILC	3	0.91	October 26, 2026	April 25, 2027
28	1-NEEDLE COMPUTER-CONTROLLED AUTOMATIC DART SEWING MACHINE	FILC	2	3.05	October 26, 2026	April 25, 2027
29	AUTOMATIC POCKET WELTING MACHINE IS CUSTOMIZED WITH AN INTEGRATED FABRIC CUTTER	FILC	5	10.57	October 26, 2026	April 25, 2027
30	1-NEEDLE AUTOMATIC PROGRAMMABLE J-STITCH	FILC	3	4.57	October 26, 2026	April 25, 2027
31	1-NEEDLE CYLINDER BED SINGLE CHAIN STITCH/LOCK STITCH AUTOMATIC BOTTOM HEMMING M/C	FILC	5	3.35	October 26, 2026	April 25, 2027
32	AUTO SLEEVE-PLACKET FOLDING AND PRESSING MACHINE	QONVOLV	3	0.92	October 26, 2026	April 25, 2027
33	Button Placket Folding & Top Stitch (With or Without Fusing Tape)	QONVOLV	5	7.97	October 26, 2026	April 25, 2027
34	AUTOMATIC SLEEVE-PLACKET SETTING MACHINE.	QONVOLV	10	18.26	October 26, 2026	April 25, 2027

Sr. No	Machine Description	Make / Vendor	Qty	Total Price (including GST) in ₹ Million	Date of Quotation	Validity of Quotation
35	AUTO COLLAR-BAND ATTACHING MACHINE WITH SEAM ALLOWANCE TRIMMING	QONVOLV	5	10.69	October 26, 2026	April 25, 2027
36	FULLY AUTOMATIC BUTTON ATTACHING MACHINE WITH INDEXER	NGAI SHING	4	8.23	August 19, 2026	February 18, 2027
37	FULLY AUTOMATIC BUTTON HOLE MACHINE WITH INDEXER	NGAI SHING	5	9.71	August 19, 2026	February 18, 2027
38	SHIRT FRONT PLACKET TRIMMING AND CUTTING MACHINE EQUIPPED WITH AN AUTOMATIC STACKER	NGAI SHING	2	0.74	August 19, 2026	February 18, 2027
39	SHIRT FRONT BUTTON HOLE PLACKET ATTCH EQUIPPED WITH AN AUTOMATIC STACKER	NGAI SHING	5	1.65	August 19, 2026	February 18, 2027
40	FULLY AUTOMATIC FRONT PLACKET FOLDING AND IRONING MACHINE	NGAI SHING	2	3.65	August 19, 2026	February 18, 2027
41	AUTOMATIC SHIRT POCKET SETTER	NGAI SHING	3	6.55	August 19, 2026	February 18, 2027
42	PNEUMATIC SNAP ATTACHING M/C.	NGAI SHING	2	0.28	August 19, 2026	February 18, 2027
43	AUTO CLASSIC WAIST BAND SEWING STAND WITH 6 STRIP FEEDING FRAME	NGAI SHING	2	1.57	August 19, 2026	February 18, 2027
44	AUTOMATIC TEMPLATE SEWING MACHINE	NGAI SHING	7	10.11	August 19, 2026	February 18, 2027
45	AUTOMATIC CUFF TURNING, BLOCKING M/C	NGAI SHING	3	2.01	August 19, 2026	February 18, 2027

Sr. No	Machine Description	Make / Vendor	Qty	Total Price (including GST) in ₹ Million	Date of Quotation	Validity of Quotation
46	AUTOMATIC COLLAR TRIMMING, TURNING, BLOCKING M/C	NGAI SHING	3	2.36	August 19, 2026	February 18, 2027
47	SEMI-AUTOMATIC COLLAR AND CUFF TOPSTITCHING STACKER WORKSTATION	NGAI SHING	3	3.40	August 19, 2026	February 18, 2027
48	SEMI-AUTOMATIC SHIRT COLLAR STAND HEMMING & TOPSTITCHING STACKER WORKSTATION	NGAI SHING	2	1.34	August 19, 2026	February 18, 2027
49	PNEUMATIC SHIRT COLLAR CURVE EDGE NOTCHER AND ALIGNMENT PUNCHING MACHINE	NGAI SHING	3	0.47	August 19, 2026	February 18, 2027
50	SEMI-AUTOMATIC SHIRT CUFF HEMMING AND STACKER WORKSTATION	NGAI SHING	2	1.50	August 19, 2026	February 18, 2027
TOTAL SEWING SECTION			**539**	**162.83**		
(C) FINISHING / CHECKING / PACKING SECTION:						
51	SHIRT FINISHER NS	NGAI SHING	6	8.35	August 19, 2026	February 18, 2027
52	DOUBLE LAGGER (FORMAL 1500 PCS)	VEIT	2	6.36	October 28, 2026	October 27, 2027
53	TROUSER TOPPER	VEIT	6	7.97	October 28, 2026	October 27, 2027
54	TROUSER SEAM IRONING /OPENING TABLE	VEIT	2	0.62	October 28, 2026	October 27, 2027
55	STAIN REMOVING M/C.	VEIT	2	1.46	October 28, 2026	October 27, 2027
56	PANT FINISHER PF-30 (CASUAL TROUSERS 3500 PCS)	VEIT	4	5.78	October 28, 2026	October 27, 2027

Sr. No	Machine Description	Make / Vendor	Qty	Total Price (including GST) in ₹ Million	Date of Quotation	Validity of Quotation
57	UNISET FLAT TOP 130X65S/SB SUCTION BLOWING	VEIT	6	0.77	October 28, 2026	October 27, 2027
58	3D COLLAR SHAPE PRESSING WORKSTATION	NGAI SHING	3	1.91	August 19, 2026	February 18, 2027
59	SHIRT FOLDING & PACKING	NGAI SHING	9	2.50	August 19, 2026	February 18, 2027
60	CONVEYOR NEEDLE DETECTOR	*Iigm Private Limited*	1	1.28	September 10, 2026	March 09, 2027
TOTAL PRESSING & FINISHING SECTION			**41**	**36.99**		
GRAND TOTAL				**247.12**		
INSTALLATION, FREIGHT, INSURANCE AND OTHERS			**2%**	**4.94**		
GRAND TOTAL PROJECT COST CUTTING + STITCHING + FINISHING				**252.06**		

Source: As per the quotation received from the respective vendors.
Notes:
1. USD/INR rate (₹ 95.50) sourced from FBIL.org.in on July 30, 2026

No second-hand or used machinery is proposed to be purchased out of the Net Proceeds.

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment at the same costs. In accordance with the terms of certain quotations obtained by our Company, the prices in relation to the plant and machinery may be subject to revisions during the validity period of such quotations, pursuant to inter alia any update to the pricing list of the vendor, prices of the raw materials or pursuant to foreign exchange currency fluctuations or policy changes. The quantity of equipment to be purchased is based on the present estimates of our management. Accordingly, the number of units of each machine proposed to be purchased may vary based on the availability, technological improvements, commercial and logistics consideration, specifications of the machinery or negotiations with the relevant vendors.

Our Company shall have the flexibility to deploy such equipment according to the business requirements of our proposed expansion and based on the estimates of our management. Our Promoters, Directors, Key Managerial Personnel and members of Senior Management do not have any interest in the proposed purchase of plant and machinery, or in the entities from whom we have obtained quotations for purchase of such plant and machinery.

Solar Power Plant and Miscellaneous Fixed Assets

Our Company proposes to utilise ₹10.78 million from the Net Proceeds towards the installation of a 300 kW captive solar power plant at the proposed garment manufacturing facility. The estimated cost of installation is ₹10.78 million, including GST. The solar power plant is intended to partially meet the facility's power requirements, reduce dependence on grid power, lower operating costs and support our Company's sustainability objectives through the use of renewable energy.

Our Company proposes to utilise ₹21.67 million from the Net Proceeds towards miscellaneous fixed assets for proposed an investment of ₹21.67 million (including GST) comprising furniture, material handling equipment, and other supporting infrastructure required for the manufacturing facility. Major cost components include Other Items valued at ₹16.31 million, covering critical utilities and infrastructure such as DG Set, transformer, electrification works, fire-fighting systems, RO plant, industrial coolers, CCTV, air conditioners, biometric systems, and other operational equipment.

Furniture for production and administrative areas account for ₹4.71 million, including operator chairs, worktables, storage racks, inspection tables, canteen furniture, and display boards. Remaining cost of ₹0.65 million comprise of Material Handling Equipment such as fabric roll trolleys, cut component trolleys, bins, and transportation aids required for efficient material movement within the plant.

These assets are essential for ensuring smooth production flow, workplace safety, material storage, employee welfare, and overall operational efficiency of the facility.

The cost estimate is based on the quotation received from Kumar Electricals Works (Reference No. I-DEL/30227/R1 dated October 30, 2026). The cost estimates have been assessed in the cost vetting report issued by D&B.

Sr. No	ITEMS	DESCRIPTIONS	QTY	Total Cost (including GST) in Rs. Million	Date of Quotation	Validity of Quotation
PRODUCTION FURNITURE						
1	OFFICE TABLE SET	Open Market	30	0.30	October 30, 2026	April 29, 2027
2	OPERATOR CHAIR	Open Market	500	0.47	October 30, 2026	April 29, 2027
3	CABIN CHAIR	Open Market	50	0.38	October 30, 2026	April 29, 2027

Sr. No	ITEMS	DESCRIPTIONS	QTY	Total Cost (including GST) in Rs. Million	Date of Quotation	Validity of Quotation
4	FEEDING TABLE (2400 X 1200)	Open Market	30	0.32	October 30, 2026	April 29, 2027
5	INSPECTION TABLES / MISCELLANEOUS	Open Market	5	0.05	October 30, 2026	April 29, 2027
6	END-LINE INSPECTION TABLE (2400 X 1200)	Open Market	20	0.21	October 30, 2026	April 29, 2027
7	KAJA BUTTON MARKING TABLE (2400 X 1200)	Open Market	3	0.03	October 30, 2026	April 29, 2027
8	TRIMMING / CHECKING TABLE (2400 X 1200)	Open Market	30	0.32	October 30, 2026	April 29, 2027
9	IRONING AND TAGGING TABLE (2400 X 1200)	Open Market	10	0.11	October 30, 2026	April 29, 2027
10	FABRIC STORAGE RACKS - 1	Fabric Storage Racks (2400 X 1800 X 1200)	20	0.60	October 30, 2026	April 29, 2027
11	FABRIC STORAGE RACKS - 2	Fabric Storage Racks (1800 X 1200 X 1200)	20	0.56	October 30, 2026	April 29, 2027
12	FABRIC STORAGE RACKS - 3	Fabric Storage Racks (1600 X 1200 X 1600)	15	0.30	October 30, 2026	April 29, 2027
12	ACCESSORY STORAGE RACKS - 1	ACCESSORY Storage Racks (900 X 400)	25	0.21	October 30, 2026	April 29, 2027
13	NUMBERING AND BUNDLING TABLE	(13300 X 1200)	8	0.10	October 30, 2026	April 29, 2027
14	CHECKING AND PATTERN MAKING TABLES IN SAMPLING	(2400 X 1200)	4	0.04	October 30, 2026	April 29, 2027
15	FILING RACKS FOR PRODUCTION CABINS	Storage of files & Documents	6	0.02	October 30, 2026	April 29, 2027
16	PRODUCTION BOARDS (Magnetic)	For displaying production in each production department	15	0.07	October 30, 2026	April 29, 2027
17	WHITE BOARDS	For discussions or scribbling in supervision cabins, meeting rooms & conference room	10	0.03	October 30, 2026	April 29, 2027
18	PIN UP/ BULLETIN BOARDS	For display of notices, production planning etc -	15	0.04	October 30, 2026	April 29, 2027
19	CANTEEN SET (1800 X 7500)	TABLE AND STAND SET FOR EATING FOOD FOR 6 PEOPLE	30	0.56	October 30, 2026	April 29, 2027
MATERIAL HANDLING EQUIPMENTS :						
20	FABRIC ROLL TROLLEY	Open Market	3	0.03	October 30, 2026	April 29, 2027
21	U TROLLEY	Open Market	3	0.02	October 30, 2026	April 29, 2027
22	CUT COMPONENT TROLLEY	Open Market	5	0.05	October 30, 2026	April 29, 2027
23	DOUBLE BIN TROLLEY	Open Market	4	0.02	October 30, 2026	April 29, 2027
24	BAKERS TROLLEY	Open Market	4	0.05	October 30, 2026	April 29, 2027
25	CUT PARTS TRANSPORTATION TROLLEY	Open Market	8	0.03	October 30, 2026	April 29, 2027

Sr. No	ITEMS	DESCRIPTIONS	QTY	Total Cost (including GST) in Rs. Million	Date of Quotation	Validity of Quotation
26	PLASTIC COATED TROLLEY	Open Market	8	0.03	October 30, 2026	April 29, 2027
27	CENTRE TABLE (450 X 750)	Open Market	9	0.01	October 30, 2026	April 29, 2027
28	CENTRE TABLE (450 X 750)	Open Market	300	0.39	October 30, 2026	April 29, 2027
OTHER MISC FIXED ASSETS:						
29	Guide and Folders and Accessories	Open Market	1	0.89	October 30, 2026	April 29, 2027
30	Fire Fighting Equipments	Open Market	1	0.24	October 30, 2026	April 29, 2027
31	Numbering Machine, Computers and Printers,	Open Market	1	0.59	October 30, 2026	April 29, 2027
32	RO	Open Market	2	1.77	October 30, 2026	April 29, 2027
33	Water Cooler	Open Market	4	0.35	October 30, 2026	April 29, 2027
34	Industrial Cooler	Open Market	35	1.86	October 30, 2026	April 29, 2027
35	Small Bins	Open Market	500	0.35	October 30, 2026	April 29, 2027
36	Big Bins	Open Market	50	0.30	October 30, 2026	April 29, 2027
37	Hydraulic Lifter	Open Market	2	0.24	October 30, 2026	April 29, 2027
38	Biometric Machines	Open Market	3	0.71	October 30, 2026	April 29, 2027
39	CCTV, Air conditioner, Weighing Machine, two Wheeler and other MFA	Open Market	2	1.18	October 30, 2026	April 29, 2027
40	DG Set 600 KV	Open Market	1	3.54	October 30, 2026	April 29, 2027
41	Transformer	Open Market	1	0.89	October 30, 2026	April 29, 2027
42	Electrifications	Open Market	1	3.42	October 30, 2026	April 29, 2027
42	Solar 300 KW	Any Reputed Suppliers	300.00	10.78	October 30, 2026	April 29, 2027
			TOTAL	**32.45**		

Source: As per the quotation received from the respective vendors.

Preliminary & Pre-Operative Expenses and Contingency

Our Company proposes to utilize ₹6.10 million from the Net Proceeds towards estimated pre-operative expenses of ₹6.10 million to be incurred during the implementation phase prior to commencement of commercial operations. The provision includes financial and other consultancy expenses of ₹1.00 million, salary and wages of ₹2.00 million, travelling, conveyance and administrative expenses of ₹1.00 million, and start-up and training expenses of ₹2.10 million. These expenditures are essential for project planning, statutory compliances, employee recruitment and training, administrative support, and commissioning activities.

In addition, Company envisages that there might be price fluctuations and the currently estimated project cost may increase on account of external factors, including increase in cost of machinery and associated transportation or other charges or taxes. The total estimated cost for contingencies is ₹10.06 million as estimated by the Company.

Project Specific Government Approvals

The status of key approvals in relation to the proposed units is set out below;

Sr. No	Permission / Approval	Agency - Issuing Authority	Remark
Factory Related Approvals			
1	Factory License under the Factories Act	Directorate of Industrial Safety & Health	The Company will obtain the requisite approval prior to commencement of factory operations
2	Fire NOC from Fire Department	State Fire Department	The Fire NOC shall be obtained prior to commencement of factory operations
Electrical & Safety Approvals			
1	Electrical Safety Certificate	Chief Electrical Inspectorate / Electrical Inspector	To be obtained after completion of electrical installations and prior to energization/commissioning of the facility.
2	Approval for DG Sets, Transformers, HT/LT installations	State Electricity Board / Electrical Inspectorate	To be obtained prior to commissioning and operation of DG sets, transformers, and HT/LT electrical infrastructure.
3	Earthing and Lightning Protection Compliance	Electrical Inspectorate / Approved Consultant	To be obtained upon completion of earthing and lightning protection installations and before commencement of operations.
Utility Related			
1	No Objection Certificate (NOC) for Ground Water Abstraction	Central Ground Water Authority (CGWA), Ministry of Jal Shakti, Government of India	NOC granted to SITARAM DENIMS INDIA LIMITED for groundwater abstraction of 43.00 m^3/day (12,900 m^3/year). Valid from 06/05/2025 to 05/05/2027 via ref no. CGWA/NOC/IND/REN/1/2025/10943; dated: 26-02-2025
2	Power Connection Approval	State Electricity Distribution Company	The Company shall obtain the temporary power connection approval prior to commencement of construction activities and the permanent power connection approval prior to commissioning of the facility and commencement of commercial operations.
3	Storm Water Drainage Approval	Local Authority / Industrial Development Authority	To be obtained during the project development stage and prior to commencement of construction/civil works, wherever applicable.
4	STP Approval	State Pollution Control Board / Local Authority	To be obtained before installation and commissioning of the STP and prior to commencement of factory operations

Source: As per cost vetting report dated October 30, 2026 issued by D&B.
Note:
Pursuant to the Rajasthan State Pollution Control Board's ("RSPCB") Order No. F-12 (PSC-65)/RSPCB/3087 dated January 30, 2026, garment and apparel manufacturing involving dry processes without a boiler falls under the White category at Serial No. 178.4 of the revised industrial classification.

Our Company proposes to operate the garment manufacturing facility using the available electricity infrastructure. Accordingly, subject to the proposed operations meeting the applicable White category criteria, the facility would be exempt from obtaining Consent to Establish and Consent to Operate. Our Company will comply with the applicable requirement to intimate the RSPCB prior to commissioning the facility.

Utilities

Power – The projected power requirement supports large-scale integrated manufacturing operations encompassing cutting, sewing, embroidery, washing, finishing, and utility services. Total 791 kW (988.75 kVA / 1,060.75 HP) power is required to manufacture readymade garments.

The proposed solar installation is expected to partially offset the facility's grid power consumption, improve energy efficiency, and support the project's sustainability initiatives using renewable energy

Water – The Company has obtained a no objection certificate (NOC) for ground water abstraction from the Central Ground Water Authority (CGWA) vide NOC No. CGWA/NOC/IND/REN/1/2025/10943 dated February 26, 2025. The NOC has been issued for renewal of groundwater abstraction permission, allowing withdrawal of 43 m^3/day (12,900 m^3/year) for industrial use and is valid from May 6, 2025 to May 5, 2027.

The Proposed Expansion intends to utilize groundwater from the existing approved source for general water requirements.

3. Funding working capital requirements of our Company

We are engaged in the manufacture and supply of branded and unbranded woven fabrics, primarily catering to different categories of the apparel segment. Our principal product categories comprise cotton-spandex fabrics, rigid cotton fabrics, denim fabrics, polyester-viscose ("PV") fabrics and certain other blended fabrics. We manufacture our products primarily on a make-to-stock basis, based on product and technical specifications such as fibre composition, fabric construction, weight, width, design, finish and other parameters.

We sell our products in both grey and finished fabric forms. Finished fabrics are produced by subjecting woven grey fabrics manufactured through our manufacturing platform to downstream processing, including dyeing and finishing, through third-party processing units prior to sale. Finished fabrics are sold principally on an unbranded basis and also under the "Sitaram" brand. In addition, we undertake job-work weaving and sizing activities for third-party customers in accordance with their product and technical specifications.

We commenced commercial production at our Manufacturing Facility in Fiscal 2018 with 120 shuttleless Airjet looms, together with associated preparatory machinery. Subsequently, during Fiscals 2024 and 2025, we expanded our manufacturing infrastructure and capacity through the addition of 84 shuttleless Airjet looms, one sizing machine and related preparatory machinery.

Our fabric production at the Manufacturing Facility has increased from 11.11 million metres in Fiscal 2024 to 15.27 million metres in Fiscal 2025 and further to 24.46 million metres in Fiscal 2026 and for three month period ended June 30, 2026 it is 7.04 million metres on non-annualized basis. Our sizing volume was 3.06 million kg and 5.88 million kg during Fiscals 2025 and 2026, respectively and 1.88 kg for three month period ended June 30, 2026.

We fund a significant portion of our working capital requirements in the ordinary course of business through bank borrowings and internal accruals for further details, see "***Financial Indebtedness***" on page 367. With the increase in our fabric production volumes and the consequent increase in our business operations, we expect our working capital requirements to increase, particularly towards maintaining adequate levels of inventories and funding trade receivables.

The cost of holding trade receivables and inventories primarily comprises the opportunity and financing cost associated with such working capital, which is partly offset by the credit period available from suppliers through trade payables. Our working capital requirements are financed through a combination of bank credit facilities and internal accruals.

Accordingly, we propose to utilise a portion of the Net Proceeds towards funding the working capital requirements of our Company for Fiscals 2027 and 2028. The proposed utilisation is intended to

support the additional working capital requirements arising from the anticipated increase in production and sales volumes and the corresponding increase in inventory and trade receivables.

Further, for risks in relation to use of the Net Proceeds for funding working capital gap of our Company, see ***"Risk Factors – Our business requires significant working capital, and we have experienced negative cash flows from operating activities. Any inability to fund our working capital requirements or generate sufficient operating cash flows could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects"*** on page 36.

For further details, see Note 20 and Note 25 to the Restated Financial Information under the chapter titled **"*Restated Financial Information*"** on page 322 of this Draft Red Herring Prospectus.

Basis of estimation of working capital requirement of our Company

Existing working capital

The details of our Company's working capital as at June 30, 2026, March 31, 2026, March 31, 2025 and March 31, 2024, and the source of funding, derived from the financial statements of our Company are provided in the table below:

(Amount in ₹ in million)

Particulars	March 31, 2024	March 31, 2025	March 31, 2026	June 30, 2026
	Actual	Actual	Actual	Actual
Current Assets				
Inventories	388.84	684.80	1,107.53	1,216.80
Trade Receivables	270.46	506.18	544.24	602.93
Other Financial Assets(1)	33.36	37.31	53.56	52.85
Other Current Assets	69.64	62.10	98.31	125.76
Total Current Assets (A)	**762.30**	**1,290.38**	**1,803.64**	**1,998.34**
Current Liabilities				
Trade Payables	176.40	291.63	377.27	421.83
Provisions	12.34	15.73	27.12	28.82
Other Current Liabilities(2)	10.84	37.60	70.96	82.43
Total Current Liabilities (B)	**199.57**	**344.96**	**475.35**	**533.08**
Net Working Capital [C = (A-B)]	**562.73**	**945.42**	**1,328.29**	**1,465.26**
Means of Finance				
Borrowings (E)	321.76	595.20	887.90	999.64
Equity and Internal Accruals (F)	240.97	350.22	440.39	465.61
Total [H = (E + F + G) = C]	**562.73**	**945.42**	**1,328.29**	**1,465.25**

As certified by M/s A Bakliwal & Co, Chartered Accountants by way of their certificate dated November 3, 2026 bearing UDIN: 26440315HAHMWV5279

Notes:

(1) Other Financial Assets includes Loans and advances and Bank balances other than cash and cash equivalents represent fixed deposits held under lien with the bank.

(2) Other Current Liabilities include Other financial liabilities, Lease liabilities and Current tax liabilities (Net).

Estimated working capital

The projected working capital requirements for Fiscal 2027 and Fiscal 2028 have been prepared based on management's assessment of our Company's current and expected financial performance. These

projections are subject to certain assumptions regarding future events and management actions, which may not materialise as anticipated.

Our Company requires additional working capital to meet its projected requirements for Fiscal 2027 and Fiscal 2028. Taking into account our existing working capital position and projected requirements, our Board, pursuant to its resolution dated October 24, 2026, has approved the business plan for Fiscal 2027 and Fiscal 2028, including the estimated working capital requirements and proposed sources of funding, as set forth below:

(Amount in ₹ million)

Particulars	March 31, 2027	March 31, 2028
	Estimated	Projected
Current Assets		
Inventories	1,214.37	1,590.10
Trade Receivables	691.59	784.78
Other Financial Assets[(1)]	15.64	15.64
Other Current Assets	338.99	186.38
Total Current Assets (A)	**2,260.60**	**2,576.91**
Current Liabilities		
Trade Payables	175.58	232.38
Provisions	35.00	35.00
Other Current Liabilities[(2)]	43.09	43.09
Total Current Liabilities (B)	253.67	310.47
Net Working Capital [C = (A-B)]	**2,006.92**	**2,266.44**
Means of Finance		
Borrowings (E)	1,101.85	1,042.88
Equity and Internal Accruals (F)	722.82	1,173.56
IPO Proceeds (G)	182.25	50.00
Total [H = (E + F + G) = C]	**2,006.92**	**2,266.44**

As certified by M/s A Bakliwal & Co, Chartered Accountants by way of their certificate dated November 03, 2026 bearing UDIN: 26440315HAHMWV5279.

Notes:

(1) Other Financial Assets includes Loans and advances and Bank balances other than cash and cash equivalents represent fixed deposits held under lien with the bank.

(2) Other Current Liabilities include Other financial liabilities, Lease liabilities and Current tax liabilities (Net).

Assumptions for Holding Levels

The table below sets forth the holding periods (in days) as at March 31, 2024, March 31, 2025, March 31, 2026 and June 30, 2026, together with the projected holding periods as at March 31, 2027 and March 31, 2028, and the rationale for these holding period levels:

Particulars	March 31, 2024	March 31, 2025	March 31, 2026	June 30, 2026*	March 31, 2027	March 31, 2028
	Actual	Actual	Actual	Actual	Estimated	Projected
Holding Levels (In Days)						
Current Assets						
Inventories[(1)]	219	228	264	201	207	205
Trade Receivables[(2)]	88	88	82	73	72	65
Other Financial Assets[(3)]	11	7	8	6	2	1
Other Current Assets[(4)]	23	11	15	15	35	16

Particulars	March 31, 2024	March 31, 2025	March 31, 2026	June 30, 2026*	March 31, 2027	March 31, 2028
	Actual	Actual	Actual	Actual	Estimated	Projected
Current Liabilities						
Trade Payables[5]	100	97	90	70	30	30
Provisions[6]	4	3	4	4	4	3
Other Current Liabilities[7]	4	7	11	10	4	4

As certified by M/s A Bakliwal & Co, Chartered Accountants by way of their certificate dated November 03, 2026 bearing UDIN: 26440315HAHMWV5279.

**No of days for the three months period ended is annualised and calculated as 365/4.*

Notes:

(1) Inventories days is calculated as inventory at the year end multiplied by 365 divided by Cost of Material consumed

(2) *Trade receivables days is derived as trade receivables at the year end multiplied by 365 divided by revenue from operations.*

(3) Other Financial Assets days is derived as other financial assets at the year end multiplied by 365 divided by revenue from operations.

(4) Other Current Assets days is derived as other current assets at the year end multiplied by 365 divided by revenue from operations.

(5) Trade Payables days is calculated as trade payables at the year end multiplied by 365 divided by Cost of Material consumed

(6) Provisions days is derived as provisions at the year end multiplied by 365 divided by revenue from operations.

(7) Other Current Liabilities days is derived as other current liabilities at the year end multiplied by 365 divided by revenue from operations.

Assumptions and justification for holding period level (In Days) of our company

Our Company's estimated working capital requirements are based on the following key assumptions:

Particulars	Assumptions and Justifications
Current Assets	
Inventories	Inventories primarily comprise raw materials, including various types of yarn, stores and spares, work-in-progress fabric and finished fabric ready for dispatch. The nature of our business requires us to maintain adequate inventory levels to support uninterrupted production and timely fulfilment of customer requirements. We also follow a make-to-stock model for certain products and purchase raw materials in bulk, taking into consideration prevailing market conditions and anticipated price movements, to mitigate the impact of potential increases in raw material prices. Further, our product portfolio comprises various categories of fabrics, including cotton-spandex, rigid cotton, denim, polyester-viscose ("PV") and other blended fabrics. Each category comprises multiple product variants with different fibre compositions, yarn combinations and fabric specifications to meet diverse customer requirements. For instance, we offer 292 product variants across our cotton-spandex, rigid cotton and PV fabric categories. Accordingly, we are required to maintain a diverse range of raw materials and finished goods to cater to varying product specifications and customer requirements. Our inventory days increased from 219 days as at March 31, 2024 to 228 days as at March 31, 2025 and further to 264 days as at March 31, 2026, reflecting our bulk procurement practices, the need to maintain a diverse range of fabric variants to meet customer requirements and higher inventory holding in response to prevailing geopolitical uncertainties. The increase in inventory days to 264 days as at March 31, 2026 was also influenced by the geopolitical crisis in the Middle East towards the end of March 2026, which created uncertainty regarding raw material availability and prices. In view of the potential impact on raw material procurement and supply continuity,

Particulars	Assumptions and Justifications
	we maintained higher inventory levels to mitigate the potential impact of supply disruptions and price fluctuations. Our inventory days are estimated to decrease to 207 days as at March 31, 2027 and are projected to further decrease to 205 days as at March 31, 2028, reflecting our expected improvement in inventory management and alignment of inventory levels with projected production requirements and customer demand, while maintaining adequate stocks of yarn and finished fabric to support our operations.
Trade Receivables	Trade receivable days remained at 88 days as at March 31, 2024 and March 31, 2025, before decreasing to 82 days as at March 31, 2026 and 73 days as at June 30, 2026, remaining within the customary industry credit period of approximately 90 days. During the same period, the number of revenue-generating customers increased from 147 in Fiscal 2024 to 232 in Fiscal 2025 and 316 in Fiscal 2026. Despite the expansion of our customer base and growth in revenue from operations at a CAGR of 47.32% between Fiscal 2024 and Fiscal 2026, we maintained our trade receivable days within the customary industry credit period and subsequently improved our collection cycle. Trade receivable days are estimated to decrease to 72 days as at March 31, 2027 and are projected to further decrease to 65 days as at March 31, 2028, reflecting our continued focus on receivables management and collection efficiency. The expected improvement in collections is also intended to support our working capital requirements and manage our reliance on external financing, considering our debt-to-equity ratio of 2.03x as at June 30, 2026
Other Financial Assets	Our other financial assets comprise subsidy receivables under the RIPS Scheme in respect of eligible investments in plant and machinery, loans and advances, and bank balances held under lien against borrowings. The holding period decreased from 11 days as at March 31, 2024 to 7 days as at March 31, 2025, before increasing to 8 days as at March 31, 2026 and subsequently decreasing to 6 days as at June 30, 2026. The holding period is estimated to decrease to 2 days as at March 31, 2027 and further to 1 day as at March 31, 2028. These estimates are based on the expected release of bank balances currently held under lien against borrowings, subject to the applicable terms and conditions. The anticipated release is expected to improve the availability of funds and support the Company's overall working capital requirements.
Other Current Assets	Our other current assets comprise balances with government authorities, GST receivables, advances to suppliers and prepaid expenses. GST receivables increased from ₹46.14 million as at March 31, 2024 to ₹64.18 million as at June 30, 2026, reflecting changes in input tax credits and their utilisation. Similarly, balances with government authorities increased from ₹5.09 million to ₹20.40 million during the same period, reflecting an increase in statutory receivables. Advances to suppliers and prepaid expenses also increased in line with the growth in our operations. Other current asset days decreased from 23 days as at March 31, 2024 to 11 days as at March 31, 2025, before increasing to 15 days as at March 31, 2026 and as at June 30, 2026, reflecting changes in the underlying balances relative to revenue from operations. Other current asset days are estimated to increase to 35 days as at March 31, 2027 and decrease to 16 days as at March 31, 2028, considering the expected movement in GST receivables, balances with government authorities, advances to suppliers and prepaid expenses, along with anticipated procurement requirements, timing of statutory adjustments or recoveries.

Particulars	Assumptions and Justifications
Current Liabilities	
Trade Payables	Our trade payables primarily comprise amounts payable to suppliers for raw materials, including various types of yarn, processing services and other consumables required for our weaving operations. Trade payable days decreased from 100 days as at March 31, 2024 to 97 days as at March 31, 2025, 90 days as at March 31, 2026 and 70 days as at June 30, 2026. This reduction reflects our focus on timely settlement of supplier dues and maintaining strong supplier relationships to support uninterrupted procurement of raw materials. Given the volatility in raw material prices, timely payments also help us negotiate favourable pricing and maintain continuity of supplies. Trade payable days are estimated at 30 days as at March 31, 2027 and are projected to remain at 30 days as at March 31, 2028, reflecting our intention to continue making timely payments to suppliers to avail early payment discounts, negotiate favourable purchase terms and maintain uninterrupted supplies for our operations.
Provisions	Our provisions comprise amounts recognised for expenses incurred but not yet paid, including electricity charges, salaries, bonus and other operating expenses. Provision holding days decreased from 4 days as at March 31, 2024 to 3 days as at March 31, 2025, before increasing to 4 days as at March 31, 2026 and remaining at 4 days as at June 30, 2026. These movements reflect changes in the outstanding provisions for operating expenses at the respective reporting dates. Provision holding days are estimated at 4 days as at March 31, 2027 and are projected to decrease to 3 days as at March 31, 2028. These estimates and projections are broadly in line with historical levels and take into account the expected level of operating expenses and the timing of recognition and settlement of related provisions.
Other Current Liabilities	Our other current liabilities comprise advances received from customers, statutory dues such as TDS, ESI, GST and PF, deferred government grants, lease liabilities and current tax liabilities. Other Current Liabilities holding days increased from 4 days as at March 31, 2024 to 7 days as at March 31, 2025 and 11 days as at March 31, 2026, before moderating to 10 days as at June 30, 2026. These movements reflect changes in statutory dues payable at the respective reporting dates, advances received from customers against orders, and current tax liabilities arising from the Company's taxable profits, together with the timing of settlement of these obligations. For the estimated and projected periods, holding days are expected to normalise to 4 days as at March 31, 2027 and March 31, 2028. These estimates reflect the Company's expected settlement of statutory dues and other liabilities, along with the anticipated movement in customer advances.

4. General Corporate Purposes

The Net Proceeds will first be utilized towards the Objects, as set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with SEBI ICDR Regulations.

The Net Proceeds proposed to be utilised towards general corporate purposes may be applied for meeting ongoing corporate exigencies and contingencies, incurring expenses in the ordinary course of business, supporting business development initiatives, inorganic growth opportunities and funding employee welfare activities and other related expenditures. The Net Proceeds may also be deployed for any other purpose as may be approved by our Board or a duly authorised committee thereof, subject to compliance with the Companies Act.

The allocation or quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the business requirements of our Company and other relevant considerations, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds or through our internal accruals, if any, which are not applied to the other purposes set out above.

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring of utilisation of funds

Our Company shall appoint the Monitoring Agency in accordance with Regulation 41 of the SEBI ICDR Regulations prior to the filing of the Red Herring Prospectus with RoC. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds, and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Gross Proceeds have been utilized in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay.

Our Company will disclose and continue to disclose the utilisation of the Gross Proceeds, including interim use under a separate head in our balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable law, clearly specifying the purposes for which the Gross Proceeds have been utilized, until the time any part of the Fresh Issue proceeds remains unutilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our consolidated financial results. Such heads will include an item by item description for all the expense heads and sub-heads disclosed under each of the Objects of the Offer, as set out in this Draft Red Herring Prospectus.

Pursuant to Regulation 32(3) and Part C of Schedule II of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by the Statutory Auditors and such certification shall be provided to the Monitoring Agency. 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 utilisation of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects.

Bridge financing facilities

Our Company has 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.

Appraising entity

None of the Objects require appraisal from, or have been appraised by, any bank/ financial institution/ any other agency, in accordance with applicable law. See ***"Risk Factors – Our funding requirements and the proposed deployment of the Net Proceeds are based on management estimates and assumptions, which may vary due to factors beyond our control, and any variation may adversely affect our business and results of operations"*** on page 73.

Offer expenses

The Offer expenses are estimated to be approximately ₹[●] million. The Offer expenses comprises of, among other things, listing fee, underwriting fee, selling commission and brokerage, fees payable to the Book Running Lead Manager, legal counsels, Statutory Auditors, Registrar to the Offer, Escrow Collection Bank, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Banks for Bids made by UPI Bidders, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than (a) listing fees, stamp duty payable on issue of Equity Shares pursuant to Fresh Issue, audit fees of statutory auditors (to the extent not attributable to the Offer) and expenses in relation to product or corporate advertisements consistent with past practice of our Company which will be borne by our Company; and (b) fees and expenses in relation to the legal counsel appointed by the Promoter Group Selling Shareholders which shall be borne by Promoter Group Selling Shareholders, all costs, charges, fees and expenses associated with and incurred in connection with the Offer, including corporate advertisements, issue advertising, printing, road show expenses, accommodation and travel expenses, stamp, transfer, issuance, documentary, registration, costs for execution and enforcement of the Offer Agreement, Registrar's fees, fees to be paid to the Book Running Lead Manager, fees and expenses of legal counsel to the Offer, fees and expenses of the auditors, fees to be paid to Sponsor Banks, SCSBs (processing fees and selling commission), brokerage for Syndicate Member, commission to Registered Brokers, Collecting DPs and Collecting RTAs, and payments to consultants, and advisors shall be shared among our Company and the Promoter Group Selling Shareholder, on a pro rata basis, in proportion to the number of Equity Shares (i) issued and Allotted by our Company through the Fresh Issue and (ii) sold by the Promoter Group Selling Shareholder through the Offer for Sale, in accordance with Applicable Law including section 28(3) of Companies Act.

All such payments shall be made by the Company on behalf of the Promoter Group Selling Shareholders and, the Promoter Group Selling Shareholders shall reimburse the Company, in proportion to the Offered Shares that are sold in the Offer, for any documented expenses incurred by the Company on behalf of the Promoter Group Selling Shareholder, subject to receipt of supporting documents for such expenses upon the successful completion of the Offer.

Further, the expenses related to the portion of the Offer for Sale shall be deducted from the proceeds of the Offer for Sale and only the balance amount shall be paid to the Promoter Group Selling Shareholder in the proportion to the Offered Shares sold by the Promoter Group Selling Shareholders. The fees of the Book Running Lead Manager shall be paid directly from the public offer account where the proceeds of the Offer shall be received, and immediately upon receipt of final listing and trading approvals from the Stock Exchanges, in the manner as may be set out in the cash escrow and sponsor bank agreement. In case the Offer fails or is postponed or is withdrawn or abandoned for any reason, all costs and expenses with respect to the Offer shall be borne by our Company and the Promoter Group Selling Shareholder on a pro rata basis to the Equity Shares offered by our Company in the Fresh Issue and Equity Shares offered

by the Promoter Group Selling Shareholder in the Offer for Sale, respectively and in accordance with Applicable Law.

The estimated Offer-related expenses are as under:

Expenses*	Estimated expenses (₹ in million)*	As a % of the total estimated Offer expenses*	As a % of the Gross Proceeds*
Fixed fees payable to Book Running Lead Manager	[●]	[●]	[●]
Underwriting/ Selling commissions to the BRLM	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and fees payable to sponsor bank(s) for bids made by RIBs, Bankers to the Offer(s), Brokerage and Syndicate Fees, bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs(1)(2)(3)(4)(5)	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Others expenses including but not limited to:			
Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
Printing and distribution of stationery	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to other advisors to the Offer, including but not limited to Legal Counsel, Statutory Auditors, industry service provider, Independent Chartered Engineer	[●]	[●]	[●]
Miscellaneous expenses	[●]	[●]	[●]
Total estimated Offer expenses	**[●]**	**[●]**	**[●]**

** Offer expenses will be incorporated at the time of filing of the Prospectus with the RoC. Offer expenses are estimates and are subject to change.*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured and uploaded 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 Offer Price.*
No processing/uploading charges shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications 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.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-Syndicate members), CRTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) and submitted to the SCSBs for blocking 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 ASBA Forms.*

The Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the

ASBA Form for Non- Institutional Bidders with bids above ₹500,000 would be ₹[●] plus applicable taxes, per valid application.

(2) Brokerage, selling commission and processing/ uploading charges on the portion for Retail Individual Bidders (using the UPI Mechanism), and Non-Institutional Bidders which are procured by the members of the Syndicate (including their sub-Syndicate members), CRTAs, CDPs or for using 3 in 1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of 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 Offer Price.*

(3) The selling commission payable to the Syndicate / sub-Syndicate members will be determined:

- *For Retail Individual Bidders and Non-Institutional Bidders (up to ₹ 0.5 million) on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate members. 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*
- *For Non-Institutional Bidders (Bids above ₹ 0.5 million) on the basis of the Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. 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 Syndicate / sub-Syndicate members and not the SCSB.*

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. The selling commission payable to the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(4) Uploading charges:

- *Payable to members of the Syndicate (including their sub-Syndicate members), on the applications made using 3 in 1 accounts, would be ₹[●] plus applicable taxes, per valid application bid by the Syndicate member (including their sub-Syndicate members).*
- *Bid uploading charges payable to the SCSBs on the portion of QIB and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/CRTAs/ CDPs and submitted to SCSB for blocking and uploading would be ₹[●] per valid application (plus applicable taxes).*

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE The Bidding/uploading charges payable to the Syndicate/sub-Syndicate members, CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Selling commission payable to the registered brokers, CRTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows: Portion for Retail Individual Bidders and Non-Institutional Bidders: ₹[●] per valid ASBA Form (plus applicable taxes).

(5) Uploading charges/ Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs (uploading charges)	*₹[●] per valid application (plus applicable taxes)*
Sponsor Bank (Processing fee) – [●]	*₹[●] per valid application (plus applicable taxes) The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws*
Sponsor Bank (Processing fee) – [●]	*₹[●] per valid application (plus applicable taxes). [●] will also be entitled to a one time escrow management fee of ₹ [●] (plus applicable taxes) The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws*

The processing fees for applications made by UPI Bidders 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/2022/75 dated May 30, 2022, and SEBI ICDR Master Circular (to the extent applicable).

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects of the Offer unless our Company is authorised to do so by way of a special resolution of its Shareholders and such variation will be in accordance with the applicable laws including the Companies Act and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**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 Hindi also being the regional language of Rajasthan, where our Registered Office is located in accordance with the Companies Act and applicable rules. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, in accordance with Section 13(8) and other applicable provisions of the Companies Act, and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 our Articles of Association, and provisions of Schedule XX of the SEBI ICDR Regulations.

Other Confirmations

Except to the extent of the proceeds received by the Promoter Group Selling Shareholders pursuant to the Offer for Sale, no part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, Group Companies, KMPs or SMPs.

Further, our Company has not entered into or is not planning to enter into any arrangement/ agreements with our Directors, our Promoters, members of our Promoter Group, Group Companies, KMPs, or Senior Management in relation to the utilization of the Net Proceeds.

None of our Promoter, Directors, Group Companies, KMPs, Senior Management, or members of our Promoter Group will receive any portion of the Net Proceeds and except in the ordinary course of business, there are no existing or anticipated transactions in relation to utilisation of the Net Proceeds with our Promoters, Directors, Group Companies, KMPs, Senior Management, or members of our Promoter Group.

The funds raised from this IPO shall not be used for acquisition or investment in Virtual Digital Assets, as defined under Section 2(47A) of the Income-tax Act, 1961.

*(*Remainder of this page has been intentionally left blank*)*

BASIS FOR THE OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares of face value ₹5 each offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Offer 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 read the following basis with the sections titled "**Risk Factors**", "**Summary of Financial Information**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and "**Our Business**" beginning on page 28, 95, 374 and 239 respectively, to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.*

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the offer price are:

1. Modern Owned Manufacturing Facility Equipped with Shuttleless Airjet Looms

Our Owned Facility is equipped with 204 shuttleless Airjet looms and an integrated range of machinery and systems covering key stages of the woven-fabric manufacturing process, including sizing, warp tying, cone winding, automatic drawing, direct beaming (warping), humidification, compressed-air supply and other production-support activities. Certain elements of our Owned Facility have been customised and automated to meet our weaving requirements. Our manufacturing infrastructure also includes real-time fabric inspection and automated batching systems, which support continuous monitoring of fabric quality and the formation of fabric rolls.

Our principal machinery has been sourced from textile and engineering equipment manufacturers across Japan, Switzerland, Italy, Germany and China. Our investments in shuttleless Airjet looms and supporting production systems are intended to support production efficiency, consistency in fabric quality and our ability to manufacture woven fabrics in accordance with specified technical parameters and customer requirements.

Our focus on manufacturing processes and product requirements is also reflected in the certifications held by us. We hold scope certifications under the Global Organic Textile Standard (GOTS) and the Global Recycled Standard (GRS) for specified woven-fabric categories and associated preparatory and weaving processes. Our Manufacturing Facility has also been awarded Zero Defect Zero Effect (ZED) Gold certification under the MSME Sustainable (ZED) Certification Scheme.

We have continued to invest in developing our Owned Facility and strengthening our production capabilities. During Fiscals 2024, 2025, 2026 and for the three month period ended June 30, 2026, we incurred capital expenditure towards plant and machinery of ₹606.89 million, ₹235.54 million, ₹18.02 million and ₹1.15 million, respectively.

2. Expanding Customer Base and Established Customer Relationships

We cater primarily to B2B customers across the textile value chain, including apparel manufacturers, wholesalers and other participants in the textile industry, either directly or through brokers and agents. We also serve international markets through direct exports and sales to merchant exporters. Our customer base has expanded over the last three Fiscals, with the number of revenue-generating customers increasing from 147 in Fiscal 2024 to 232 in Fiscal 2025 and 316 in Fiscal 2026. During the three-month period ended June 30, 2026, we served 204 revenue-generating customers.

We have also maintained long-standing relationships with a number of our customers. A total of 64 customers have been associated with us for more than three years. Revenue generated from these 64 customers amounted to ₹811.24 million, ₹1,632.02 million and ₹1,741.18 million in Fiscals 2024, 2025 and 2026, respectively, representing 72.64%, 78.15% and 71.84% of our revenue from operations in the

respective periods.

3. Established in a Strategic Location

Our Manufacturing Facility is located in District Bhilwara, Rajasthan, which forms part of an established textile manufacturing ecosystem comprising spinning mills, yarn suppliers, weaving units, processing units and ancillary textile service providers. Our presence within this textile cluster provides us proximity to participants across various stages of the textile manufacturing value chain, supporting our raw-material procurement, manufacturing and downstream processing activities.

Further, the concentration of our raw-material procurement and downstream processing activities within Rajasthan supports coordination across different stages of our operations. Our location also provides us access to customers and textile markets in and around the Bhilwara region, facilitating customer engagement, order fulfilment and the movement and delivery of finished fabrics.

4. Offsetting power use with solar energy

We meet our power requirements through a combination of electricity sourced from the government grid and solar energy. Solar energy accounted for approximately 14.87%, 10.86% and 11.28% of our total electricity consumption in Fiscals 2026, 2025 and 2024, respectively and for the three month period ended June 30, 2026, solar energy accounted for approximately 15.40% of our total electricity consumption. As of the date of this Draft Red Herring Prospectus, approximately 2.50 MW (AC) of solar capacity is operational and supports our manufacturing operations, while an additional 7.40 MW (AC) of solar capacity is under installation and is expected to be commissioned by the end of calendar year 2026. Upon commissioning of the additional capacity, our aggregate solar capacity is expected to increase to approximately 9.90 MW (AC), strengthening our capacity to meet our manufacturing power requirements through solar energy.

5. Experienced Promoters with execution capabilities

Our business is led by our Promoters, who bring experience in the textile industry and provide strategic direction and operational oversight to our Company. Anil Kumar Nuwal, our Chairman and Managing Director, has approximately 38 years of experience in the textile industry and oversees business strategy, policy formulation and operational performance. He is supported by Madhu Sudan Nuwal, our Whole-Time Director, who has over 29 years of experience in the textile industry and oversees business operations, growth initiatives and performance management. Jugal Kishore Nuwal, one of our Promoters, also brings over 15 years of experience in the textile industry.

6. Strong Financial Performance with Improving Margins

Our Company has recorded growth in revenue and profitability over the last three Fiscals. Revenue from operations increased from ₹1,116.82 million in Fiscal 2024 to ₹2,088.43 million in Fiscal 2025 and ₹2,423.84 million in Fiscal 2026, representing a CAGR of 47.32%. During the same period, EBITDA increased from ₹203.00 million to ₹418.80 million and ₹504.79 million, while EBITDA margin improved from 18.18% to 20.05% and 20.83%, respectively. Net profit also increased from ₹52.35 million in Fiscal 2024 to ₹159.42 million in Fiscal 2025 and ₹242.26 million in Fiscal 2026, with net profit margin improving from 4.69% to 7.63% and 9.99%, respectively.

7. Strategic Move Towards Forward Integration through Downstream Apparel Manufacturing

As part of our growth strategy, we intend to expand downstream in the textile value chain through the establishment of a proposed stitching facility, which is proposed to be funded from the Net Proceeds of the Offer.

The proposed facility is intended to enable us to manufacture stitched apparel across different categories using fabrics manufactured through our existing manufacturing platform and/or fabrics procured or processed in accordance with product requirements. This expansion is expected to build on our existing capabilities in fabric manufacturing, quality control, sourcing and coordination with downstream

processors.

We intend to leverage our existing customer relationships while developing relationships with customers for stitched apparel. The proposed facility is also expected to enable us to offer products beyond fabrics and cater to customers seeking stitched apparel across different categories.

For details, see "***Our Business – Competitive Strengths***" on page 244.

Quantitative Factors

The information presented in this chapter is derived from our Restated Financial Information for the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024 prepared in accordance with Ind AS. For more details on financial information, investors please refer to the chapter titled *"**Restated Financial Information***" beginning on page 322 of this Draft Red Herring Prospectus.

Investors should evaluate our Company taking into consideration the industry in which company operates and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Basic and diluted earnings per share ("EPS") (as adjusted for changes in capital, if any):

Period/Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weights
Fiscal 2026	2.88	2.88	3
Fiscal 2025	1.90	1.90	2
Fiscal 2024	0.62	0.62	1
Weighted Average	**2.18**	**2.18**	**-**
Three month period ended June 30, 2026*	**0.95**	**0.95**	**-**

**Not annualized*

Notes:

I. Basic and Diluted EPS is computed in accordance with notified Indian Accounting Standard 33 'Earnings per share'

II. The face value of each Equity Share is ₹5

III. Earnings per Share (₹) = Profit for the year divided by the weighted average number of equity shares outstanding during the respective year adjusted for the impact of Split / bonus issue during the period/year

IV. The figures disclosed above are based on the Restated financial Information of the Company

2. Price Earnings Ratio ("P/E") in relation to the Floor Price of ₹[●] / Cap Price of ₹[●] per share of ₹5 /- each fully paid-up.

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
P/E ratio based on the Basic EPS, as restated for Fiscal 2026	[●]*	[●]*
P/E ratio based on Diluted EPS, as restated for Fiscal 2026	[●]*	[●]*

**To be computed after finalization of price band*

3. *Industry Peer Group P/E ratio*

Industry P/E Ratio		Name of the Company	Face value of equity shares (₹)
Highest	53.31	Gokaldas Exports Limited	5
Lowest	11.02	Borana Weaves Limited	10
Average	22.96	-	-

Notes:

I. The highest and lowest industry P/E has been considered from the industry peer set. The industry average has been calculated as the arithmetic average P/E of the industry peer.

II. P/E has been computed based on the closing market price on NSE as on October 14, 2026, divided by the Diluted EPS for the Fiscal 2026.

4. Return on Net worth ("RoNW")

Particulars	RoNW (%)^	Weights
Fiscal 2026	23.97	3
Fiscal 2025	19.65	2
Fiscal 2024	7.42	1
Weighted Average	**19.77**	**-**
Three months period ended June 30, 2026*	**6.82**	**-**

**Not annualized*

^ As certified by the M/s A Bakliwal & Co., Chartered Accountants, pursuant to their certificate dated November 03, 2026 bearing UDIN: 26440315MBWFNS2753.

Note:

i. 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

ii. Return on Net Worth (%) = Profit for the year divided by Average Net Worth. Average Net Worth is calculated as the average of the Net Worth at the end of relevant year and beginning of the relevant year.

iii. Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at year end, as per Restated Financial Statement of Assets and Liabilities of the Company.

iv. The figures disclosed above are based on the Restated Financial Information of our Company

5. Net Asset Value ("NAV")

Particulars	NAV (Amount in ₹)
As at March 31, 2026	13.45
As at June 30, 2026	14.40
Net Asset Value per Equity Share after the Offer	
At Offer Price*	[●]
At Floor Price*	[●]
At Cap Price*	[●]

As certified by M/s A Bakliwal & Co., Chartered Accountants, pursuant to their certificate dated November 03, 2026 bearing UDIN: 26440315MBWFNS2753

**To be computed after finalization of price band*

Note:

I. Net Asset Value per share (in ₹) = Net worth at the end of the year divided by weighted average number of Equity Shares. Weighted average number of Equity Shares represents the shares used for computing Basic EPS/Diluted EPS.

II. The figures disclosed above are based on the Restated Financial Information of our Company.

For further details, see "***Other Financial Information***" beginning on page 365.

6. Comparison of Accounting Ratios with Industry Peers

The listed industry peers of the Company have been identified as Borana Weaves Ltd, Sonaselection India Ltd, Swaraj Suiting Ltd and Gokaldas Exports Ltd (the "**Industry Peers**"). Set forth below is a comparison of our accounting ratios with those of the Industry Peers:

Name of the Company	Revenue from operations, for Fiscal 2026 (₹ in million)	Face Value (₹ per Share)	Closing price on [●] (₹)****	P/E (1)	Basic EPS (In ₹) for Fiscal 2026	Diluted EPS (In ₹) for Fiscal 2026	RoNW (%) for Fiscal 2026 (2)	NAV (₹ per share) for Fiscal 2026 (3)
Sitaram Denims India Limited	2,423.84	5	[●]	[●]	2.88	2.88	23.97	13.45
Listed peers**								

Name of the Company	Revenue from operations, for Fiscal 2026 (₹ in million)	Face Value (₹ per Share)	Closing price on [●] (₹)****	P/E (1)	Basic EPS (In ₹) for Fiscal 2026	Diluted EPS (In ₹) for Fiscal 2026	RoNW (%) for Fiscal 2026 (2)	NAV (₹ per share) for Fiscal 2026 (3)
Borana Weaves Limited***	3,885.93	10	268.30	12.52	24.35	24.35	35.01	105.68
Sonaselection India Ltd**	5,169.49	10	100.57	12.43	8.09	8.09	39.05	24.78
Swaraj Suiting Limited**	5,767.39	10	353.50	15.25	23.99	23.44	21.35	151.25
Gokaldas Exports Limited**	39,876.38	5	698.90	58.74	13.71	13.11	4.72	282.86

Financial information for our Company is derived from the Restated Financial Information as at and for the Fiscal 2026

***All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the filings made with Stock Exchanges available on www.bse.com and www.nseindia.com*

****All the financial information for listed industry peer mentioned above is on a Standalone basis and is sourced from the filings made with Stock Exchanges available on www.bse.com and www.nseindia.com*

***** Closing price as on October 14, 2026, at NSE.*

Notes:

(1) P/E Ratio has been computed based on the closing market price of equity shares as on October 14, 2026 divided by the Diluted EPS for the year ended March 31, 2026.

(2) Return on Net Worth (%) = Profit for the year attributable to owners of the company divided by Average Net Worth. Average Net Worth is calculated as the average of the Net Worth at the end of relevant period/year and beginning of the relevant period/year.

(3) Net Asset Value per share (in ₹) = Net worth at the end of the year/period divided by weighted average number of Equity Shares. Weighted average number of Equity Shares represents the shares used for computing Diluted EPS.

7. Key Performance Indicators ("KPIs")

The table below sets forth the details of our KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated October 23, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of our Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point in time during the three years prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs disclosed herein have been certified by M/s A Bakliwal & Co, Chartered Accountants, bearing firm registration number 148416W, by way of their certificate dated October 24, 2026 bearing UDIN: 26440315JQSQPQ9648. This certificate on KPIs shall form part of the material contracts for inspection and shall be accessible on the website of our Company at www.sitaramdenims.com/investors.html. For further details, see "***Material Contracts and Documents for Inspection***" on page 491.

The KPIs of our Company have been disclosed in the chapters titled "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators***" on pages 239 and 374 of this Draft Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in "***Definitions and Abbreviations***" on page 1 of this Draft Red Herring Prospectus.

Description on the historic use of the Key Performance Indicators by our Company to analyse, track or monitor the operational and/or financial performance of our Company:

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar

information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these KPIs should not be considered in isolation or construed as an alternative to Ind AS measures or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our operating results and trends and in comparing our financial results with other companies in our industry.

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), until the later of (a) for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges; and (b) till the complete utilisation of the proceeds of the Fresh Issue as per thedisclosure made in the chapter titled "***Objects of the Offer***" on page 136, or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations. The Bidders can refer to the below-mentioned KPIs, to make an assessment of our Company's performances and make an informed decision.

The brief description and explanation of the KPIs which the management of our Company considers to analyze, track or monitor the operational and financial performance of our Company are set forth below:

KPI	**Explanation for KPIs**
Financial Indicators	
Revenue from Operations	Revenue from operations represents the scale of our business as well as providing information regarding our financial performance from operating activities.
Gross Profit	Gross Profit provides information regarding the profitability generated from the Company's manufacturing activities before operating expenses.
Gross Profit Margin	Gross profit Margin is an indicator of the operational profitability from manufacturing activities before operating expenses.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit	Net profit provides information regarding the overall profitability of the business.
Net Profit Margin	Net profit Margin is an indicator of the overall profitability and financial performance of our business.
Cash Profit	Profit generated from business operations after adding back non-cash expenses such as depreciation and amortization.
Cash Profit Margin	Cash Profit Margin represents cash profit as a percentage of total income and indicates the proportion of cash earnings generated.
Return on Capital Employed	Return on Capital employed represents the return generated on the total capital employed in the business (including debt and equity).
Return on Equity	Return on Equity provides how efficiently our Company generates profits from shareholders' funds.
Debt to equity	The debt-to-equity ratio is a measure of the extent to which our Company can cover our debt and represents our indebtedness position in comparison to our equity position. It helps evaluate our financial leverage.
Fixed assets turnover	Fixed Assets Turnover represents revenue generated per unit of investment in fixed assets such as Property, Plant & Equipment and indicates the efficiency of utilization of fixed assets in generating income.

KPI	Explanation for KPIs
Net Working capital Days	Net Working Capital Days represents the number of days required to convert net working capital into revenue and indicates the efficiency of working capital management.
Operational Indicators	
Average Capacity Utilization	Company's installed capacity utilized during the period. It reflects the efficiency of utilization of the Company's production facilities.
Production Volume	Total volume of fabric produced by the Company during the period. It reflects the scale of the Company's manufacturing operations.
Revenue per Employee	Revenue generated per employee during the period. It indicates the productivity and efficiency of the Company's workforce.
Number of Looms	Number of looms installed and operational at the Company's manufacturing facilities. It indicates the scale of the Company's installed capacity.

Details of KPIs as at/ for Three month period ended June 30, 2026 and for Fiscal 2026, Fiscal 2025 and Fiscal 2024 are as follows:

Particulars	Unit	Three months ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs					
Revenue from Operations[(1)]	Million	751.07	2,423.84	2,088.43	1,116.82
Gross Profit[(2)]	Million	371.22	1,158.53	1,052.67	578.92
Gross Profit Margin[(3)]	%	49.43	47.80	50.40	51.84
EBITDA[(4)]	Million	157.81	504.79	418.80	203.00
EBITDA Margin[(5)]	%	21.01	20.83	20.05	18.18
Net Profit[(6)]	Million	79.78	242.26	159.42	52.35
Net Profit Margin[(7)]	%	10.62	9.99	7.63	4.69
Cash Profit[(8)]	Million	93.32	310.85	221.12	148.08
Cash Profit Margin[(9)]	%	12.37	12.75	10.53	13.07
Return on Capital Employed[(10)]	%	3.93	12.82	12.61	4.74
Return on Equity[(11)]	%	6.82	23.97	19.65	7.42
Debt-to-Equity Ratio[(12)]	Times	2.03	2.01	2.18	2.10
Fixed Asset Turnover Ratio[(13)]	Times	0.42	1.34	1.14	0.69
Net Working Capital Days[(14)]	Days	712	200	165	184
Operational KPIs					
Average Capacity Utilization [(15)]	%	27.94	97.06	79.54	84.17
Production Volume [(16)]	Million Meters	7.04	24.46	15.27	11.11
Revenue per Employee[(17)]	Million	1.75	6.88	7.90	5.42
Number of Looms[(18)]	Nos.	204	204	204	120

**Not annualized*

Notes:

(1) Revenue from operations is revenue generated during the year and as stated in restated financial information.

(2) Gross Profit is calculated from the revenue from operations as reduced by Cost of materials consumed Purchase stock in trade and Changes in inventories of finished goods and work-in-progress.

(3) Gross Profit Margin is calculated as Gross Profit divided by Revenue from Operations.

(4) EBITDA is calculated as Restated profit before tax minus Other Income plus Finance Costs, Depreciation and amortization

expense.

(5) EBITDA Margin is calculated as EBITDA divided by revenue from operations.
(6) Net Profit represents the profit earned during the year, as stated in the Restated Financial Information.
(7) Net Profit Margin represents Net Profit as a percentage of Revenue from Operations.
(8) Cash Profit is calculated as Net profit plus depreciation & amortization expense.
(9) Cash Profit Margin is calculated as Cash Profit as a percentage of Total Income.
(10) Return on Capital Employed is calculated as Profit Before Tax plus Finance Costs minus Other Income divided by the sum of Total equity and Total borrowings (current and non-current).
(11) Return on Equity is calculated as Net profit divided by Average Total equity.
(12) Debt to equity ratio is calculated as the Total borrowings (current and non-current) divided by Total equity.
(13) Fixed Asset Turnover is calculated as Revenue from Operation divided by the Net Block of Property, Plant & Equipment.
(14) Net Working capital Days is calculated as Net Working Capital divided by Revenue from operations multiply by 365. Net working capital which is difference of Current assets excluding cash and cash equivalent and Current Liabilities excluding short term borrowings.
(15) Average capacity utilization has been calculated by dividing actual production divided by pro-rata based installed capacity for respective periods.
(16) Total quantity of grey fabric produced during the relevant period.
(17) Revenue per Employee is calculated by dividing Revenue from Operations by the Average number of employees for the relevant period.
(18) Number of Looms represents the total installed looms as at the end of the relevant period.

*For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "**Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 239 and 374 respectively.*

8. Comparison of our KPI with Listed Industry Peers

(i) *Three months period ended June 30, 2026*

Particulars	Unit	Our Company*	Sona selection India*	Swaraj Suiting*	Borana Weaves*	Gokaldas Exports*
		Standalone	Consolidated	Standalone	Consolidated	Consolidated
Financial KPIs						
Revenue from Operations[1]	Million	751.07	1,481.20	1,833.66	1,008.39	11,535.14
Gross Profit[2]	Million	371.22	610.70	640.15	445.25	6,043.89
Gross Profit Margin[3]	%	49.43%	41.23%	34.91%	44.15%	51.40%
EBITDA[4]	Million	157.81	219.30	355.21	258.42	1,125.00
EBITDA Margin[5]	%	21.01%	14.81%	19.37%	25.63%	9.75%
Net Profit[6]	Million	79.78	97.50	162.20	164.80	442.98
Net Profit Margin[7]	%	10.62%	6.58%	8.85%	16.34%	3.84%
Cash Profit[8]	Million	93.32	132.00	217.25	224.70	901.08
Cash Profit Margin[9]	%	12.37%	8.90%	11.71%	22.09%	7.64%
Return on Capital Employed[10]	%	3.93%	NA	NA	NA	NA
Return on Equity[11]	%	6.82%	NA	NA	NA	NA
Debt-to-Equity Ratio[12]	Times	2.03	NA	NA	NA	NA

Particulars	Unit	Our Company*	Sona selection India*	Swaraj Suiting*	Borana Weaves*	Gokaldas Exports*
		Standalone	Consolidated	Standalone	Consolidated	Consolidated
Fixed Asset Turnover Ratio[13]	Times	0.42	NA	NA	NA	NA
Net Working Capital Days[14]	Days	712	NA	NA	NA	NA
Operational KPIs						
Average Capacity Utilization[15]	%	27.94%	NA	NA	NA	NA
Production Volume[16]	Million Meters	7.04	NA	NA	NA	NA
Revenue per Employee[17]	Million	1.75	NA	NA	NA	NA
Number of Looms[18]	Nos.	204	NA	NA	NA	NA

**Not annualized*

(ii) ***Fiscal 2026***

Particulars	Unit	Our Company	Sona selection India	Swaraj Suiting*	Borana Weaves*	Gokaldas Exports
		Standalone	Consolidated	Standalone	Consolidated	Consolidated
Financial KPIs						
Revenue from Operations[1]	Million	2,423.84	5,169.49	5,767.39	3,885.93	39,876.38
Gross Profit[2]	Million	1,158.53	2,111.50	2,060.10	1,607.46	20,629.87
Gross Profit Margin[3]	%	47.80	40.85	35.72	41.37	51.73
EBITDA[4]	Million	504.79	841.27	1,115.40	914.83	3,563.56
EBITDA Margin[5]	%	20.83	16.27	19.34	23.54	8.94
Net Profit[6]	Million	242.26	340.23	523.66	646.12	1,001.32
Net Profit Margin[7]	%	9.99	6.58	9.08	16.63	2.51
Cash Profit[8]	Million	310.85	530.56	748.79	824.22	2670.29
Cash Profit Margin[9]	%	12.75%	10.25%	12.79%	20.77%	6.57%
Return on Capital Employed[10]	%	12.82%	17.96%	13.87%	20.98%	6.04%
Return on Equity[11]	%	23.97%	39.05%	21.22%	35.01%	4.72%

Particulars	Unit	Our Company	Sona selection India	Swaraj Suiting*	Borana Weaves*	Gokaldas Exports
		Standalone	Consolidated	Standalone	Consolidated	Consolidated
Debt-to-Equity Ratio[12]	Times	2.01	2.48	0.89	0.25	0.45
Fixed Asset Turnover Ratio[13]	Times	1.34	2.82	2.00	2.65	6.06
Net Working Capital Days[14]	Days	200	136	156	100	112
Operational KPIs						
Average Capacity Utilization[15]	%	97.06%	82.71%	NA	80.93%	NA
Production Volume[16]	Million Meters	24.46	NA	NA	NA	NA
Revenue per Employee[17]	Million	6.88	5.90	NA	4.79	5.30
Number of Looms[18]	Nos.	204	NA	NA	1,212	NA

(iii) ***Fiscal 2025***

Particulars	Unit	Our Company	Sona selection India	Swaraj Suiting	Borana Weaves	Gokaldas Exports
		Standalone	Consolidated	Standalone	Consolidated	Consolidated
Financial KPIs						
Revenue from Operations[1]	Million	2,088.43	3,159.52	4,165.68	2,903.10	38,642.40
Gross Profit[2]	Million	1,052.67	1,312.56	1,388.89	1,125.72	19,339.46
Gross Profit Margin[3]	%	50.40%	41.54%	33.34%	38.78%	50.05%
EBITDA[4]	Million	418.8	576.05	730.5	624.47	3,709.68
EBITDA Margin[5]	%	20.05%	18.23%	17.54%	21.51%	9.60%
Net Profit[6]	Million	159.42	185.63	331.46	402.03	1,585.41
Net Profit Margin[7]	%	7.63%	5.88%	7.96%	13.85%	4.10%
Cash Profit[8]	Million	221.12	358.77	445.05	532.63	2,869.44
Cash Profit Margin[9]	%	10.53%	11.34%	10.64%	18.05%	7.33%

Particulars	Unit	Our Company	Sona selection India	Swaraj Suiting	Borana Weaves	Gokaldas Exports
		Standalone	Consolidated	Standalone	Consolidated	Consolidated
Return on Capital Employed (10)	%	12.61%	14.52%	14.64%	33.69%	8.90%
Return on Equity(11)	%	19.65%	34.08%	25.45%	59.45%	9.40%
Debt-to-Equity Ratio(12)	Times	2.18	2.96	1.74	0.67	0.31
Fixed Asset Turnover Ratio(13)	Times	1.14	1.86	1.59	4.38	6.24
Net Working Capital Days(14)	Days	165	128	109	88	100
Operational KPIs						
Average Capacity Utilization (15)	%	79.54%	78.24%	NA	80.93%	NA
Production Volume (16)	Million Meters	15.27	NA	NA	NA	NA
Revenue per Employee (17)	Million	7.90	4.03	NA	4.43	6.10
Number of Looms(18)	Nos.	204	NA	NA	NA	NA

(iv) ***Fiscal 2024***

Particulars	Unit	Our Company	Sona selection India	Swaraj Suiting	Borana Weaves	Gokaldas Exports
		Standalone	Consolidated	Standalone	Consolidated	Consolidated
Financial KPIs						
Revenue from Operations(1)	Million	1,116.82	1,209.79	3,195.88	1,990.56	23,788.85
Gross Profit(2)	Million	578.92	727.03	944.61	765.76	12,437.62
Gross Profit Margin(3)	%	51.84%	60.10%	29.56%	38.47%	52.28%
EBITDA(4)	Million	203.00	281.56	397.13	411.73	2,540.06

Particulars	Unit	Our Company	Sona selection India	Swaraj Suiting	Borana Weaves	Gokaldas Exports
		Standalone	Consolidated	Standalone	Consolidated	Consolidated
EBITDA Margin[5]	%	18.18%	23.27%	12.43%	20.68%	10.68%
Net Profit[6]	Million	52.35	130.95	184.98	235.86	1,309.72
Net Profit Margin[7]	%	4.69%	10.82%	5.79%	11.85%	5.51%
Cash Profit[8]	Million	148.08	198.92	265.03	327.39	2,197.46
Cash Profit Margin[9]	%	13.07%	16.40%	8.14%	16.40%	9.12%
Return on Capital Employed[10]	%	4.74%	11.64%	11.24%	27.42%	8.65%
Return on Equity[11]	%	7.42%	33.68%	21.33%	65.57%	12.03%
Debt-to-Equity Ratio[12]	Times	2.10	3.72	1.64	1.45	0.48
Fixed Asset Turnover Ratio[13]	Times	0.69	1.61	4.22	2.73	6.32
Net Working Capital Days[14]	Days	184	117	110	62	101
Operational KPIs						
Average Capacity Utilization[15]	%	84.17%	89.50%	NA	79.51%	NA
Production Volume[16]	Million Meters	11.11	NA	NA	NA	NA
Revenue per Employee[17]	Million	5.42	2.30	NA	2.51	4.28
Number of Looms[18]	Nos.	120	NA	NA	NA	NA

Source:
(a) Data for Our Company has been sourced from Restated Financial Information.
(b) All the financial information for listed industry peers mentioned above is sourced from the financial results of the respective company for the year/period, peers presentation and filled red hearing prospectus.

Notes:
(1) Revenue from operations is revenue generated during the year and as stated in restated financial information.
(2) Gross Profit is calculated from the revenue from operations as reduced by Cost of materials consumed, Purchase stock in trade and Changes in inventories of finished goods and work-in-progress.
(3) Gross Profit Margin is calculated as Gross Profit divided by Revenue from Operations.
(4) EBITDA is calculated as Restated profit before tax minus Other Income plus Finance Costs, Depreciation and amortization expense.
(5) EBITDA Margin is calculated as EBITDA divided by revenue from operations.
(6) Net Profit represents the profit earned during the year, as stated in the Restated Financial Information.
(7) Net Profit Margin represents Net Profit as a percentage of Revenue from Operations.
(8) Cash Profit is calculated as Net profit plus depreciation & amortization expense.

(9) Cash Profit Margin is calculated as Cash Profit as a percentage of Total Income.
(10) Return on Capital Employed is calculated as Profit Before Tax plus Finance Costs minus Other Income divided by the sum of Total equity and Total borrowings (current and non-current).
(11) Return on Equity is calculated as Net profit divided by Average Total equity.
(12) Debt to equity ratio is calculated as the Total borrowings (current and non-current) divided by Total equity.
(13) Fixed Asset Turnover is calculated as Revenue from Operation divided by the Net Block of Property, Plant & Equipment.
(14) Net Working capital Days is calculated as Net Working Capital divided by Revenue from operations multiply by 365. Net working capital which is difference of Current assets excluding cash and cash equivalent and Current Liabilities excluding short term borrowings.
(15) Average capacity utilization has been calculated by dividing actual production divided by pro-rata based installed capacity for respective periods.
(16) Total quantity of grey fabric produced during the relevant period.
(17) Revenue per Employee is calculated by dividing Revenue from Operations by the Average number of employees for the relevant period.
(18) Number of Looms represents the total installed looms as at the end of the relevant period.

9. Comparison of KPIs based on additions or dispositions to our business

Our Company has not undertaken a material acquisition or disposition of assets/ business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

10. Weighted average cost of acquisition ("WACA"), floor price and cap price

(a) ***Price per share of our Company based on primary/ new Offer of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plans and issuance of Equity Shares pursuant to a bonus issue) 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 our Company (calculated based on the pre-Offer capital before such transactions 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 ("Primary Issuances")***

There have been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Draft Red Herring Prospectus, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days

(b) ***The price per share of our Company based on the secondary sale / acquisition of shares (equity shares) or acquisition of equity shares or convertible securities (excluding gifts) involving any of promoter or the members of the Promoter Group or the Promoter Group Selling Shareholders or other Shareholders with rights to nominate directors during the 18 months preceding the date of filing of the DRHP/ RHP, where the 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-Offer 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 ("Secondary Transactions")***

There have been no secondary sale / acquisitions of Equity Shares, where our Promoters, members of the Promoter Group, the Promoter Group Selling Shareholders or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this 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 the Company (calculated based on the pre-issue share 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) ***Since there are no transactions to report to under (a) and (b), the following are the details based on the last five primary or secondary transactions (secondary transactions where the Promoters or members of the Promoter Group or the Promoter Group Selling Shareholders or shareholders having a right to nominate directors to the Board are a party to the transaction, excluding gifts), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions***

i. Primary transactions:

There are no primary transactions in the last three years preceding where our Promoters, Promoter Group, Selling Shareholders, or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction, as on the date of this Draft Red Herring Prospectus irrespective of the size of the transaction.

ii. Secondary transactions:

There are no secondary transactions where our Promoters, Promoter Group, Promoter Group Selling Shareholders, or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction, excluding gifts in the last three years preceding the date of this Draft Red Herring Prospectus, irrespective of the size of the transaction.

11. ***The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition at which the Equity Shares were issued by our Company, or acquired or sold by any other shareholders with rights to nominate directors are disclosed below***

Based on the disclosures in *(a), (b) and (c)* above, the weighted average cost of acquisition of Equity Shares as compared with the Offer Price is set forth below:

Types of transactions	WACA[#] (₹ per Equity Share)	Floor Price*(in times)	Cap Price*(in times)
Weighted average cost of acquisition of Primary Issuances	NA	**[●]**	**[●]**
Weighted average cost of acquisition of Secondary Transactions	NA	**[●]**	**[●]**
Since there were no Primary Transactions or Secondary Transactions during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions (secondary transactions where our Promoters, members of the Promoter Group, the Promoter Group Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction, excluding gifts), not older than three years prior to the date of filing of this Draft Red Herring Prospectus, irrespective of the size of the transaction			
-Based on primary issuances	**NIL#**	**[●]**	**[●]**
-Based on secondary transactions	**NIL^**	**[●]**	**[●]**

**To be included in the finalisation of Price Band and updated in the Prospectus.*

[#]Primary issue through share split and bonus issue

[^] There have been no secondary transactions other than transfers by way of gift, which have not been considered for computing WACA.

As certified by the M/s A Bakliwal & Co., Chartered Accountants, pursuant to their certificate dated November 03, 2026 bearing UDIN: 26440315YWACAU7056.

12. ***Justification for Basis of Offer price***

(a) ***Detailed explanation for Offer Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as disclosed above) along with our Company's key performance indicators and financial ratios and in view of external factors for the Three month period ended June 30, 2026 and for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024.***

[●]*

**To be included on finalisation of Price Band and updated in the Prospectus.*

(b) ***Explanation for Offer Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as disclosed above) in view of the external factors which may have influenced the pricing of the Offer.***

[●]*

**To be included on finalisation of Price Band and updated in the Prospectus.*

(c) ***The Offer Price is [●] times of the face value of the equity shares***

The Price Band, Floor Price, Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of market demand from Bidders for Equity Shares of face value ₹5 each, as determined through the Book Building Process.

Investors should read the above-mentioned information along with "***Risk Factors***", "***Our Business***" and "***Restated Financial Information***" on pages 28, 239 and 322, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "***Risk Factors***" on page 28.

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STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
Sitaram Denims India Limited
F- 226, 227, G-228, 229, IV TH Phase,
RIICO Industrial Area,
Bhilwara – 311 001,
Rajasthan, India

And
SMC Capitals Limited
A-401/402, Lotus Corporate Park, Off Western Express Highway,
Jai Coach Signal, Goregaon (East), Mumbai – 400 063,
Maharashtra, India

(SMC Capitals Limited referred to as the "**Book Running Lead Manager**" or "**BRLM**")

Re: Proposed initial public offering of equity shares of face value of ₹5 each (the "Equity Shares") of Sitaram Denims India Limited (the "Company") comprising a fresh issue of the Equity Shares by the Company (the "Fresh Issue") and an offer for sale of Equity Shares by certain existing shareholders of the Company (the "Offer for Sale", and together with the Fresh Issue, the "Offer")

Sub.: Statement of Possible Special Tax Benefits available to the Company, its equity shareholders and its subsidiary under the direct and indirect tax laws

We, R Kabra & Co LLP, Chartered Accountants and Pokharna Somani & Associates, Chartered Accountants, are the joint statutory auditors of Sitaram Denims India Limited (the "Company").

We refer to the proposed initial public offering of equity shares (the "Offer") of the Company and the Draft Red Herring Prospectus ("DRHP") proposed to be filed by the Company in connection with the Offer, which has been prepared in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the "SEBI ICDR Regulations"), with the Securities and Exchange Board of India ("SEBI") and the stock exchange(s) where the Equity Shares are proposed to be listed (the "Stock Exchanges"), and proposes to file the Red Herring Prospectus ("RHP") and Prospectus ("Prospectus") with the Registrar of Companies, Jaipur (the "RoC") and certain other materials or documents in relation to the Offer (collectively, the "Offer Documents").

We have been requested by the Company to verify and confirm the details of the various possible special tax benefits available to the Company and its shareholders under the applicable direct and indirect tax laws in India. We enclose herewith the statement **(the "Annexure I")** showing the current position of special tax benefits available to the Company, and to its shareholders as per the provisions of the Indian direct and indirect tax laws

Auditors' Responsibility

We have conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, as amended from time to time, issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.We have complied with the relevant applicable requirements of Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", as applicable.

Our examination procedures included obtaining and examining such records, documents, information and explanations from the Management as we considered necessary for the purpose of issuing this report, including examining the Company's understanding of the applicable provisions of the relevant direct and indirect tax laws and the nature of its business activities and operations.

We have also considered the representations made by the Management regarding the Company's eligibility for and actual or proposed availment of the benefits described in the Statement.

Based on our examination as stated above and the information, explanations and representations provided to us by the Management, we hereby confirm that the enclosed Statement of Possible Special Tax Benefits Available to the Company and its Shareholders under the Applicable Direct and Indirect Tax Laws in India, as set out in Annexure I, appropriately sets out the possible special tax benefits available to the Company and its shareholders under the applicable Tax Laws, subject to the assumptions, conditions and qualifications stated therein.

For the purposes of this report, "Tax Laws" shall mean the applicable direct and indirect tax laws in India, including the Income-tax Act, 2025, as amended from time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the applicable State Goods and Services Tax laws, the Customs Act, 1962, the Customs Tariff Act, 1975 and the rules, regulations, circulars, notifications and other statutory instruments issued thereunder, as applicable.

The Statement has been prepared with reference to the Tax Laws applicable as on November 03, 2026, including the provisions applicable for Tax Year 2026-27, where relevant.

Several of these benefits are dependent upon the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Accordingly, the ability of the Company and/or its shareholders to derive the benefits described in the Statement is dependent upon fulfilment of such conditions.
The statement of possible special tax benefits available to the Company and its shareholders is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. The term "possible special tax benefits" has not been specifically defined under the SEBI ICDR Regulations. For the purposes of this Statement, it has been assumed that possible special tax benefits comprise the benefits specifically identified and described herein. The benefits discussed in the enclosed Statement cover only the possible special tax benefits available to the Company and its shareholders and do not cover general tax benefits available to them.

The benefits discussed in the enclosed Statement are not exhaustive. Any benefits under the Tax Laws other than those specifically identified in the Statement have not been considered for the purposes of this report.

In respect of non-resident shareholders, the taxation of income and capital gains shall also be subject to the provisions of any applicable Double Taxation Avoidance Agreement ("DTAA"), including the applicable provisions of the Multilateral Instrument, subject to satisfaction of the prescribed conditions and documentation requirements.

The Statement is intended to provide general information to investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences and the changing nature of Tax Laws, each investor is advised to consult his/her/its own tax consultant with respect to the specific tax implications arising from participation in the Offer.

We are unable to express any opinion or provide any assurance as to whether:

(i) the Company or its shareholders will continue to obtain the benefits set out in the Statement in the future;
(ii) the conditions prescribed for availing the benefits set out in the Statement have been or will be satisfied;
(iii) the relevant tax authorities, customs authorities, DGFT or courts will concur with the views expressed in the Statement; or
(iv) the benefits described in the Statement will continue to be available or will not be withdrawn, modified, restricted or otherwise affected by any future amendment, clarification, judicial decision, notification or change in law.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated in the Statement. No assurance is given that the relevant authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of the applicable Tax Laws and their interpretation as on the date of this report. The Tax Laws and their interpretation are subject to change from time to time. We do not assume responsibility to update this report for any such changes occurring after the date of this report.

We undertake to immediately communicate in writing any material changes to the above confirmations, as and when:

(i) such changes are made available to us; or
(ii) we become aware of any such changes,

to the Company, the BRLM and the legal advisors to the Company and the BRLM until the date on which the Equity Shares commence trading on the Stock Exchanges ("Listing Date").

In the absence of any such communication from us, the Company, the BRLM and the legal advisors to the Company and the BRLM may assume that there is no change to the above information until the Listing Date.

Restriction on Use

This report is for the information of the Company, the BRLM and their respective affiliates and the legal advisors to the Company and the BRLM and for inclusion, in full or in part, in the Offer Documents prepared in connection with the Offer.

This report may be relied upon by the Company, the BRLM and their respective affiliates and the legal advisors to the Company and the BRLM in connection with the Offer.

This report is addressed and provided to the Board of Directors of the Company and we hereby consent to the submission of this report, as may be necessary, for the purposes of the Offer to the BRLM, SEBI, the RoC, the Stock Exchanges and any other regulatory authority and/or for the records to be maintained by the BRLM in connection with the Offer and in accordance with applicable law.

We also consent to this report being disclosed by the BRLM, if required:

(i) by reason of any law, regulation, order or request of a court or governmental or competent regulatory authority; or
(ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

Except for the purposes and parties stated in the preceding paragraphs, 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 written consent.

Yours faithfully,
For **R Kabra & Co LLP**
Chartered Accountants
Firm Registration No.: 104502W/W100721

Prakash Tekwani
Partner
Membership No.: 108681
UDIN: 26108681WKHTZK7635
Place: Bhilwara
Date: November 03, 2026

For **Pokharna Somani & Associates**
Chartered Accountants
Firm Registration No.: 429413/011535C

Sumit Bomb
Partner
Membership No.: 429413
UDIN: 26429413ZJBICG4417
Place: Bhilwara
Date: November 03 2026

Annexure I

Several of these benefits listed below are dependent upon fulfilment of various conditions prescribed under the relevant Tax Laws and other applicable laws. Accordingly, the ability of the Company and/or its shareholders to derive the benefits is dependent upon fulfilment of such conditions. This Statement sets out the provisions of law in summary form only and is not intended to be a complete analysis or listing of all potential tax consequences or implications of subscription, ownership or disposal of Equity Shares pursuant to the proposed Offer. This Statement is neither exhaustive nor comprehensive and is not designed or intended to be a substitute for professional/legal tax advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares 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.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

I. Special Direct tax benefits available to the Company under the Income tax Act, 2025

The Statement of possible special tax benefits enumerated below is as per the Income Tax Act 2025 ("ITA") as amended from time to time and as applicable for Financial Year ("FY") 2026-27 as per provisions of Finance Act 2026 (published on March 30, 2026).

1. Lower corporate tax rate under Section 200 of the ITA [Section 115BAA of the Income-tax Act, 1961 ("erstwhile Act")]

Section 200 provides an option to a domestic company to pay corporate tax at a reduced rate of 22% (plus applicable surcharge @ 10% and education cess @ 4%) i.e. effective tax liability 25.168%.

In case the Company opts for the concessional income tax rate as prescribed under Section 200 of the ITA, it will not be allowed to claim any of the following deductions/ exemptions:

- Deduction under the provisions of Section 144 (deduction for units in Special Economic Zone); - Deduction under sub-section (8) of Section 33 (Additional depreciation);
- Deduction under Section 48 or Section 49 (Investment deposit account, site restoration fund);
- Deduction under sub-section (2) or sub-clause (a) or sub-clause (b) or sub-clause (c) of sub-section (3) of Section 45 (Expenditure on scientific research);
- Deduction under Section 46 or sub-clause (a) of sub-section (1) of Section 47 (Deduction for specified business, agricultural extension project);
- Deduction under sub-clause (b) of sub-section (1) of Section 47 (Expenditure on skill development);
- Deduction under any provisions of Chapter VIII other than the provisions of Section 146 (Deduction in respect of employment of new employees) and 148 (Deduction in respect of certain intercorporate dividends);
- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 116, if such loss or depreciation is attributable to any of the deductions referred above.

The provisions of Section 206 regarding Minimum Alternate Tax ("MAT") are not applicable if the Company opts for the concessional income tax rate as prescribed under Section 200 of the ITA. Recently, the Finance Act 2026 has made changes in the ITA w.e.f. April 01, 2026 that set-off of MAT credit may be allowed only in the new tax regime (i.e., for companies who opt to be governed by the concessional tax rates under the Act) for domestic companies to the extent of 25% of the tax liability.

2. Deduction in respect of employment of new employees under Section 146 of the ITA (Section 80JJAA of the erstwhile Act)

As per Section 146 of the ITA, an assessee subject to tax audit under Section 63 of the ITA, is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant

to the previous year in which such employment is provided, subject to the fulfilment of prescribed conditions therein. The deduction under Section 146 is available even if the Company opts for concessional tax rate under Section 200 of the ITA.

II. Special Direct tax benefits available to Shareholders

There is no special direct tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the ITA. Further, it may be noted that these are general tax benefits available to equity shareholders in general, other shareholders holding any other type of instrument are not covered below:

1. Dividend Income

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under Section 148 of the ITA would be available on fulfilling the conditions as mentioned above. Further, if the shareholder is a tax resident of foreign country with which India has a Double taxation Avoidance Agreement ('DTAA'), it may claim benefit of applicable rate as stated in the DTAA, if more beneficial over rate in ITA.

2. Tax on Capital gains on sale of listed equity shares in an Indian company

As per Section 198 of the ITA, long-term capital gains arising from transfer of equity shares, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 12.5% (without indexation) of such capital gains for any transfer which takes place on or after the 23rd day of July, 2024, subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance (No.2) Act 2004 read with Notification No. 60/2018/F. No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains does not exceed INR 125,000 in a financial year.

Further, as per Section 196 of the ITA, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 20% for any transfer which takes place on or after the 23rd day of July, 2024 subject to fulfillment of prescribed conditions under the ITA.

3. Double Taxation Avoidance Agreement benefit

In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile and fulfillment of other conditions to avail the treaty benefit.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The statement of possible tax benefits enumerated below is as per the Central Goods and Services Tax Act, 2017 (CGST Act) / the Integrated Goods and Services Tax Act, 2017 (IGST Act)/ the Union Territory Goods and Service Tax Act, 2017 (UTGST Act) / respective State Goods and Service Tax Act, 2017 (SGST Act) ("all the acts collectively referred as GST Act"), the Customs Act, 1962 ("Customs Act"), the Customs Tariff Act, 1975 ("Tariff Act") and Foreign Trade Policy 2023 (FTP) including the rules, regulations, circulars and notifications issued thereunder (collectively referred to as "Indirect Tax laws") as amended from time to time and presently in force in India

I. Special Indirect Tax benefits available to the company under the Indirect tax laws

Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023)

1. Remission of Duties and Taxes on Exported Products (RoDTEP)

The objective of RoDTEP scheme is to refund various duties and taxes incurred on the export of goods. Under the scheme, rebate of taxes will be given in the form of electronic scrip which could be utilised for payment of Basic Customs Duty. The Company is availing benefit under RoDTEP Scheme.

2. Export Promotion Capital Goods (EPCG)

EPCG Scheme is being introduced by Government to facilitate duty free import of capital goods to be used for producing goods thereby enhancing India's manufacturing and export competitiveness. EPCG Scheme facilitates import of capital goods at zero customs duty subject to fulfilling an export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years from date of authorization. EPCG license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty of Customs [in lieu of Value Added Tax/ local taxes (non-GST goods)], Integrated Goods and Services Tax (IGST) and Compensation Cess (GST goods), wherever applicable, subject to certain conditions. Currently, the Company is availing benefits under EPCG Scheme.

Benefits under Customs Act (read with Tariff Act and related rules and regulations)

1. Benefits of Duty Drawback scheme under Section 75 of Customs Act

As per section 75 of the Customs Act, Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such exported goods. The main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the drawback amount payable on such goods. The Company is availing such duty drawback benefit.

Benefits under the Central Goods and Services Act, 2017 (CGST Act), respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (IGST) (read with relevant Rules prescribed thereunder)

Export of goods under the GST law

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated. On account of zero rating of supplies, the supplier will be entitled to claim Input Tax Credit (ITC) in respect of input and input services used for such supplies and can seek refund of accumulated/ unutilized ITC. GST law inter-alia allows export of goods at zero rate on fulfilment of certain conditions. Exporters can export goods under Bond / Letter of Undertaking (LUT) without payment of IGST and claim refund of accumulated ITC. There is also an alternative available to export goods with payment of IGST and subsequently claim refund thereof, as per the provisions of Section 54 of CGST Act. The Company is undertaking exports without payment of tax under LUT at the time of export.

II. Special Indirect Tax benefits available to the equity shareholder of the company under the Indirect tax laws

There are no special indirect tax benefits available to the Equity Shareholders of Company under the Indirect tax laws.

Notes:

a) Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement.

b) The above statement of possible direct tax & indirect tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

c) All the above benefits are as per the current tax law and any change or amendment in the laws/regulation, which when implemented would impact the same.

d) The above Statement covers only certain possible special tax benefits under the Taxation Laws, read with the relevant rules, circulars and notifications applicable as on date and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

e) This Statement is only intended to provide general information to 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, the changing taxation laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

f) This statement has been prepared solely in connection with the proposed issue under the Companies Act, 2013 and Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.

SECTION – IV ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "***Textile Research Report***" *dated October 2026 (the "****CareEdge Report****") prepared and issued by CARE Analytics and Advisory Private Limited ("****CareEdge Research****"), appointed by us on May 27, 2026 and exclusively commissioned and paid for by us* to enable investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the CareEdge Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. A copy of the CareEdge Report is available on the website of our Company at https://sitaramdenims.com/. For further information, see "***Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from the CareEdge Report, which was prepared by CareEdge Research and exclusively commissioned and paid for by our Company for the purposes of the Offer and any reliance on information from the CareEdge Report for making an investment decision in the Offer is subject to inherent risks***" on page 67. Also see, "***Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data –Industry and Market Data***" on page 24.

1. Economic Outlook

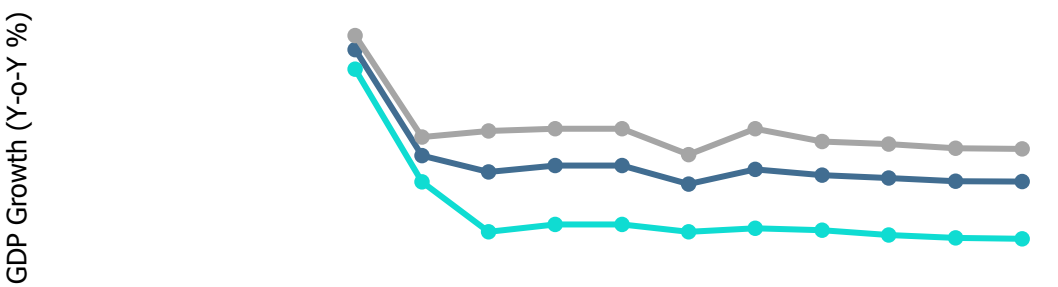
1.1. Global Economic Outlook

Global Economic Growth Expected to Sustain at ~3% in Near Term

Global economic growth is projected to moderate to around 3.0% in 2026, reflecting the impact of geopolitical tensions in energy and trade flows. The ongoing Middle East conflict poses downside risks with prolonged disruptions, potentially reducing growth further to 2.50%, or lower.

However, supportive factors such as continued investment momentum and policy support are helping offset some of these pressures.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y Change in %)



	CY21	CY22	CY23	CY24	CY25	CY26 P	CY27 P	CY28 P	CY29 P	CY30 P	CY31 P
World	6.65%	3.77%	3.33%	3.50%	3.50%	3.00%	3.40%	3.24%	3.16%	3.07%	3.07%
Advanced Economies	6.12%	3.06%	1.70%	1.90%	1.90%	1.70%	1.80%	1.75%	1.61%	1.54%	1.51%
Emerging Market and Developing Economies	7.04%	4.28%	4.44%	4.50%	4.50%	3.80%	4.50%	4.15%	4.08%	3.97%	3.96%

Source: IMF – World Economic Outlook, April 2026 and July 2026; Note: P-Projections. Advanced Economies: Euro Area, Major Advanced Economies (G7), Other Advanced Economies (Advanced Economies excluding G7 and Euro Area), European Union, ASEAN-5; Emerging Market and Developing Economies: Emerging and Developing Asia, Emerging and Developing Europe, Latin America and the Caribbean, Middle East and Central Asia, Sub-Saharan Africa.

Table 1: GDP Growth Trend Comparison - India vs Other Economies (Real GDP, Y-o-Y Change in %)

	Real GDP (Y-o-Y Change in %)										
	CY 21	CY 22	CY 23	CY 24	CY 25	CY2 6P	CY2 7P	CY2 8P	CY2 9P	CY3 0P	CY3 1P
India	9.69	7.61	7.21	7.10	7.70	6.40	6.70	6.50	6.52	6.50	6.51
China	8.56	3.11	5.38	5.00	5.00	4.60	4.10	4.00	3.67	3.35	3.29
Indonesia	3.70	5.31	5.05	5.00	5.10	5.00	5.10	5.17	5.19	5.22	5.23
Saudi Arabia	6.52	12.00	0.54	2.60	4.60	1.70	5.50	3.65	3.54	3.52	3.55
Middle East and Central Asia	4.69	6.37	2.58	3.10	3.70	0.70	6.50	3.96	3.96	3.82	3.78
Latin America	7.50	4.30	2.33	2.40	2.40	2.40	2.70	2.87	2.86	2.75	2.63
Brazil	4.76	3.02	3.24	3.40	2.30	2.40	2.20	2.35	2.50	2.50	2.50
Euro Area	6.42	3.64	0.44	1.00	1.40	0.90	1.20	1.36	1.24	1.12	1.10
United States	6.15	2.52	2.94	2.80	2.10	2.30	2.20	2.10	1.88	1.75	1.76

Source: IMF- World Economic Outlook Database (April 2026, July 2026)
Note: E-Estimate, P- Projections E-Estimated; India's fiscal year (FY) aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23.

Indian Economic Outlook

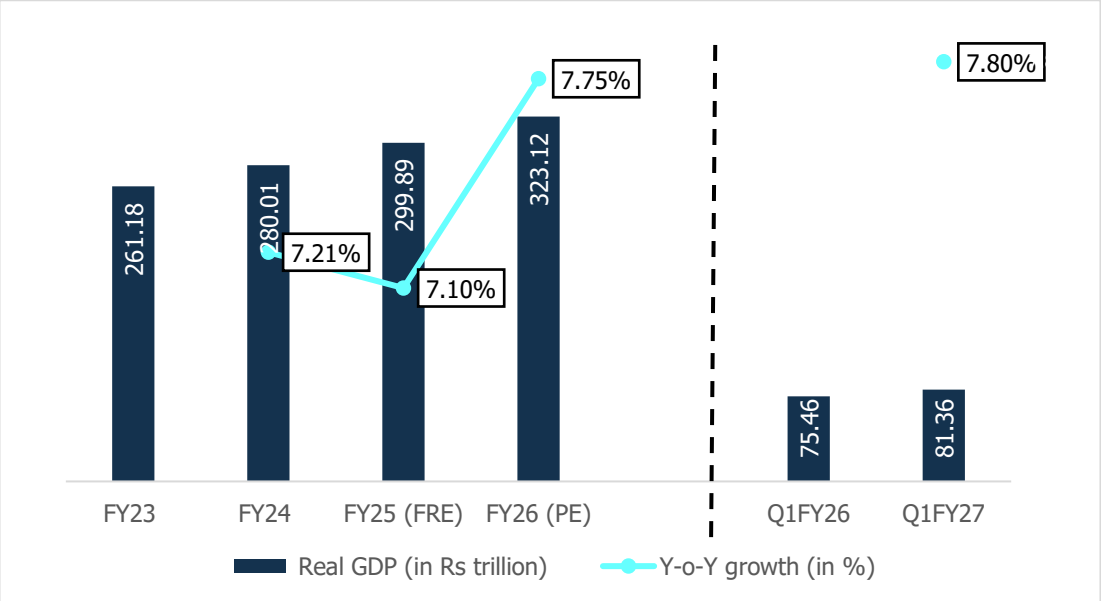
1.2. GDP Growth and Outlook

Resilience to External Shocks Remains Critical for Near Term Outlook

The Indian economy continues to show rapid growth. As per provisional estimates, GDP in FY26 is expected to have grown by 7.75%, supported by strong domestic consumption, investment, manufacturing and services activity. The economy showed resilience while the global economic environment remains challenging due to geopolitical tensions, trade-policy uncertainty and financial vulnerabilities. In Q1FY27, the GDP has been estimated to grow by 7.8%, against the growth of 6.9% experienced during Q1FY26.

For FY25, first revised estimates show a growth of 7.10% (Rs 299.89 trillion), led by robust performance in manufacturing, construction and financial services. Consumer spending rose by 7.70%, and government spending increased by 5.50%, both contributing to the overall growth. In FY23, the real GDP stood at Rs 261.18 trillion and registered Y-o-Y growth of 7.21% in FY24 (Rs 280.01 trillion).

Chart 2: Trend in Real Indian GDP Growth Rate



Source: MOSPI; Note: PE – Provisional Estimates, FRE- First Revised Estimates. Note: The trend for FY23-FY26 is based on new series base year 2022-23.

GDP Growth Outlook (August 2026)

FY27 GDP Outlook: The Reserve Bank of India (RBI) projects real GDP growth at 6.70% for 2026–27, supported by sustained momentum in the services sector, strong reservoir levels aiding the agricultural sector, and private consumption expected to remain uplifted by discretionary spending.

However, elevated energy and other commodity prices, cost pressures, as well as the travel disruptions in the Strait of Hormuz are likely to affect growth this year. However, the government is working towards minimising the impact of the supply chain disruptions towards critical sectors to ensure limited interruptions.

Table 2: RBI's GDP Growth Outlook (Y-o-Y in %)

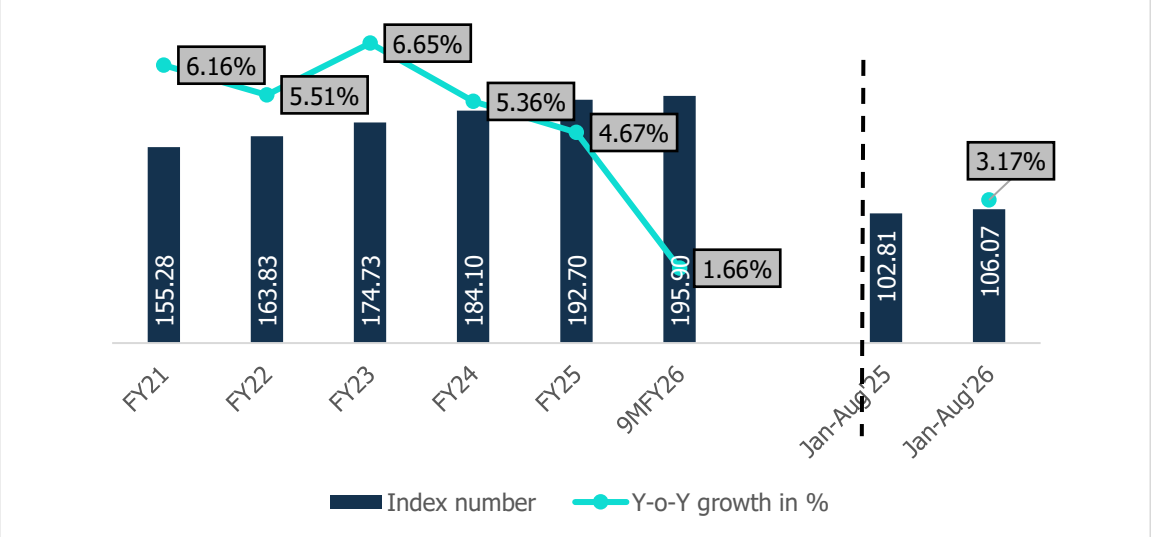
FY27P (Complete Year)	Q1FY27P	Q2FY27P	Q3FY27P	Q4FY27P	Q1FY28P
6.70%	7.00%	6.40%	6.50%	6.80%	7.30%

Source: RBI; Note: P-Projected

Consumer Price Index

Between January and August 2026, inflation averaged around 3.17% across the Consumer Price Index. By August 2026, inflation increased to 4.82% on a Year-on-Year basis, compared with 4.45% in July 2026 over July 2025. Within this, the rural inflation rate stood at 5.23%, while the urban inflation rate was comparatively lower at 4.31%. This indicates an overall modest inflationary trend, with rural areas experiencing relatively higher price pressures than urban regions.

Chart 3: Retail Price Inflation in Terms of Index and Y-o-Y Growth in % (Base: 2011-12=100, 2023-24=100)



Source: MOSPI

The CPI is primarily factored in by the RBI while preparing its bi-monthly monetary policy. At the bi-monthly meeting held in August 2026, the RBI projected inflation at 5.00% for FY27, with inflation during Q2FY27 at 4.70%, Q3FY27 at 5.90%, Q4FY27 at 5.50%, and Q1FY28 at 5.30%.

Trends in Per Capita State Domestic Product (SDP)

SDP is the total value of goods and services produced during any financial year, within the geographical boundaries of a state. The top-performing states on per capita SDP include Gujarat, Karnataka and Tamil

Nadu, due to their strong industrial and services base, higher urbanisation, better infrastructure and greater investment inflows leading to higher income generation.

As of FY26, major states having a per capita SDP below the national average include Rajasthan and Madhya Pradesh, growing Y-o-Y by 7.76% and 6.99% respectively. Bihar is the poorest-performing state with a per capita SDP of Rs 38,878 in FY26. It has consistently been performing the poorest since FY18, growing merely at a CAGR of 4.8% from FY18 to FY26. Bihar's poor performance is due to factors such as a high population base, lower levels of industrialisation, infrastructure gaps, lower human capital development and higher dependence on agriculture, together limiting productivity and income growth.

Table 3: Per Capita SDP for Key States at Constant Prices (in Rs)

State\UT	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Andhra Pradesh	1,03,177	1,08,853	1,10,587	1,10,971	1,18,349	1,23,853	1,31,083	1,41,609
Bihar	26,719	29,092	29,798	26,839	27,674	30,678	33,966	36,342
Gujarat	1,43,604	1,54,887	1,64,060	1,56,285	1,70,519	1,81,963	NA	NA
Karnataka	1,40,747	1,49,024	1,56,478	1,49,673	1,65,517	1,82,371	1,91,970	2,04,605
Madhya Pradesh	54,824	59,005	60,452	56,086	61,011	63,681	67,301	70,434
Maharashtra	1,37,808	1,40,782	1,45,626	1,27,550	1,41,651	1,54,979	1,66,013	1,76,678
Rajasthan	73,529	73,975	76,840	73,447	79,490	84,585	90,414	96,638
Tamil Nadu	1,33,029	1,41,844	1,44,845	1,43,482	1,54,269	163,205	1,78,496	1,97,747
Uttar Pradesh	41,771	42,333	43,061	39,866	45,294	48,014	51,898	55,990
Delhi	2,52,960	2,57,597	2,60,559	2,28,162	2,39,821	2,52,768	2,71,490	2,83,093

Source: MOSPI; Note: NA- Not Available (The numbers are not yet published by MOSPI)

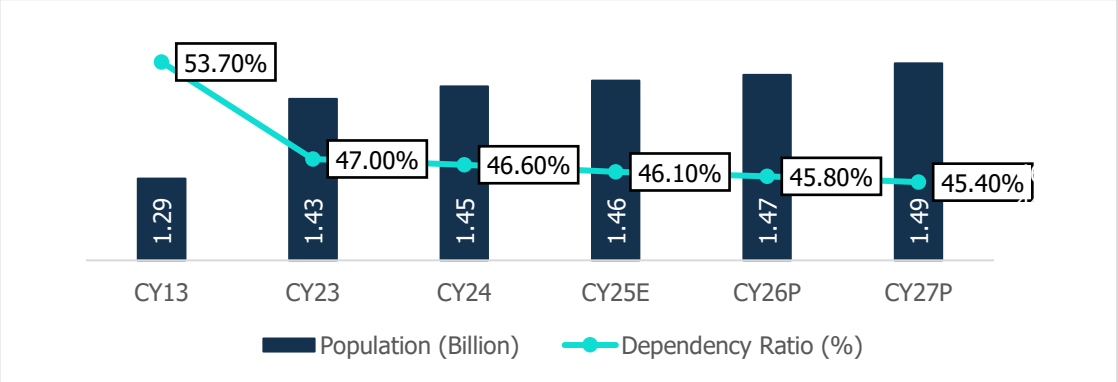
Overview of Key Demographic Parameters

1.2.1. Population Growth and Urbanisation

The trajectory of economic growth and private consumption in India is driven by socio-economic factors such as demographics and urbanisation. According to the World Bank, India's population in CY22 surpassed 1.42 billion, slightly higher than China's population (1.41 billion) and became the most populous country in the world.

The Age Dependency Ratio, which is the ratio of dependents to the working age population has been on a declining trend. The ratio covers age 15 to 64 years, wherein dependents are population younger than 15 and older than 64. Declining dependency ratio indicates that the country has an improving share of working-age population generating income, which is a good sign for the economy. It was as high as 76% in 1983, which has reduced to 47% in CY23. However, this ratio is expected to rise again to 54% by CY36, driven by an increase in the elderly population as life expectancy improves.

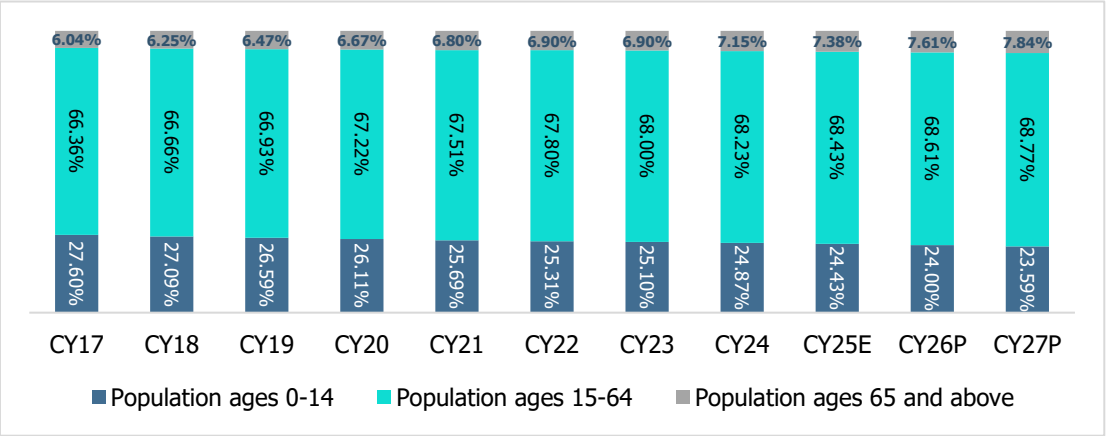
Chart 4:Trend in Population Growth vis-à-vis Dependency Ratio in India (in Billion)



Source: World Bank Database, MOSPI; Note; E- Estimated, P- Projected

Despite a projected rise in the dependency ratio to 54% by CY36, India's young and growing workforce, especially in newly urbanised towns, will continue to drive income growth and consumer demand. This presents strong opportunities for sectors like consumer electronics, transportation and railways. Rising employment, urbanisation, and government investment in rural development and digital infrastructure will further boost demand, while increased tech adoption supports long-term consumption growth across both urban and rural markets.

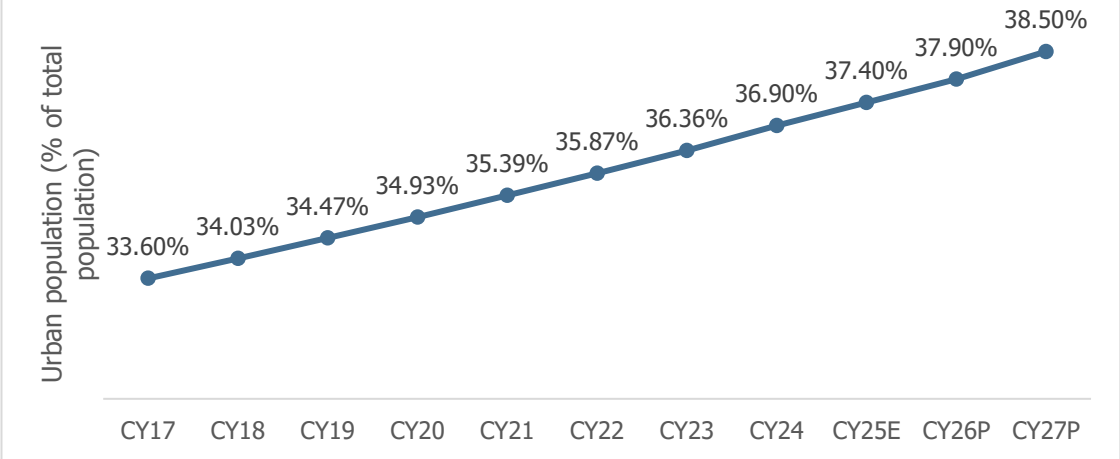
Chart 5: Age-wise Break-up of Indian Population (% of Working-age Population)



Source: World Bank Database; Note; E- Estimated, P- Projected

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 413 million (32% of total population) in CY13 to 519.5 million (36.4% of total population) in the year CY23. India is undergoing a significant urban transformation, with the urban population projected to rise to 40% by CY36. This shift is driven by factors such as improved living standards, increased employment opportunities in urban areas and government initiatives aimed at urban development. This rapid urbanisation might necessitate substantial investments in infrastructure, housing and transportation.

Chart 6: Urbanisation Trend in India



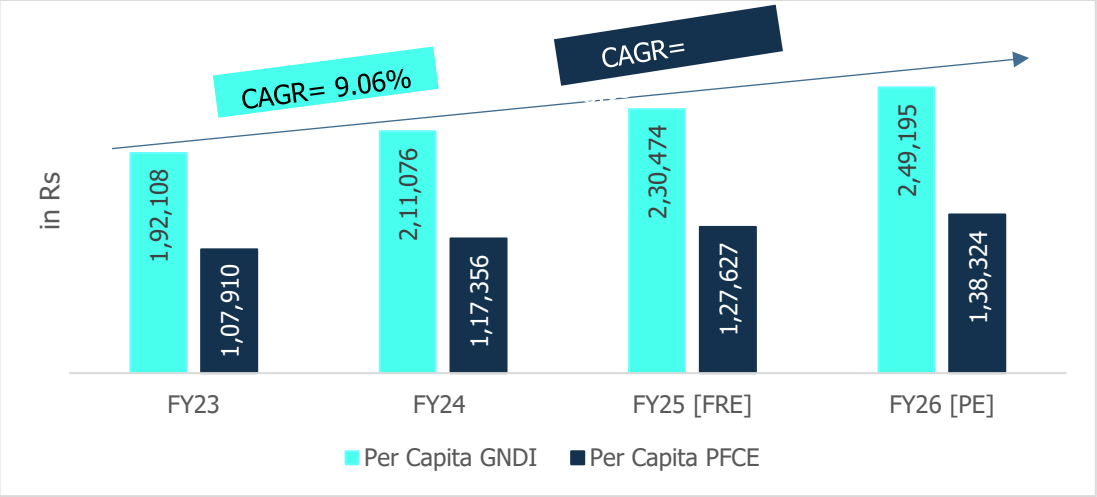
Source: World Bank Database; Note; E- Estimated, P- Projected

1.2.2. Increasing Disposable Income and Consumer Spending

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY23 and FY26, per capita GNDI at current prices registered a CAGR of 9.1%. More disposable income drives more consumption, thereby driving economic growth.

With an increase in disposable income, there has been a gradual change in the country's consumer spending behaviour. Per capita Private Final Consumption Expenditure (PFCE), which is a measure of consumer spending, has also shown significant growth from FY23 to FY26 at a CAGR of 8.6%.

Chart 7: Trend of Per Capita GNDI and Per Capita PFCE (at Current Prices)



Source: MOSPI; Note: FRE – First Revised Estimates, PE- Provisional Estimates; The trend for FY23-FY26 is based on new series base year 2022-23

1.3. Conclusion Remarks

From a macroeconomic standpoint, India remains one of the most resilient large economies in a challenging global environment. The IMF forecasts GDP growth for India at 6.40% in CY26 (FY27), far outpacing the estimated CY26 global average of 3.06%. This performance reflects a combination of strong domestic fundamentals, policy stability and a sustained focus on capital formation. While the global economy continues to face uncertainty from geopolitical conflicts, commodity price volatility and rising public debt, India's diversified growth drivers, stable policy framework and expanding export ecosystem position it well to navigate these headwinds.

The key sectors with potential exposure to changes in US tariff policy include engineering goods, electronics, gems and jewellery, pharmaceuticals, textiles and automobiles/auto components, given their material export linkages to the US market.

The US intends to impose tariffs of up to 100% on India and other countries which import oil and gas from Russia. This is a severe escalation from the previous reciprocal tariffs of 50% on India's imports from Russia. An imposition of 100% tariffs will be nearly impossible for India's micro, small, medium enterprises (MSMEs) to sustain. The 100% tariff will be levied over and above the 10% 'forced labour' tariffs and 50% Section 232 tariffs on steel and aluminum. India can either find alternatives to Russian oil, retain the imports and bear the tariffs or negotiate with the US to implement a low tariff rate using the "up to 100%" wording of the law.

India continues to strengthen its position through diversification of trade partnerships and expansion of FTAs with the EU, UK, EFTA and other economies. This, along with India's growing manufacturing capacity and supply-chain integration, supports its competitiveness in sectors such as electronics, textiles, pharmaceuticals and auto components.

The Iran conflict has led to an increase in prices of consumer products in India due to potential higher fuel, freight and input costs, which can make everyday goods like FMCG items, plastics and packaged foods more expensive. Disruptions in shipping and fertiliser supplies are also pushing up food prices, affecting imports of agricultural inputs and leading to costlier food products for consumers. Overall, delays in trade routes and rising logistics costs are reducing availability and increasing prices of imported consumer goods, especially from Gulf-linked supply chains. Overall, this is leading to supply shortages,

rising costs, and production slowdowns in India's chemical and pharma sectors, with the impact likely to worsen if the conflict continues. Prolonged geopolitical tensions or conflict in the region could lead to sustained increases in crude oil and LPG prices, which may translate into higher input costs across industries and contribute to inflationary pressures in the Indian economy.

Domestically, a below-normal monsoon and potential El Niño conditions is expected to contribute to higher food inflation, which could affect household spending and consumer sentiment, particularly in rural markets. Elevated prices of essential commodities may reduce discretionary spending; however, strong domestic demand, urban consumption, and rising income levels are expected to support overall growth in the consumer sector.

The Union Budget's allocation of Rs 12.20 lakh crore for capital expenditure in FY27 further reinforces the government's commitment to infrastructure-led growth. Public investment is expected to catalyse private sector activity, evidenced by rising project announcements and growing imports of capital goods. Improving rural demand, supported by healthy monsoon progress, favourable sowing conditions, and adequate reservoir levels, provides additional tailwinds for consumption and investment.

2. Global Textile Industry

2.1. Overview

The global textile industry is a vast and dynamic sector that plays a crucial role in the world economy, connecting agriculture, manufacturing, design, and retail across continents. It encompasses the production of fibres, yarns, fabrics, and finished garments, involving both natural and synthetic materials. The industry is constantly evolving through innovation, with trends in fashion, sustainability, and technology driving its direction. From cotton fields to high-tech textile labs, the sector reflects a blend of artisanry and industrial scale.

Major textile-producing countries include China, India, Bangladesh, Vietnam, and Türkiye, which serve as key hubs for manufacturing due to their large labour forces and established infrastructures. Meanwhile, Western nations often lead in high-end fashion design, textile innovation, and sustainable solutions. The industry supports millions of jobs worldwide, from farming and factory work to marketing and retail, making it a vital contributor to both developing and developed economies. This industry supports a wide range of products, including clothing, household textiles (like curtains and bed linens), industrial fabrics, and technical textiles used in sectors like healthcare, construction, defense, aerospace and automotive.

Overall, the textile industry is a complex and interconnected system that supports a wide range of economic activities, cultural expressions, and everyday needs. From the sourcing of raw fibres to the creation of high-performance technical fabrics and fashionable garments, each stage contributes significantly to global trade and employment. Innovation, sustainability, and responsiveness to consumer trends are driving the industry's transformation, making it an essential future focused segment. As it evolves, the textile sector remains a key player in shaping global economies and lifestyles.

2.2. Key Sectors in the Global Textile Industry

The global textile industry is vast and diverse, comprising several key sectors that span the entire value chain from raw materials to finished products. The main sectors of the textile industry globally are:

Spinning Sector: The spinning sector is the foundation of the textile industry, responsible for converting raw fibres like cotton, wool, jute, and synthetic materials into yarn. India is one of the world's largest producers of cotton and cotton yarn. Spinning mills are highly mechanized and are concentrated in states like Tamil Nadu, Maharashtra, and Gujarat. This sector supplies yarn to both domestic weavers and international buyers.

Weaving and Knitting Sector: This sector focuses on transforming yarn into fabric. Weaving is done using handlooms or power looms, while knitting is commonly used for stretchable or close-fitting fabrics. India's power loom sector is decentralized and prominent in towns like Bhiwandi (Maharashtra), Erode (Tamil Nadu), and Surat (Gujarat), producing a wide range of fabrics including cotton, polyester, and

blends. Meanwhile, the handloom sector plays a crucial role in preserving traditional crafts and providing rural employment.

Textile Processing Sector: The textile processing sector plays a critical role in adding value to fabrics by transforming raw or greige textiles into finished products ready for use. Key processes include dyeing, printing, and finishing, each of which impart specific properties to the fabric.

- **Dyeing** involves imparting uniform colour to yarns, fabrics, or garments using a range of natural or synthetic dyes. Techniques such as reactive, vat, or disperse dyeing are selected depending on the fibre type and desired colourfastness.
- **Printing** allows for the creation of patterns and designs on fabrics, using methods such as screen printing, rotary printing, or digital printing. Advanced printing technologies enable high-precision designs with minimal waste.
- **Finishing** encompasses a variety of mechanical and chemical treatments to improve the texture, feel**,** strength, appearance, and functionality of textiles. Examples include softening, anti-shrink, water-repellent, flame-retardant, anti-pilling, and wrinkle-free finishes.

These processes not only enhance the aesthetic appeal of textiles but also their performance characteristics, making them suitable for diverse end-uses such as apparel, home textiles, technical textiles, and exports. Processing units often adopt a combination of chemical, thermal, and mechanical treatments tailored to meet specific requirements of domestic and international buyers.

However, the sector faces significant sustainability challenges. Textile processing is water-intensive, generates large volumes of effluents, and uses chemicals that can be hazardous if not managed properly. To address these issues, there is a growing push to modernize operations with eco-friendly technologies, such as low-liquor dyeing, digital printing, closed-loop water systems, enzymatic treatments, and energy-efficient finishing machines. Adoption of such practices not only reduces environmental impact but also enhances compliance with international standards like OEKO-TEX and GOTS, which are increasingly demanded by global buyers.

Garment and Apparel Sector: The apparel and garment manufacturing sector represents one of the most dynamic, value-driven, and labour-intensive segments of India's textile value chain. In this segment, fabrics both natural and man-made are cut, stitched, and assembled into finished garments for domestic markets and export destinations. India is among the top global producers and exporters of ready-made garments (RMG), offering a wide portfolio of products such as shirts, trousers, dresses, suits, knitwear, denim, and ethnic wear. The sector caters to a diverse range of buyers from high-street brands and global retailers to niche, premium segments supported by a strong raw material base, skilled workforce, and competitive cost structure.

Global Opportunities and Advanced Technologies

Economic and Employment Impact: The apparel sector plays a pivotal role in India's export economy contributing around 12–13% of total export earnings and accounting for roughly 40% of India's total textile exports. It employs over 45 million people directly, and an additional 60 million indirectly across allied activities such as packaging, logistics, embroidery, and accessories. The industry's labour-intensive nature makes it a major source of livelihood for women and rural communities, fostering inclusive economic growth.

Technological Advancements and Modernization: While traditionally labour-driven, the sector has witnessed increasing adoption of automation and digitalization, including computer-aided design (CAD), automated cutting, and real-time production monitoring. Export-oriented units are integrating lean manufacturing, supply-chain traceability, and Industry 4.0 technologies to improve productivity and ensure compliance with international standards. Investment in green manufacturing, energy-efficient machinery, and eco-friendly processing has also become a focus area as global buyers demand more sustainable sourcing.

Home Textiles and Made-Ups Sector: The home textiles and made-ups sector cover a range of products such as bed linen, towels, curtains, cushions, carpets, and tableware fabrics. These products are in high

demand globally and are a significant part of India's textile exports. Cities like Karur and Panipat are renowned for producing and exporting home textiles. The sector combines industrial-scale production with artisan skills, especially in areas like embroidery and handwoven furnishings.

Types of Textiles

Natural Textiles

Natural Textiles are made from fibres that come from natural sources like plants and animals. Common examples include cotton, wool, silk, and jute. These textiles are known for being breathable, biodegradable, and comfortable, making them widely used in clothing, home furnishings, and traditional crafts.

Synthetic Textiles

Synthetic Textiles are created from chemical processes using petroleum-based products such as ethylene, p-xylene, and monomers. Fibers like polyester, nylon, acrylic, and spandex fall under this category. These textiles are durable, wrinkle-resistant, and quick-drying, and are commonly used in fashion, sportswear, and industrial application.

Technical Textiles

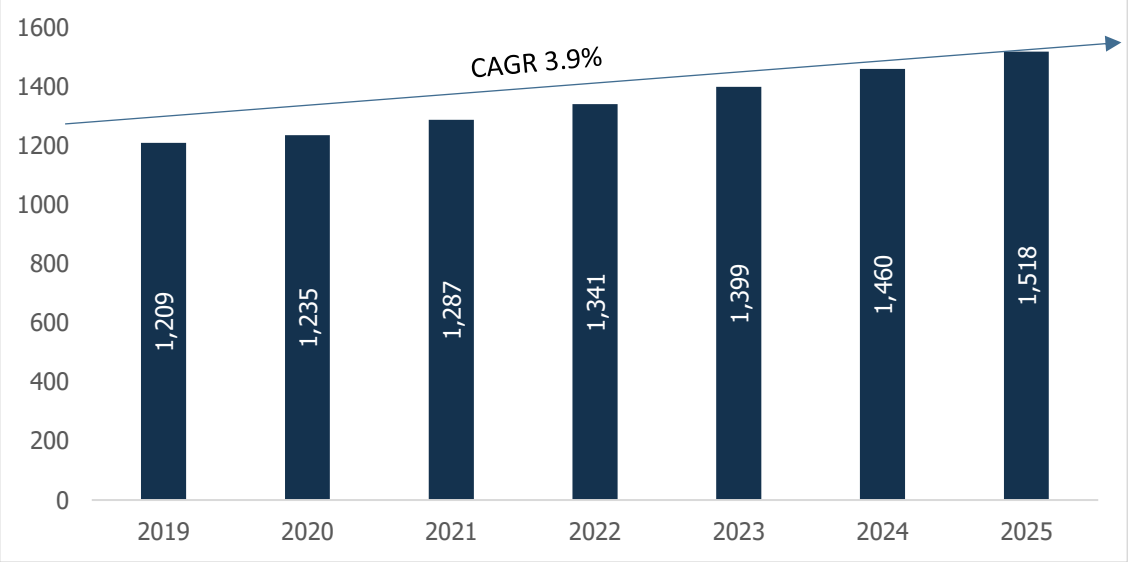
Technical Textiles are specially designed for performance and functionality rather than aesthetics. They are used in fields such as medicine, construction, automotive, agriculture, and defence. Examples include medical gowns, fire-retardant fabrics, industrial filters, and geotextiles, offering properties like strength, flexibility, and resistance to extreme conditions.

2.3. Global Textile Industry Market Size

Global Textile Market Surpasses USD 1.5 Trillion Amid Sustained Demand from Fashion, Home Furnishing, and Technical Textiles Supports Industry Growth

The global textile industry has shown consistent growth over recent years, with its market size increasing steadily from USD 1,209 billion in 2019 to USD 1,518 billion in 2025. This upward trend reflects the rising demand for textiles across various segments including fashion, home furnishings, and technical applications.

Chart 8: Global Market Size of Textile Industry (USD Billion)



Source: Industry Sources

The growth is driven by factors such as expanding global population, the rise of fast fashion, and advancements in textile technology. Additionally, growing awareness around sustainable and functional textiles has further diversified market offerings, contributing to this continued expansion in value.

2.4. Emerging Opportunities in Global Textile Industry

Sustainable and Eco-Friendly Textiles: Sustainability is rapidly becoming a cornerstone of the global textile industry. There is increasing demand for eco-friendly fibres such as organic cotton, hemp (fabric is a textile made from the fibres of the Cannabis sativa plant), and bamboo, as well as the adoption of sustainable dyeing and finishing techniques that minimize environmental impact. Many brands are implementing waterless dyeing processes, using biodegradable materials, and transitioning to closed-loop production systems. Consumers now actively seek ethical, eco-conscious fashion choices, creating a strong business case for investing in green innovations.

Opportunities through Renewable Energy and Water Efficiency: Emerging opportunities in the global textile industry include the efficient utilization of renewable energy sources such as wind and solar power, which can lower operational costs and enhance sustainability credentials. Coupled with the effective operation of water treatment and effluent management systems, particularly in dyeing and finishing, textile manufacturers can reduce water consumption, recycle effluents, and minimize environmental impact. This integration of energy and water efficiency not only improves cost competitiveness and operational resilience but also supports compliance with international standards like OEKO-TEX, GOTS, and Bluesign, making Indian textile products more attractive in eco-conscious global markets. India is adopting renewable energy for textile manufacturing, supported by policies like the Perform, Achieve and Trade (PAT) scheme and state-level solar incentives.

Smart Textiles and Wearable Technology: Smart textiles are transforming fabrics into interactive, tech enabled materials by integrating sensors, conductive fibres, and electronics into the cloth itself. These materials can monitor vital signs such as heart rate, temperature, or movement, making them highly valuable in healthcare, military, sportswear, and fashion-tech. With a high potential in technology-driven consumer markets, these fabrics are paving the way for intelligent apparel that enhances performance and personal health monitoring.

Technical and Functional Textiles: There is growing demand for high-performance textiles across industries such as automotive, medical, construction, and defence. These technical textiles are engineered with special features like fire resistance, moisture-wicking, and antimicrobial protection. Geotextiles are used in infrastructure projects, while medical textiles include surgical gowns and wound care materials. As industrialization spreads in developing nations and safety standards become stricter worldwide, this segment offers enormous commercial potential.

Digital Printing and Customization: Digital printing is revolutionizing textile production by enabling on demand, short-run, and highly customizable fabric printing with minimal waste. This technology allows brands to quickly respond to market trends, personalize products for individual customers, and reduce overproduction. Particularly beneficial in fashion, activewear, and home décor, it offers a cost-effective solution for creative freedom, fast turnaround, and eco-conscious manufacturing.

Recycling and Circular Economy: The shift toward a circular economy in textiles is gaining momentum as brands and consumers seek to reduce textile waste and promote resource efficiency. New technologies are enabling textile-to-textile recycling, while upcycled fashion and resale platforms are becoming mainstream. Brands are also investing in second-hand and rental markets. These strategies not only support sustainability but also align with growing consumer demand for zero-waste and responsible fashion.

E-commerce and D2C Models: E-commerce is opening global markets for textile brands, especially through direct-to-consumer (D2C) models. Online platforms allow brands to reach customers without the need for physical stores, while tools like virtual try-ons and 3D product visualization enhance the shopping experience. Lower overhead costs, personalized marketing, and direct feedback loops make this a highly effective growth strategy, particularly for new or niche brands.

Bio-Based and Alternative Fibers: Innovative fibres derived from biological sources like mushrooms, pineapple leaves, banana stems, and lab-grown spider silk are gaining attention as alternatives to synthetic and water-intensive materials. These bio-based textiles are often biodegradable and sustainably produced, making them ideal for eco-conscious and luxury fashion markets. Their unique textures and properties also offer fresh design possibilities for cutting-edge apparel.

3. Indian Textile Industry

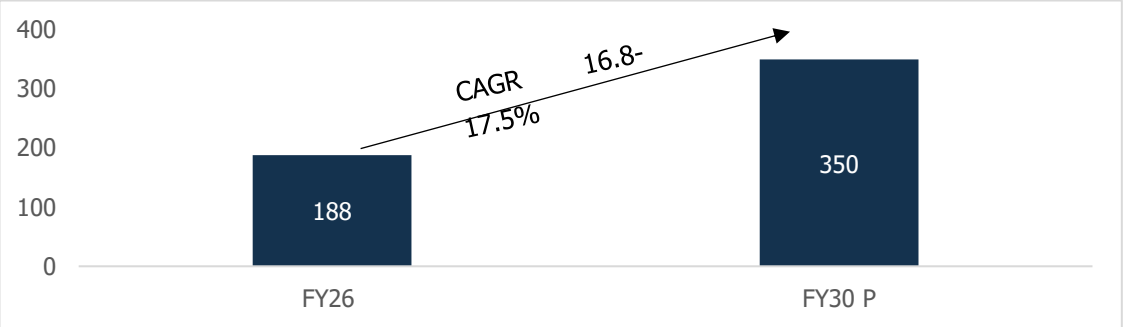
3.1. Overview of Indian Textile Industry

USD 350 Billion Textile and Apparel Industry Opportunity Backed by Rising Consumption and Exports

The Indian textile and apparel industry spans a vast, interconnected value chain, starting from the cultivation of natural fibres and production of synthetic materials to spinning, weaving, processing, apparel manufacturing, and retail. As the world's second-largest producer of textiles and garments and the third-largest exporter, India holds a significant position in the global market. The sector contributes around 13% to industrial production, 2.3% to GDP, and 12% to national exports. The industry's scope includes not just apparel, but also home textiles and technical textiles, placing India among the top five global exporters across various textile segments.

Beyond manufacturing, the sector has strong linkages with allied domains. It supports agriculture by creating demand for cotton, wool, and jute, while contributing to rural livelihoods. The sector collaborates with designers to integrate traditional craftsmanship with contemporary aesthetics. Moreover, efficient logistics and e-commerce platforms expand market access, benefiting even small and rural enterprises. With increasing emphasis on sustainability, ethical sourcing, and circular fashion, India is establishing itself not only as a major supplier but also as a global trendsetter in textiles.

Chart 9: Indian Textile and Apparel Industry Market Size (USD Billion)



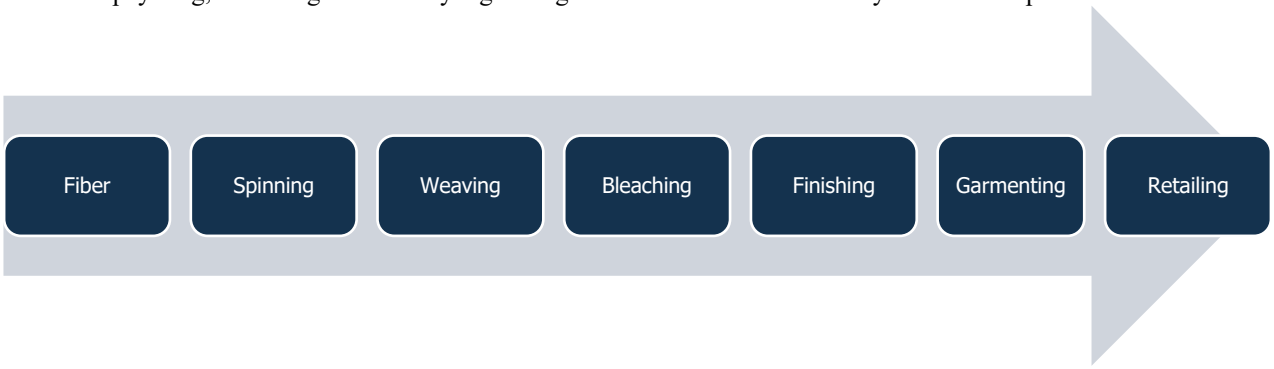
Source: PIB, CareEdge Research
Note: P - Projected

The Indian textile and apparel industry is set to grow from USD 188 Billion in FY26 to USD 350 Billion in FY30, with a 16.8% CAGR driven by rising domestic and export demand. Domestically, rising disposable incomes, and rapid urbanization have led to increased consumption of fashion and home textiles. The boom in online retail and e-commerce platforms has also expanded market access and visibility, particularly for small and medium textile enterprises.

On the global front, India has benefitted from shifting supply chains as countries seek alternatives to China, positioning India as a reliable sourcing destination. Government interventions such as the Production-Linked Incentive (PLI) scheme, the establishment of PM MITRA Parks, and support for technical and man-made fibres have further strengthened infrastructure and innovation capabilities. Sustainability trends, focus on organic cotton, and the increasing popularity of Indian handlooms and heritage textiles in international markets have also boosted the sector's appeal. Together, these factors have created a solid foundation for long-term, inclusive growth in industry.

3.2. Indian Textile Industry: Overview of the Value Chain

The textile value chain encompasses the entire process of transforming raw fibre into finished textile products. It begins with the sourcing of raw materials, such as natural fibres like cotton and wool or synthetic fibres like polyester and nylon. These fibres are then spun into yarn, which is woven or knitted into fabric. The fabric undergoes wet processing, including dyeing, printing, and finishing treatments to enhance its appearance and functionality. During garmenting, the fabric is cut and stitched into final products such as clothing or home textiles. The finished goods are distributed through retail or wholesale channels to reach consumers. Increasingly, the value chain incorporates post-consumer recycling and upcycling, reflecting the industry's growing commitment to sustainability and circular practices.



Fiber Acquisition: The textile value chain begins with raw material sources, which lays the groundwork for all subsequent processes. This stage involves acquiring both natural fibres such as cotton, wool, and silk, and synthetic fibres like polyester and nylon. After sourcing, the materials go through fibre processing, where they are cleaned, aligned, and converted into spinnable fibres through processes like ginning and carding. Proper fibre preparation is crucial to ensure consistent yarn quality. These fibres are then spun into yarn using methods such as ring spinning or air-jet spinning, which determine key properties like strength, elasticity, and texture.

In India, fibre sourcing is closely tied to regional agro-climatic conditions, which support the cultivation and availability of key fibres in specific states. Cotton is sourced primarily from Maharashtra, Gujarat, Telangana, and Punjab, where black soil and warm climates are ideal for cotton cultivation. Jute is sourced mainly from the alluvial plains of West Bengal, due to the humid climate and fertile soil near the Ganges delta. Karnataka is India's largest producer of mulberry silk. Assam is known for its unique varieties like Muga and Eri silk, which are sourced from indigenous silkworm's native to the region. India also imports synthetic fibres like polyester and viscose, mostly from China, South Korea, and Indonesia, to support its growing man-made fibre industry, as domestic production is still catching up. Additionally, Rajasthan's Bhilwara, widely recognized as the 'Textile City of India,' is a hub for fibre procurement and fabric manufacturing, particularly in cotton and synthetic textiles.

Fabric Formation: Second phase begins with the weaving and knitting stage which transforms yarn into fabric. While weaving creates more structured fabrics, knitting allows for flexibility and stretching, with the chosen technique influencing the final product's application. Once the fabric is formed, it undergoes dyeing and finishing. This stage enhances the aesthetic appeal and adds functional traits such as water resistance or wrinkle-free properties. These processes must comply with environmental and safety standards to support sustainability goals. The finished fabric then moves to garment manufacturing, where it is cut, stitched, and assembled. This stage demands skilled labour and often integrates technologies like digital design tools to improve speed and precision. In the weaving industry, within a time, span of ten years, a total of 715 clusters across various States/UTs received financial assistance amounting to Rs 49,655.02 lakh, supporting widespread development in the weaving sector.

- The fabric formation stage is distributed across different textile hubs. Surat (Gujarat) is India's largest centre for synthetic fabric weaving, especially polyester and georgette. Ludhiana (Punjab) is a hub for woollen and hosiery fabrics, while Tiruppur (Tamil Nadu) specialises in cotton knitwear and T-shirts. Bhiwandi (Maharashtra) is known for power loom-based fabric production. Bhilwara (Rajasthan) is a key textile hub, with a strong presence in spinning, weaving and processing, particularly for synthetic, blended and suiting fabrics. The cluster has

a significant concentration of organised textile mills and integrated manufacturing units, supporting large-scale production of yarn and woven fabrics for domestic and export markets. Fabric dyeing and finishing units are heavily concentrated in Surat, Jetpur (Gujarat), and Erode (Tamil Nadu). However, many of these processing hubs face environmental compliance issues, especially around wastewater management.

- In the garment manufacturing phase, Tiruppur leads in knitwear exports, while Bangalore (Karnataka) is a key hub for apparel manufacturing, particularly for export-oriented women's wear and fashion garments. Delhi-NCR, Noida, and Gurugram (Haryana) house many medium and large garment exporters, especially in ready-made garments (RMG). These regions depend heavily on skilled and semi-skilled labour, particularly women, and are gradually adopting CAD ((Computer-Aided Design) /CAM (Computer-Aided Manufacturing) and automation tools in export units. Meanwhile, India imports a small portion of high-end garments and winterwear from countries like China and Bangladesh to serve premium domestic markets.

3.3. Diverse Fibre Base Supports India's Textile Industry Across Traditional and Modern Applications

The Indian textile industry is one of the most diverse and dynamic sectors of the country's economy, encompassing a broad spectrum of segments that reflect both its rich heritage and modern advancements. From age-old natural fibres like cotton, wool, silk, and jute to innovative manufactured fibres and technical textiles, the industry spans the entire value chain including raw material sourcing, spinning, weaving, processing, and garment manufacturing. Each segment plays a vital role in driving exports, generating employment, and contributing to India's global reputation as a leading textile and apparel hub. Together, these segments serve both domestic demand and international markets, blending tradition with technology and artisanry with commercial scale.

Natural Fibres: Cotton, Wool, Silk & Jute Textiles

India's textile industry is historically grounded in natural fibres like cotton, wool, silk, and Jute textiles.

Cotton is the largest segment, with India being the world's top producer. Cotton textiles include spinning, weaving, and garmenting of yarns and fabrics used both domestically and globally. States like Gujarat, Maharashtra, and Tamil Nadu and Bhilwara are hubs. India's cotton yarn exports are a vital component of the industry, representing a substantial portion of 25-35% of its total production in FY2025. The primary driver for revenue growth in fiscal 2027 is expected to be steady but moderated demand for yarn exports, with China demand remaining volatile rather than a strong growth engine. China's share is structurally declining, with incremental growth increasingly coming from Bangladesh, Vietnam, and other emerging textile hubs as global supply chains diversify.

Woolen textiles, though smaller, are significant in colder northern regions like Punjab and Himachal Pradesh. Known for high-quality shawls, suits, and blankets, this segment supports winter clothing and luxury wear. State wise Rajasthan remains the dominant contributor to national wool output, accounting for 47.53% of the total, followed by Jammu & Kashmir (23.06%), Gujarat (6.18%), Maharashtra (4.75%), and Himachal Pradesh (4.22%). In terms of year-on-year growth, Punjab led the way with an impressive annual growth rate of 22.04%, trailed by Tamil Nadu at 17.19% and Gujarat at 3.20%.

Silk holds deep cultural and artisanal significance in India, as it is the only country producing all four natural silk types such as Mulberry, Tussar, Eri, and Muga. Karnataka leads in production, with regions like Banaras and Kanchipuram known for traditional handloom silk. India is the second-largest global producer and consumer of silk, with raw silk output rising from 31,906 MT in 2017–18 to 41,121 MT in 2024-25, and mulberry cultivation expanding to 2,61,633 hectares in FY25. The sector shows steady growth, supported by modernization, government initiatives, and strong export performance, led by high-value products like fabrics, garments, and silk carpets.

Jute: India ranks as the world's top jute producer, followed by Bangladesh and China, with cultivation mainly concentrated in West Bengal, Assam, and Bihar. However, production and domestic usage are on the decline due to costly procurement, limited raw material supply, and outdated equipment. Demand is further impacted by strong competition from synthetic alternatives and fibres like mesta.

Synthetic and Man-Made Fibres (MMF): This segment includes polyester, viscose, nylon, acrylic, and other man-made fibres and filaments. These are widely used due to their durability, affordability, and versatility textiles are heavily utilized in sportswear, industrial textiles, home furnishing, and technical applications. The MMF sector is rapidly expanding, supported by changing urban lifestyles, innovation in fibre technology, and global demand for performance fabrics. In FY26, the production of man-made fibres and fabrics is expected to grow steadily, driven by rising demand from the apparel sector and high cotton prices, which are pushing manufacturers toward more affordable synthetic alternatives. Meanwhile, the Cotton Corporation of India (CCI) has increased the Minimum Support Price for cotton, encouraging farmers to sell at government centres. This has limited private ginners' access to cotton, and with CCI expected to release stocks only after June, domestic prices may stay elevated. However, Indian cotton remains costlier than global rates, reducing its competitiveness in export markets.

3.4. Composition of the Indian Textile Market by Product Segment

The fabrics segment is the largest component of the Indian textile market, accounting for approximately 50–60% of the industry's value. It includes woven, knitted, denim, processed, and technical fabrics and benefits from India's extensive weaving and processing capabilities. The yarn segment contributes around 18–22% of the market and comprises cotton, polyester, blended, and filament yarns. India is among the world's leading producers and exporters of yarn, supported by a strong spinning industry. The made-ups segment accounts for approximately 12–18% of the market and includes home textiles such as bed linen, towels, curtains, and furnishings. Growth in exports and rising domestic demand continue to support this segment. The fibre segment represents around 8–12% of the market and includes cotton, polyester, viscose, wool, silk, and other fibres. Increasing adoption of man-made fibres and technical textiles is expected to drive future growth across the industry.

Technical Textiles and Industrial Use: Technical textiles, a rapidly growing and innovation-driven segment, refer to textile products used for applications beyond conventional clothing. These include automotive textiles (such as airbags and seat belts), medical textiles (like masks and PPE kits), agro textiles (e.g., crop covers), defence textiles, and more. India is actively investing in this field through dedicated missions and incentive programs that promote research and development, adoption of advanced machinery, and enhancement of global competitiveness.

The industry continues to face challenges such as limited domestic availability of high-performance speciality fibres, dependence on imports for certain raw materials, and gaps in skilled manpower and product standardization. To address these issues, the Government of India launched the National Technical Textiles Mission (NTTM) with an outlay of Rs 1,480 crore (2020–2026), focusing on R&D, market development, export promotion, and skill development. As of recent updates, over 150+ R&D projects have been approved, with several progressing toward commercialization. Initiatives such as Grant for Internship Support in Technical Textiles (GIST) and Grant for Research & Entrepreneurship across Aspiring Innovators in Technical Textiles (GREAT) continue to strengthen industry academia collaboration and startup participation. Additionally, the government has been promoting investment through capital support schemes and PLI incentives for MMF and technical textiles, while industry events such as Technotex and supportive state policies are aiding ecosystem development.

Readymade Garments (RMG), Handlooms & Handicrafts: The Readymade Garments (RMG) or apparel industry is a key part of the overall textiles industry in India. Indian textiles and apparel products have high global appeal due to their fine craftsmanship across the entire value chain from fibre, yarn, and fabric to apparel. RMG industry in India is a non-capital-intensive industry, and it is largely unorganised with 60-70% where the manufacturers belong to the micro, small and medium enterprises (MSME) operating in specific clusters across the country. In FY 2024–25, India’s wearing apparel sector grew 6.2% (IIP index 116.7), driven by strong domestic demand, especially in North and West India. Textile and apparel exports, including handicrafts, showed resilience in FY26, with overall sector exports rising 2.1% to Rs 3,16,334.9 crore. Growth was driven by strong demand in key markets such as the UAE (up 22.3%), Japan (20.6%), Spain (15.5%), and Germany (9.9%). Lower inventories in the US and EU have increased apparel imports since mid-2024. The India-UK Free Trade Agreement offers preferential tariff access, enhancing export competitiveness, while ongoing EU trade talks may open further markets. These factors support sustained growth amid global shifts away from China sourcing.

3.5. Growth drivers of Indian textile industry

Abundant Raw Material Availability: India is one of the largest producers of cotton, jute, and silk in the world, providing a durable base for textile manufacturing. The wide availability of natural fibres, along with increasing production of man-made fibres, ensures a steady and cost-effective supply of raw materials, supporting both traditional and modern textile segments.

Large Skilled Workforce: The Indian textile industry benefits from a vast pool of skilled and semi-skilled labour. Millions of weavers, artisans, and factory workers are engaged across rural and urban areas, making it one of the largest employment-generating sectors in the country. This human resource strength supports mass production as well as intricate handcrafted products.

Rising Domestic Consumption: India's growing middle class, increasing disposable income, and urbanization are fuelling a steady rise in domestic textile and apparel consumption. The demand for both ethnic and western wear, along with home textiles and lifestyle products, is expanding in metros, towns, and even rural areas.

Strong Export Potential: Indian textiles are in high demand globally due to their quality, variety, and competitive pricing. India exports textiles and apparel to over 100 countries, with key markets including the U.S., European Union, and the Middle East. Government initiatives like RoSCTL (Rebate of State and Central Taxes and Levies) and the PLI (Production Linked Incentive) scheme further boost export competitiveness.

Government Support and Policy Push: The Indian government has introduced several initiatives to strengthen the textile sector, such as the National Technical Textiles Mission, Integrated Textile Parks (SITP), and the PLI scheme for MMF and technical textiles. Subsidies, tax rebates, and infrastructure investments are also encouraging modernization and attracting foreign investment.

Technological Advancements and Modernization: The industry is rapidly adopting advanced machinery, automation, and sustainable technologies to improve productivity and meet global standards. Smart textiles, digital printing, and eco-friendly dyeing processes are gaining traction, helping Indian manufacturers stay competitive in the international market.

Growth of E-Commerce and Fashion Retail: Online shopping platforms and organized retail have revolutionized textile and apparel sales in India. E-commerce has made it easier for small brands, artisans, and startups to reach a wider audience, while global fashion trends are quickly influencing consumer choices through digital media.

Textile Weaving: India's weaving industry is underpinned by a diverse array of fibre inputs comprising man-made, natural, and specialty fibres, each contributing uniquely to the sector's scale of operations, structural composition, and level of technological advancement.

- Man-made fibres (MMF) are an important raw material for India's organised and mechanised weaving industry, particularly for mills and power loom units focused on large-scale fabric production. Fibres such as polyester and viscose are converted into yarn and subsequently woven into fabrics using modern shuttle-less looms, including air-jet and rapier looms. Their consistent fibre characteristics, strength, dimensional stability and suitability for blending enable weavers to achieve higher production speeds, uniform fabric quality and lower material wastage. MMF-based fabrics are widely used across apparel, home furnishings, upholstery, industrial fabrics and technical textiles. For weaving companies, the increasing adoption of MMFs also supports product diversification, as different yarn blends, fabric constructions and finishes can be developed to cater to varied customer requirements. The scalability and compatibility of MMFs with automated weaving systems make them particularly relevant for organised weaving units targeting high-volume and cost-efficient production.

- Cotton remains one of the key fibres used in India's weaving industry and has a strong presence across both traditional handloom and mechanised power loom segments. Cotton yarn is woven

into a wide range of fabrics, with its softness, breathability, moisture absorption and comfort making it particularly suitable for apparel, ethnic wear, casual clothing, bed linen, towels and other home-textile applications. In mechanised weaving, cotton is processed through power looms and shuttle-less looms to achieve higher productivity, consistent fabric quality and larger production volumes, while handlooms continue to cater to artisanal and specialised fabric segments. For weaving companies, cotton provides flexibility in terms of fabric construction, yarn count, weight and finishing, allowing manufacturers to serve multiple end-use categories. The continued demand for cotton-based fabrics, combined with the ability to blend cotton with MMFs and other fibres, enables organised weavers to broaden their product portfolio and address both traditional and contemporary textile requirements.

- Jute plays vital roles. Jute is mainly woven for industrial uses like sacks and mats, supporting rural agro-industries and eco-friendly products. Silk drives the luxury and heritage segment, produced mainly on handlooms and jacquard looms in clusters such as Varanasi, Kanchipuram, and Assam, supporting artisanal livelihoods and cultural heritage.

- Consumer preferences in India are rapidly evolving due to urbanization, rising incomes, and growing sustainability awareness. Domestic demand covers ethnic wear (sarees, kurtas) and functional fabrics (wrinkle-free, moisture-wicking). Regional tastes differ, with the South favouring fine cotton, the East silks, and the West colourful prints like Bandhani and Patola. Globally, Indian fabrics are sought after in the US, Europe, and the Middle East for shirting, home textiles, and eco-labelled products, pushing producers to meet international quality and ethical standards.

- Challenges include industry fragmentation, outdated technology in smaller units, and competition from imports. Government programs such as the National Handloom Development Programme, Power Tex India, and the PLI scheme aim to modernize infrastructure, enhance skills, and boost exports. The growth of e-commerce and rising consumer interest in handmade and sustainable textiles offer new opportunities. Balancing tradition with innovation and sustainability is key to the industry's future.

Textile Processing: The Indian textile processing industry, valued at USD 179 billion in 2025, is poised to grow to USD 241 billion by 2030, driven by both natural and synthetic fibres. Natural textiles like cotton and silk lead the market due to India's abundant raw materials, traditional expertise, and growing global demand for eco-friendly fabrics. Meanwhile, synthetic fibres are the fastest-growing segment, fuelled by demand for durable, affordable, and versatile fabrics used in activewear, fast fashion, and technical textiles. Textile processing involves preparing fibres and fabrics for dyeing and finishing by removing impurities and creating uniform surfaces to ensure better colour absorption and fabric performance. Quality control during processing helps maintain consistent texture, strength, and durability throughout production.

Competitive Strength of the Indian Textile Industry Across the Value Chain: India's textile industry enjoys a strong competitive advantage across the entire value chain from abundant raw material availability to a wide spectrum of finished goods and robust export capabilities. The country hosts over 3,376 spinning mills, numerous weaving mills and processing units, supported by a skilled workforce and a growing base of textile parks, including 7 planned PM MITRA mega parks. This extensive infrastructure enables the production of a broad range of products, from basic fabrics to high-end fashion, technical textiles, and handcrafted goods. Coupled with efficient port logistics, a competitive cost structure, supportive government policies, and adherence to international quality standards, India has positioned itself as a versatile and reliable global textile powerhouse.

3.6. SWOT Analysis of the Textile Industry

- **Strengths:** The Indian textile industry benefits from a vast and diverse manufacturing base that covers cotton, MMF, handloom, power loom and garmenting. A skilled workforce and rich cultural heritage, particularly in handloom and khadi, give India a distinctive global identity. Continued government support through schemes like PLI, PM MITRA Parks, and SITP boosts

modernization and competitiveness. Additionally, India is gradually strengthening its presence in man-made fibres and technical textiles segments that hold strong growth potential.

- **Weakness:** Despite its strengths, the Indian textile sector faces several structural challenges. High cotton and MMF prices continue to impact cost competitiveness, while the industry remains fragmented with a large number of small and unorganized players operating with outdated machinery and inconsistent quality standards. Although India has improved market access through recent trade agreements such as the India-UAE CEPA (2022), India-Australia ECTA (2022), India-EFTA TEPA (2025), and India-UK CETA (2026), Indian exporters still face intense competition from countries such as Bangladesh and Vietnam, which enjoy broader preferential trade access and lower manufacturing costs. Additionally, compliance burdens, logistics inefficiencies, and procedural complexities continue to affect export competitiveness and limit the sector's ability to fully capitalize on global demand opportunities.

- **Opportunities:** The industry has several promising opportunities ahead. The global move towards "China-plus-one" sourcing positions India favourably for attracting new business. Demand for MMF, technical textiles, athleisure and home furnishings is growing rapidly, offering avenues for diversification. Integrated textile parks under PM MITRA can create efficient, end-to-end ecosystems that overcome fragmentation. A rising global preference for sustainable and circular textiles opens new niche markets for companies willing to invest in green technologies. Additionally, potential FTAs and strong domestic consumption trends provide substantial long-term expansion opportunities.

- **Threat:** The Indian textile sector faces challenges from raw material price volatility, rising production costs, and infrastructure bottlenecks, including power constraints and logistics inefficiencies. Compliance with global sustainability and labour standards is also increasing the need for investments in wastewater treatment, energy-efficient machinery, and safer chemical processing, which can be particularly challenging for smaller units. Limited access to capital and technology further restricts the ability of MSMEs to modernise and remain competitive.

The sector also faces strong export competition from Bangladesh, Vietnam, and China, supported by cost advantages and, in some cases, favourable trade access. Geopolitical uncertainties, trade tensions, and changing global demand add further volatility to export markets. Climate-related risks, including erratic rainfall and pest attacks, can affect cotton availability and prices, creating additional uncertainty across the textile value chain.

Weaving-specific Machinery

- **Warping Machines:** Warping machines prepare the warp by combining yarn from multiple packages and winding it onto a warp beam in a predetermined width and length. They maintain uniform yarn tension and alignment, which is important for reducing yarn breakages and ensuring smooth, continuous weaving.
- **Sizing Machines:** Sizing machines apply a thin protective coating of sizing material to warp yarns before weaving. The coating improves yarn strength, abrasion resistance and smoothness, allowing the yarn to withstand the repeated friction and tension experienced on high-speed looms.
- **Beaming Machines:** Beaming machines wind the prepared warp yarn onto loom beams at controlled tension and density. Uniform beam formation helps maintain consistent warp tension during weaving and reduces the possibility of fabric defects.
- **Drawing-in Machines:** Drawing-in machines guide individual warp yarns through drop wires, healds and the reed according to the required weave pattern. Automated drawing-in systems reduce manual intervention and improve the accuracy and speed of loom preparation.
- **Rapier Looms:** Rapier looms insert the weft yarn across the warp using a rapier mechanism. They offer considerable flexibility in handling different yarn types, fabric widths and weave patterns, making them suitable for cotton, MMF, blended and value-added fabrics.
- **Air-Jet Looms:** Air-jet looms use compressed air to carry the weft yarn across the warp shed at high speeds. They are particularly suitable for high-volume production and provide high

productivity, consistent fabric quality and reduced manual intervention through automated monitoring systems.

- **Water-Jet Looms:** Water-jet looms use a fine, controlled stream of water to insert the weft yarn. They are mainly used with hydrophobic synthetic yarns such as polyester and nylon and are capable of high-speed weaving of lightweight and medium-weight fabrics.
- **Projectile Looms:** Projectile looms use small projectiles to transport the weft yarn across the warp. They can handle heavier yarns, wider fabrics and certain specialised constructions and are therefore used in applications where other high-speed loom technologies may be less suitable.
- **Dobby Machines:** Dobby mechanisms control groups of warp yarns to create patterned and geometric designs during weaving. They enable production of more complex fabric structures while providing greater design flexibility than basic weaving mechanisms.
- **Jacquard Machines:** Jacquard machines provide individual control of warp yarns, enabling highly detailed and intricate patterns to be woven directly into the fabric. They are commonly used for decorative fabrics, furnishing materials, premium apparel and other value-added woven products.
- **Fabric Inspection Machines:** Fabric inspection machines examine finished woven fabric for defects such as broken ends, missing picks, holes, stains and uneven weaving. Automated inspection systems improve quality control and allow defects to be identified before fabric proceeds to dyeing, finishing or garmenting.

Garmenting Machinery

- **Fabric Spreading Machines:** Fabric spreading machines lay multiple layers of fabric evenly over a cutting table while maintaining controlled tension and alignment. Automated spreading improves productivity, ensures uniform fabric lays and helps reduce material wastage.
- **CAD Patternmaking and Grading Systems:** CAD systems are used to digitally create, modify and grade garment patterns into different sizes. They improve pattern accuracy, reduce design and development time and allow manufacturers to optimise fabric consumption.
- **Fabric Cutting Machines:** Fabric cutting machines cut fabric layers according to predefined garment patterns. Computer-controlled and automated cutting systems provide greater precision, consistency and speed while reducing cutting errors and fabric wastage.
- **Automatic Sewing Machines:** Automatic and specialised sewing machines perform stitching operations with controlled speed and stitch quality. They are used for repetitive garment-assembly activities and help improve productivity, consistency and production efficiency.
- **Overlock Machines:** Overlock machines simultaneously trim fabric edges and stitch them to prevent fraying. They are widely used for seam finishing and garment assembly, particularly where clean and durable edges are required.
- **Buttonhole Machines:** Buttonhole machines automatically create buttonholes of predetermined dimensions and shapes. They provide consistent positioning and finishing and reduce the time required for manual buttonhole operations.
- **Button-Attaching Machines:** These machines automatically attach buttons to garments at predetermined positions. They improve production speed and provide consistent button placement and fastening quality.
- **Pressing and Finishing Machines:** Pressing machines are used for ironing, shaping and finishing garments after sewing. They help improve the final appearance, remove wrinkles and ensure dimensional consistency before garments are inspected and packed.

Sizing Machinery

- **Slasher Sizing Machines:** Slasher sizing machines continuously apply sizing material to warp yarns and subsequently dry the yarn before forming the sized warp beam. They integrate sizing, drying and beaming operations and are widely used in organised weaving mills requiring high production volumes.
- **Size Preparation / Sizing Kitchen Systems:** These systems prepare sizing formulations by mixing starch, PVA and other additives in specified proportions. Controlled preparation ensures consistent viscosity and formulation, which is essential for uniform application and yarn performance.

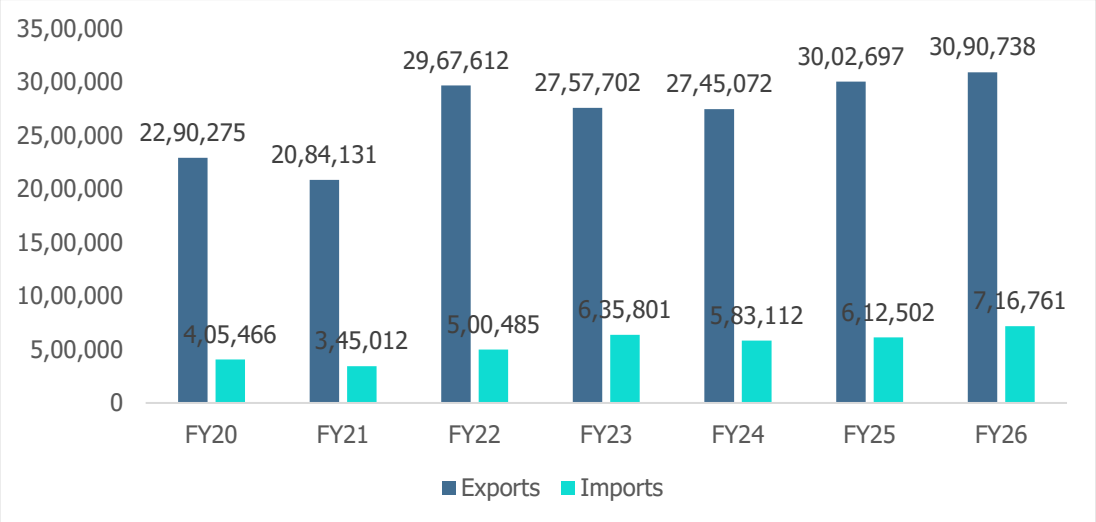
- **Hot-Air Drying Systems:** Hot-air drying systems remove moisture from sized yarns using controlled temperature and airflow. Uniform drying helps maintain the required moisture level and sizing-film properties without adversely affecting yarn strength.
- **Size Box:** The size box is the section of a sizing machine where warp yarns pass through the sizing solution. It controls the pickup and penetration of sizing material onto the yarn, directly influencing yarn strength, flexibility and abrasion resistance.
- **Squeezing Rollers:** Squeezing rollers remove excess sizing solution from the warp sheet after it passes through the size box. They help maintain uniform size pickup across the yarns and contribute to consistent sizing quality.
- **Waxing and Softening Units:** These units apply a controlled amount of wax or softening agent to sized yarns to reduce friction and improve yarn smoothness. This helps the warp yarn move more efficiently through heddles and reeds during weaving, reducing abrasion and yarn breakages.

3.7. Trends in Exports and Imports of Textile Industry

India's Integrated Value Chain and Skilled Workforce Support Export Growth to INR 3,090,738 Million

India's textile export sector continues to reflect the country's strong capabilities across a diverse product spectrum, ranging from traditional cotton-based items to modern, value-added garments. In FY24, the export structure showcases India's strategic shift toward higher-value products and greater market diversification, aligning with global demand trends and the government's export-oriented policy framework.

Chart 10: Trends in Exports and Imports of Textile Industry (INR Million)



Source: CIME, CareEdge Research

The Indian textile industry has consistently maintained a strong trade surplus, underscoring its position as a leading global exporter. While imports have risen gradually from INR 405,466 million in FY20 to INR 7,16,761 million in FY26 and the exports still continue to far outpace them, increasing from INR 2,290,275 million in FY20 to INR 3,090,738 million in FY26. Textile exports increased at a CAGR of 5.1%, while imports grew at a higher CAGR of 10.0% during FY20-FY26.

This growth trajectory in exports can be attributed to several factors. India's extensive raw material base, skilled labour, and integrated textile value chain contribute to its competitive advantage globally. Moreover, increasing global demand for Indian textiles, along with diversified product categories like ready-made garments, home textiles, and technical textiles, is fuelling the rise. Additionally, India's focus on sustainability and digital transformation is attracting more international buyers seeking reliable

and eco-conscious suppliers. The industry is expected to continue its export trend, with growing penetration in new markets, value-added.

On the import side, India relies on high-performance synthetic fibres, specialty fabrics, textile machinery, and certain chemicals and dyes that are not widely produced domestically. These imports support industry modernization, innovation, and the manufacture of value-added products meeting global standards. This balanced trade highlights India's integrated and dynamic role within the global textile ecosystem.

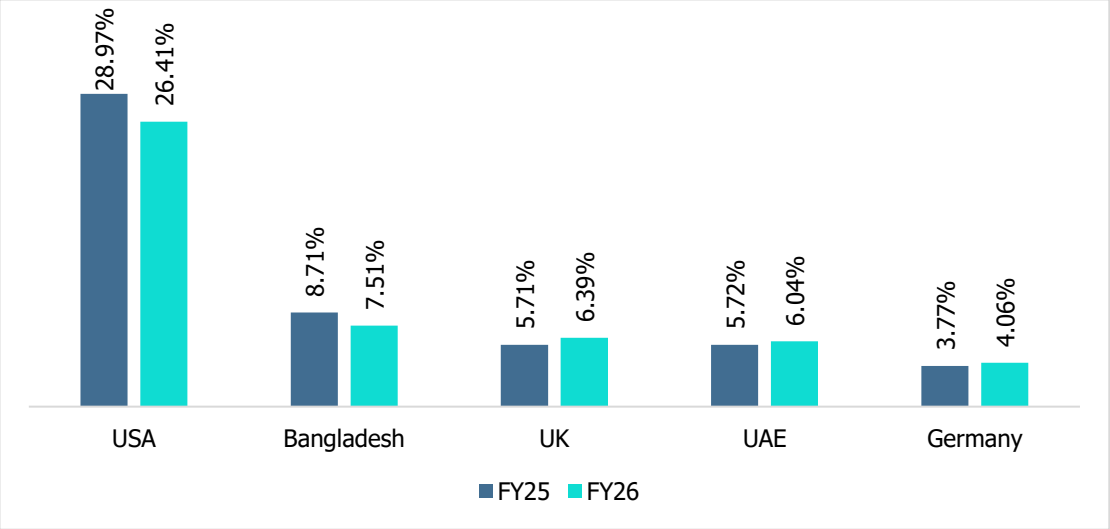
Table 4: Commodity Wise Exports of Textile Industry

Segment	FY21	FY22	FY23	FY24	FY25
Readymade Garments (RMG)	12,272	16,015	16,191	14,532	15,989
Cotton Textiles	11,128	17,166	11,085	12,258	12,299
Man-made Textile	4,180	6,294	5,412	5,081	5,295
Carpets	1,491	1,790	1,366	1,395	1,541
Jute Products	397	537	462	353	400
Silk Products	76	109	95	119	162
Wool & Woolen Textiles	109	166	205	192	160
Handloom Products	233	269	183	140	142
Total Textiles & Readymade garments	**29,877**	**42,347**	**34,997**	**34,072**	**35,988**
Handicrafts	1,708	2,088	1,689	1,802	1,767
Total Textiles, Readymade garments including Handicrafts	**31,585**	**44,435**	**36,686**	**35,874**	**37,755**

Source: PIB, Ministry of Textile

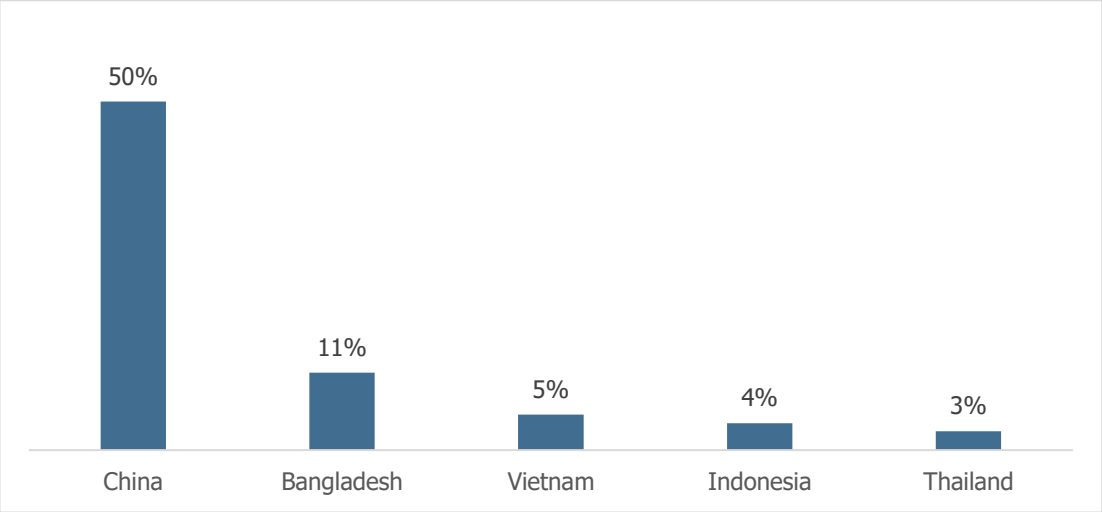
India's textile and apparel sector, including handicrafts, has consistently maintained a strong trade surplus over the past five years. Total exports increased from USD 34,997 million in FY 2022–23 to USD 35,988 million in FY 2024-25, registering a modest CAGR of 1.4% over the last three financial years. Key segments such as readymade garments, cotton textiles, man-made textiles, and carpets continue to drive export performance, with readymade garments alone contributing over USD 15.9 billion. Despite a slight moderation in export growth, the sector has demonstrated resilience amid global economic headwinds, supported by diversification of export destinations, improved manufacturing capacities, and government-led export promotion initiatives. Geographically, the United States remains India's largest export destination, with exports rising to USD 10,938 million in FY 2024–25, while exports to the European Union remained broadly stable at around USD 7.6 billion.

Chart 11: Country-wise Exports of Textile



Source: CMIE, CareEdge Research

Chart 12: Country-wise Imports (FY26) of Textile



Source: CMIE, CareEdge Research

In FY26, India's textile exports were led by the USA (26%) due to strong demand for garments and home textiles, followed by Bangladesh, the UK, UAE, and Germany, which rely on India for yarn, apparel, and home furnishing products. On the import side, China dominated with 50% because of its low-cost supply of synthetic fibres, fabrics, and textile machinery. Imports from Bangladesh, Vietnam, and Indonesia mainly reflect India's need for affordable garments and man-made fibre inputs. Overall, the pattern highlights India's export strength in finished products and its dependence on imports for raw materials and cost-efficient intermediate inputs.

3.8. Impact of Trade Policies and Global Demand on Textile Exports and Imports

Global textile consumption is rebounding post-pandemic but remains uneven due to inflationary pressures in the West, shifting fashion trends, and increased emphasis on sustainability and circular fashion. Countries are demanding more eco-friendly, traceable, and ethically produced textiles, pushing Indian exporters to align with international certifications and sustainability standards.

At the same time, India's import dynamics are evolving. While the country continues to import specialised fabrics, advanced machinery, and high-performance raw materials mainly from China, Bangladesh, and Vietnam the government has imposed higher import duties on synthetic textiles and yarns and is actively promoting domestic manufacturing. These measures support national initiatives such as "Make in India" and Atmanirbhar Bharat (Self-Reliant India), aimed at reducing dependency on foreign inputs.

Geopolitical shifts and supply chain realignments are encouraging global brands to diversify sourcing away from China toward India, especially in home textiles, man-made fibre garments, and technical fabrics. Indian exporters are positioning themselves as reliable partners in the global textile supply chain. Balancing current trade challenges with proactive sustainability, digital trade adoption, and innovation will be key to strengthening India's global textile standing.

India has recently strengthened its global trade partnerships through a series of key Free Trade Agreements (FTAs). The India-United Kingdom FTA, finalized in July 2025, grants duty-free access on nearly 99% of Indian export tariff lines to the UK, including major sectors such as textiles, leather, engineering goods, and garments. In return, India will gradually lower tariffs on about 90% of UK imports, fostering deeper trade integration between the two nations. The agreement is also expected to enhance cooperation in services, digital trade, and mobility of professionals, significantly boosting India's export potential.

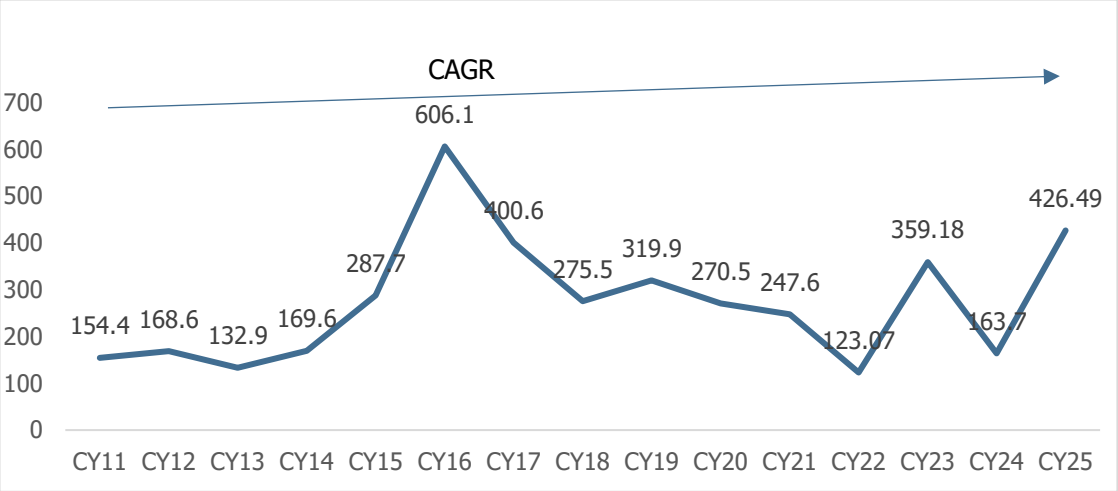
The India–UAE Comprehensive Economic Partnership Agreement (CEPA), signed in February 2022 and effective from May 2022, has significantly deepened trade relations between the two nations. Bilateral trade has nearly doubled to USD 83.7 billion in FY 2023–24, with non-oil trade forming a major share. For India's textile and apparel sector, CEPA has been especially beneficial by offering duty-free market access to the UAE, a key re-export hub for global markets. This has boosted exports of fabrics, garments, home textiles, and man-made fibre products, particularly from MSMEs. The agreement has also encouraged greater investment, sourcing partnerships, and technology collaborations in sustainable textile manufacturing.

The India–EFTA Trade and Economic Partnership Agreement (TEPA), signed in March 2024 and set to take effect from October 2025, marks India's first comprehensive FTA with four advanced European economies such as Switzerland, Norway, Iceland, and Liechtenstein. With a strong focus on investment, job creation, and sustainable trade, TEPA aims to bring in USD 100 billion in FDI and create 1 million jobs in India over 15 years. For the Indian textile and apparel sector, the agreement opens new market opportunities through tariff concessions on nearly 99% of India's exports, including textiles, garments, organic chemicals, and processed products. This will help Indian manufacturers gain duty-free access to high-value European markets, enhance competitiveness, and attract technology and design collaborations in areas such as sustainable fabrics, technical textiles, and high-quality apparel manufacturing. Overall, TEPA is expected to strengthen India's textile exports, promote value addition, and support the sector's integration into premium global supply chains. Over the years, the Government of India has introduced several trade and pricing interventions to stabilise the textile sector and promote exports. In 2025, multiple measures were implemented including the temporary removal of the 11% import duty on cotton (August 2025), later extended till December 2025, to ease input cost pressures on spinning and apparel units. The Export Obligation period under the Advance Authorisation Scheme was also extended from 6 to 18 months for items under Quality Control Orders, benefitting exporters of man-made fibre and technical textiles. Additionally, the RoDTEP (Remission of Duties and Taxes on Exported Products) scheme paused earlier in the year was reinstated in June 2025 and subsequently extended till March 2026, ensuring continuity of export incentives. These measures, alongside periodic adjustments in Minimum Support Prices (MSP) for key raw materials like cotton and jute, underscore the government's balanced approach to protect domestic producers while sustaining export competitiveness across the textile value chain.

3.9. The Foreign Direct Investment in Textiles Sector

Foreign Direct Investment (FDI) in India's textile sector has fluctuated over the past decade, shaped by global economic conditions, domestic policy reforms, and shifting market dynamics. The sector experienced notable growth during the mid-2010s, particularly following the launch of initiatives such as Make in India and various policy measures designed to attract foreign capital. However, this momentum slowed in subsequent years due to global trade uncertainties, including the US–China trade war, Brexit, volatile crude oil prices, and the rise of protectionist measures in key markets. These developments heightened investor caution, disrupted supply chains, and increased operational risks. The COVID-19 pandemic further exacerbated the situation by triggering factory shutdowns, labour shortages, and a sharp decline in global demand, all of which contributed to a downturn in FDI inflows into the Indian textile industry. In recent years, FDI has begun to recover, supported by strategic government interventions such as the Production Linked Incentive (PLI) scheme for man-made fibres and technical textiles. India's emergence as a dependable alternative to traditional manufacturing hubs has also enhanced its attractiveness to foreign investors. FDI continues to play a critical role in strengthening India's textile and apparel sector by facilitating capital infusion, technology transfer, and global integration.

Chart 13: The Foreign Direct Investment in Textiles Sector (USD Million)



Source: Department of Industrial Policy & Promotion, Ministry of Commerce and Industry, Govt. of India, CareEdge Research

Key drivers of FDI in the sector include the availability of raw materials like cotton and jute, a large skilled workforce, competitive production costs, and rising demand for sustainable and innovative textiles. These investments open opportunities in value-added segments such as technical textiles, performance wear, and export-oriented garments. Strategically, increased FDI is crucial for upgrading infrastructure, bringing in advanced technologies, improving quality standards, and deepening India's integration with global textile supply chains, thus strengthening the country's position as a global textile hub.

3.10. Government Regulations Supporting the Sector

The Indian Government has been implementing various policy initiatives and schemes for supporting the development of textile sector. These schemes and initiatives are created to promote technology upgradation, creation of infrastructure, skill development and sectoral development in the textile sector. Moreover, these initiatives focus on creating a conducive environment and provide enabling conditions for textile manufacturing in the country which will help in boosting the textile sector. The Union Budget 2026-27 places Textiles at the centre of growth strategy with focus on employment, exports, rural livelihoods and sustainable manufacturing.

Further, previously, the government announced various incentives/schemes towards increasing the global competitiveness of the Indian textile industry which includes the extension of Rebate of State and Central Taxes and Levies (RoSCTL), Remission of Duties and Taxes on Export Products (RoDTEP), Production Linked Incentive Scheme (PLI) and PM Mega Integrated Textile Region and Apparel (PM MITRA).

These schemes have given a boost to the capacity expansions by various textile players and form an integrated textiles value chain right from spinning, weaving, processing/dyeing, and printing of garments at one location leading to a reduction in operational and logistics costs of the players thereby increasing margins. The Government has also signed FTAs with UK and UAE to boost apparel export. In addition to this, the RoDTEP scheme has also been launched supporting the garments and apparel exporters' margins by export incentives.

a) Production Linked Incentive (PLI) Schemes

The Government of India has introduced the Product Linked Incentive (PLI) scheme in textile products to enhance India's manufacturing capabilities and enhancing exports. The financial outlay of this scheme is Rs. 10,683 crores covering five years. The scheme has two parts:

Part-1) where minimum investment is Rs. 300 crore and minimum turnover required to be achieved for incentive is Rs. 600 crores.

Part-2) where minimum investment is of Rs. 100 crore and minimum turnover required to be achieved for incentive is Rs. 200 crores.

b) Remission of Duties and Taxes on Exported Products (RODTEP)

The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme was launched in the year 2020, with applicability from 1st January 2021. This scheme was enforced to repeal and reduce taxes for exported products and thereby increasing exports from the country. The scheme's objective is to refund currently un-refunded duties and taxes. This scheme is available to eligible exporters at a notified rate as a percentage of Freight On Board (FOB) value. In addition to this, Rebate on certain export products will also be provided subject to value cap per unit of the exported product. RoDTEP is implemented by Customs through a simplified IT System.

As of the latest update in October 2024, the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme encompasses 10,642 tariff lines at the 8-digit level. Majorly, the Employment Oriented Sectors like Marine, Agriculture, Leather, Gems & Jewellery etc. are covered under the Scheme. Other sectors like Automobile, Plastics, Electrical / Electronics, Machinery etc. also get support of this scheme. Moreover, entire value chain of textiles also gets covered through RoDTEP & RoSCTL. Amongst the various sectors, cotton-based textile products have received favourable rates under RoDTEP in the range of 3.8%-4.3% as compared to around 2% rate under MEIS although there is a cap on the maximum benefit available under RoDTEP. The Federation of Indian Export Organisations (FIEO) has appreciated the Government's move to extend the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme until 31st March 2026, covering exports from Domestic Tariff Areas (DTAs), Advance Authorisation holders, Special Economic Zones (SEZs), and Export Oriented Units (EOUs). This move will continue to provide exporters with remission for unrefunded central, state, and local taxes and duties incurred during the production and distribution of export goods. The extension was made to provide policy continuity and help exporters remain competitive amid global trade challenges.

c) Comprehensive Economic Partnership Agreement (CEPA) with UAE

The Comprehensive Economic Partnership Agreement (CEPA) agreement was signed between the two nations India and United Arabs Emirates (UAE) on 18 February 2022. It is India's complete free trade agreement signed with any countries in a decade. CEPA was operationalized on 01 May 2022.

Overall, India is going to benefit from preferential market access provided by the UAE on over 97 % of its tariff lines which account for 99% of Indian exports to the UAE in value terms particularly from labour-intensive sectors such as Gems and Jewellery, Textiles, leather, footwear, sports goods, plastics, furniture, agricultural and wood products, engineering products, pharmaceuticals, medical devices, and Automobiles. As regards trade in services, Indian service providers will have enhanced access to around 111 sub-sectors from the 11 broad service sectors. CEPA is expected to increase the total value of bilateral trade in goods to over USD 100 billion and trade in services to over USD 15 billion within five years. In the coming years, this agreement will significantly increase export of apparels and textile products to UAE.

d) Financing Subsidy Schemes

The Indian government actively supports the textile industry's growth and modernization through various financing subsidy schemes.

- **Pradhan Mantri MUDRA Yojana:** This broader scheme offers loans to micro-units across various sectors, including textiles. It provides loans under three categories (Shishu, Kishore, and Tarun) with varying loan amounts and interest rate subsidies.
- **Scheme for Capacity Building in Textile Sector (SAMARTH):** This scheme addresses the skilled manpower shortage in the textile industry by providing financial assistance for industry-relevant skill development programs through approved training partners. As of early 2026, over 4.8 lakh candidates have been registered on the SAMARTH portal. Till March 2025, around 3.82 lakh beneficiaries have been trained, out of which approximately 2.97 lakh candidates (~78%) have been successfully placed, indicating strong employment outcomes. The scheme

has been extended up to March 2026, with an additional allocation of Rs 495 crore to train 3 lakh more individuals, reflecting the government's continued focus on enhancing workforce capabilities and supporting labour-intensive segments of the textile sector.

e) Other Schemes –

PM Mega Integrated Textile Region and Apparel (PM MITRA) park

With a vision of building Atma Nirbhar Bharat and to position India strongly on the Global textiles map, the Government has approved the setting up of 7 PM MITRA parks as announced in Union Budget for 2021-22. This will include 7 Mega Integrated Textile Region and Apparel Parks which will be set up at Greenfield/Brown field sites located in different willing states. This project will develop 50% Area for pure Manufacturing Activity, 20% area for utilities, and 10% area for commercial development. With a total budget allocation of Rs 4,445 crore spread over the period from 2021–22 to 2027–28, the scheme aims to reduce logistics costs, attract greater foreign direct investment (FDI), and enhance India's competitiveness in global textile markets. As of now, seven PM MITRA Parks have been approved across key textile-producing states including Gujarat, Maharashtra, Madhya Pradesh, Tamil Nadu, Karnataka, Uttar Pradesh, and Telangana, laying the foundation for a more efficient and globally integrated textile industry.

Textile Cluster Development Scheme (TCDS)

The Indian textile industry relies on interconnected clusters, some of which struggle with outdated technology. This inefficiency hinders worker productivity. To address this, the Ministry of Textiles has implemented the Textile Cluster Development Scheme (TCDS) from 2021-22 to 2025-26. This scheme aims to create a modern, connected workspace for existing new textile units, improving their operational and financial viability. The TCDS cluster development model offers several benefits, including cost-effective production, access to better technology, and a more competitive manufacturing environment. With a total budget of Rs. 853 crores allocated to finalize ongoing projects; this scheme aims to revitalize the Indian textile industry. As of March 18, 2025, about 1.22 lakh employment opportunities have been generated under the scheme. During 2024-25, Rs. 34.48 crore have been released.

Integrated Processing Development Scheme (IPDS)

The Ministry of Textiles has implemented the Integrated Processing Development Scheme (IPDS) to help the industry meet environmental standards. This program, initially launched during the 12th Five Year Plan, is being extended with modifications from 2021-22 to 2025-26 to focus on building new and upgrading existing common effluent treatment plants (CETPs) in both processing clusters and new parks, especially in coastal zones. This ongoing initiative aims to address environmental challenges faced by the textile processing sector.

Bharat Tex 2026, India's largest global textile event is scheduled to be held from 14–17 July 2026 at Bharat Mandapam, New Delhi, bringing together buyers, manufacturers and policymakers across the textile value chain. The exhibition will cover segments including apparel, home furnishings, fibres, yarns, fabrics, carpets, silk, handloom, jute, woollen garments and technical textiles. The event is expected to feature over 1,500 exhibitors from across India and participation from international buyers and sourcing consultants across the textile and apparel supply chain.

The Amended Technology Upgradation Fund Scheme (ATUFS) is a key initiative aimed at promoting modernization and enhancing the competitiveness of India's MSME-driven textile sector. Its primary objective is to facilitate the flow of credit for technology upgradation by providing financial incentives to units investing in benchmarked machinery and equipment. By supporting capital investments, the scheme encourages textile businesses to adopt advanced, energy-efficient, and globally competitive technologies. As of the 2025–26 Union Budget, the Amended Technology Upgradation Fund Scheme (ATUFS) has been allocated Rs.635 crore, marking a 48% increase from the revised estimate of Rs.390 crore in the previous fiscal year. This allocation aims to clear committed liabilities for Unique Identification Numbers (UIDs) generated up to March 31, 2022, as the scheme officially concluded on that date.

RIPS 2024: Empowering Rajasthan's Textile Industry: The Rajasthan Investment Promotion Scheme (RIPS) 2024 is a state-level investment promotion framework introduced by the Government of Rajasthan to attract new investments, support industrial expansion and improve the competitiveness of manufacturing businesses. Textiles have been identified as a manufacturing thrust sector under the scheme, making eligible textile and apparel enterprises entitled to additional sector-specific support. The scheme is particularly relevant for textile manufacturers looking to establish new production facilities or expand existing operations in Rajasthan.

The key financial support under RIPS 2024 is provided through the Asset Creation Incentive (ACI), under which eligible enterprises can choose one of three incentive mechanisms. The first is a Capital Subsidy ranging from 13% to 28% of Eligible Fixed Capital Investment (EFCI), provided over a period of 10 years. The second is a Turnover-Linked Incentive of 1.2% to 2.0% of Net Sales Turnover, available for 10 years after commencement of commercial production. The third option is an Investment Subsidy through reimbursement of up to 75% of State GST (SGST) actually deposited, available for seven years. These mechanisms provide flexibility to investors to select an incentive structure based on their investment and expected operating profile.

As textiles are classified as a manufacturing thrust sector, eligible textile enterprises can receive a 10% Thrust Booster on the selected Asset Creation Incentive. This provides an additional incentive over the selected ACI and enhances the overall support available to textile projects. The scheme also provides an Employment Booster of 10%–15%, subject to the prescribed employment-generation criteria, thereby encouraging investments that create significant direct employment. RIPS 2024 further reduces the cost of establishing and operating manufacturing facilities through various exemptions. Eligible enterprises can benefit from 100% exemptions on electricity duty, stamp duty, conversion charges and land tax, subject to the applicable conditions and duration under the scheme. These exemptions can lower upfront project costs as well as recurring operating expenses, which can be particularly relevant for large textile facilities requiring substantial land, power and industrial infrastructure.

The scheme also includes green incentives to encourage investments in environmentally sustainable technologies and infrastructure. These incentives can support measures such as renewable energy generation, wastewater management and other resource-efficient technologies. This is particularly relevant for textile processing activities such as dyeing and finishing, where water consumption, effluent treatment and energy efficiency are important operational considerations. For export-oriented textile manufacturers, RIPS 2024 provides freight support for movement of export cargo through State Inland Container Depots (ICDs) to gateway ports. This can help reduce part of the logistics burden faced by manufacturers operating in Rajasthan, which is a landlocked state. The scheme also provides cluster incentives aimed at encouraging the development of integrated industrial ecosystems, supporting linkages between principal manufacturers and ancillary or supplier units.

The scheme provides training and skilling support to help enterprises develop a trained workforce. Eligible training conducted in Rajasthan can receive financial assistance of RS 4,000 per worker per month for six months, subject to the scheme's conditions. For the textile industry, this can support the development of skilled sewing operators, supervisors, quality-control personnel and other specialised workers required for modern garment and textile manufacturing.

Another important feature is the flexibility provided for phased investments. This allows eligible enterprises to undertake investments in stages while retaining applicable benefits, subject to the prescribed conditions. This can be useful for textile companies planning gradual capacity expansion or developing integrated facilities across spinning, weaving, processing and garment manufacturing.

For large-scale investments, RIPS 2024 provides additional flexibility through customised investment packages. Projects involving investments exceeding RS 500 crore can access provisions for customised support, subject to eligibility and government approval. This is particularly relevant for large integrated textile projects involving significant investment in manufacturing capacity, infrastructure, utilities and employment generation.

The Union Budget FY2026–27 provides a strong policy push to the textile sector through an Integrated Programme for the Textile Sector, focusing on fibre self-reliance, cluster modernization, sustainability, artisan support, and skill development. The Ministry of Textiles has been allocated approximately Rs 5,279 crore in FY2026–27, reflecting a significant increase in support for the sector. The budget continues funding for key initiatives such as PM MITRA Mega Textile Parks, Production Linked Incentive (PLI) Scheme for Textiles, National Technical Textiles Mission, Samarth skill development programme, and various schemes for handloom, handicrafts, silk, jute, and cotton sectors. Additionally, the newly announced National Fibre Scheme, Textile Expansion & Employment Scheme, Tex-Eco Initiative, and National Handloom & Handicrafts Programme are expected to strengthen domestic manufacturing, boost exports, attract investments, and generate employment across the textile value chain.

3.11. India's Competitive Advantage in Global Textiles:

India holds a distinct competitive edge in the global textile and apparel industry due to several strategic advantages, which collectively enhance its appeal as a preferred manufacturing destination. These include:

Labour and skills strengths in Indian Textiles: India maintains a labour cost advantage in the global textile market through a combination of factors such as a large, flexible workforce, regional wage variations, and increasing productivity driven by skill development and operational efficiencies. The presence of vertically integrated textile hubs enables streamlined production and reduced overheads, while government support and ongoing infrastructure improvements further lower operational barriers. These elements collectively enhance India's competitiveness and reinforce its position as a key player in the international textile industry.

Supply Chain in Indian Textiles: India's rise in the Logistics Performance Index to 38th in 2023 from 54th position in 2014 reflects better port infrastructure, customs efficiency, and cargo movement. This enhances the textile supply chain by reducing delays and improving delivery reliability. Lower logistics costs directly benefit manufacturers by increasing margins. Whereas Bangladesh continues to face persistent logistical challenges. These issues were highlighted during a meeting held by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), where international buyers raised concerns about slow internet speeds, shipment delays, and container congestion at Chattogram port. These ongoing inefficiencies hinder Bangladesh's ability to meet tight delivery schedules. In contrast, India's advancing logistics ecosystem ensures faster turnaround, strengthening its appeal as a preferred textile sourcing destination.

Production Scalability: India's textile sector benefits from a well-developed infrastructure that includes large industrial clusters, integrated textile parks, and specialized hubs, enabling scalable production across the value chain. Initiatives like the PM MITRA scheme, with Rs. 4,445 crores allocated for seven mega parks, and facilities such as the Kakatiya Mega Textile Park in Telangana, which aims to generate over 100,000 jobs, reflect this strength. Established clusters like Tiruppur and hi-tech hubs like Palladam in Tamil Nadu facilitate large-scale, diversified manufacturing. Proximity to ports and robust logistics further enhance export efficiency, enabling India to meet both niche and bulk global demand. Bangladesh's textile industry is mostly made up of small and medium units with limited value chain integration, while Vietnam, though improving, still lacks large-scale, fully integrated parks. In contrast, India offers investment-ready, integrated zones that cover the entire value chain, giving it an edge in efficiency, scalability, and production control.

Diversification, Sustainability, and Innovation: India benefits from a vast and diversified domestic market that drives continuous innovation and demand for a wide variety of textile products, enabling manufacturers to adapt quickly to changing global fashion trends. The country also has a strong network of small and medium enterprises (SMEs) that contribute flexibility and niche expertise, especially in artisanal and regional textile crafts. Additionally, India's growing adoption of sustainable and eco-friendly practices, such as organic cotton cultivation and water-saving dyeing technologies, aligns with the rising global emphasis on ethical fashion. This commitment to sustainability enhances India's appeal to environmentally conscious brands and consumers worldwide. Moreover, robust digitalization and

increasing integration of Industry 4.0 technologies are gradually improving productivity and quality, helping Indian textiles compete more effectively on the global stage. Indian Textile Processing Industry.

Raw Material Advantage: India enjoys strong self-reliance in key textile raw materials, producing about 24% of global cotton, and is the leading jute goods producer globally, contributing around 70% of the world's total production, and ranking second in silk production. It has expanding capacity in man-made fibres. Unlike other countries such as Sri Lanka, Indonesia and Turkey which depend on raw material imports such as raw cotton, yarn, and fabrics, India's domestic supply helps lower costs, reduce delays, and ensure supply chain stability.

3.12. The impact West Asia Conflict on the Indian Textile Exports

The ongoing geopolitical tensions in West Asia are expected to exert short-term pressure on India's textile exports, primarily through rising input costs and supply chain disruptions. Escalation in the region typically leads to higher crude oil prices, which directly impacts the cost of man-made fibres such as polyester, thereby increasing production costs for textile manufacturers. In addition, disruptions in key maritime trade routes such as the Red Sea and Suez Canal have resulted in higher freight rates, longer transit times, and working capital constraints for exporters. These challenges are particularly significant for shipments to Europe, a key market for Indian textiles, where delays and cost escalations can affect order fulfilment and competitiveness.

However, the situation also presents potential medium-term opportunities for India. Global buyers are increasingly looking to diversify sourcing amid geopolitical uncertainties. Additionally, rising crude prices may reduce the cost competitiveness of synthetic textiles globally, potentially shifting demand towards cotton-based products where India has a strong advantage. While demand from certain West Asian markets may weaken in the near term, India's relatively stable manufacturing ecosystem and diversified export base position it well to capture incremental market share in global textile trade. Overall, the conflict is likely to create a mixed impact short-term disruptions offset by strategic opportunities over the medium term.

3.13. Recent Developments in the textile Industry

Diversification of Export Markets Beyond and Trade Agreements Push: Recognizing the risks of overdependence on a few key markets, India has accelerated efforts to diversify textile exports across regions such as Latin America, Africa, West Asia, and emerging European markets. This strategy is being supported by trade agreements such as the India–UAE Comprehensive Economic Partnership Agreement (CEPA) and the India Australia Economic Cooperation and Trade Agreement (ECTA), along with ongoing negotiations with the UK and EU. Market diversification is helping reduce concentration risk, stabilize export demand, and improve resilience against geopolitical and economic disruptions.

Supply Chain Disruptions and Rising Logistics Costs: Ongoing geopolitical tensions in West Asia have led to disruptions in key shipping routes such as the Red Sea, Suez Canal and Starit of Hormuz. This has resulted in higher freight costs, longer transit times, and increased working capital requirements for exporters. These disruptions have particularly impacted shipments to Europe, a major market for Indian textiles. Exporters are increasingly factoring in logistics volatility and building supply chain flexibility to mitigate these risks.

Shift Toward Value-Added Segments like MMF and Technical Textiles: The industry is also responding to tariff pressures by shifting its product mix toward higher-value and less price-sensitive segments such as MMF-based apparel, technical textiles, and niche speciality fabrics. These segments offer better margins, face comparatively lower competitive pressure from countries like Bangladesh and Vietnam and align more closely with global consumption trends particularly in performance wear, medical textiles, and industrial applications. By moving into advanced and diversified textile categories, Indian exporters aim to reduce dependence on low-value cotton garments and strengthen long-term competitiveness even in the presence of tariff challenges.

3.14. Outlook for the Indian Textile Industry

The Indian textile industry remains strongly positioned for significant growth through the latter 2020s, bolstered by rising global demand, shifting supply-chain strategies, sustainability momentum, rapid technology adoption and robust government support. With the domestic textile and apparel market valued at roughly USD 174 billion in FY2025 and projected to grow at a healthy pace to 2030, India is increasingly seen as a global hub for both volume manufacturing and value-added textile output.

Technological advancements are becoming more important than ever: beyond traditional mechanisation, there is growing interest in digitisation, automation, and even smart/technical textiles and recycling-ready processes all aligned with global trends for efficiency and sustainability. Government-backed initiatives such as the newly announced Tex-RAMPS (for research & innovation), and ongoing support under PM MITRA Parks Scheme, Scheme for Integrated Textile Parks (SITP) and Production Linked Incentive Scheme (PLI) continue to strengthen infrastructure, plug-and-play manufacturing ecosystems, and encourage investment in state-of-the-art technology.

Sustainability and ESG-compliance have become non-negotiable globally. Indian textile firms are gradually adopting eco-friendly practices from energy-efficient machinery to water conserving dyeing and waste-management to meet international buyer expectations. At the same time, there is an emerging opportunity in technical and MMF-based textiles, which help reduce dependency on unpredictable cotton yields.

On the trade front, The European Union (EU-27) remains a key export market for Indian textiles. In a significant development, the India–European Union Free Trade Agreement was concluded in January 2026, marking a major milestone in India's trade integration with developed markets. The agreement is expected to provide preferential or zero-duty access to over 99% of Indian exports, including textiles and apparel, upon implementation. This will significantly enhance India's competitiveness against countries such as Bangladesh and Vietnam, which currently benefit from duty-free access to the EU. While the agreement is yet to come into force, it represents a strong medium-term growth catalyst for India's textile exports.

However, the industry faces certain near-term challenges. Volatility in raw material prices particularly cotton and crude-linked inputs continue to impact cost structures. Geopolitical disruptions in West Asia, affecting key shipping routes like the Red Sea, may lead to higher logistics costs and supply chain delays. Additionally, global economic uncertainties and fluctuating demand in major export markets could weigh on growth in the short term. Despite these headwinds, India's diversified product base, policy support, and increasing integration into global value chains position the textile industry for sustained long-term growth and enhanced global competitiveness. The outlook for the textile industry remains cautiously optimistic. While the sector is experiencing significant challenges from geopolitical tensions and high raw material costs, it is expected to recover, driven by a strong focus on technical textiles, sustainable production, and market diversification.

4. Overview of Fabric Industry in India

4.1. Introduction of Fabric Industry in India

Fabrics are an essential component of the textile industry, acting as the intermediary between raw material processing which is yarn and the production of final products, such as clothing, home furnishings, and industrial materials. They are created from fibres, whether natural (like cotton or wool) or synthetic (such as polyester or nylon), and undergo various production methods to become usable materials with specific characteristics.

Manufacturers use three major ways to make fabrics: weaving, knitting, and non-woven processes. Weaving crosses two different sets of yarns at right angles, creating a fabric that is firm, stable, and long-lasting. Knitting interloop yarns to form fabrics that are flexible, stretchy, and soft. Non-woven processes bond or felt fibres directly, without using yarns. These fabrics are usually used for cost-effective, disposable, or specialized technical functions. One can group fabrics according to their method of

construction and physical characteristics, such as strength, elasticity, and texture. Below is the division of fabrics in terms of type of construction and major physical factors:

Fabric Type	Examples	Production Method	Strength	Elasticity	Texture
Woven	Denim, Poplin, Twill	Interlacing of yarns	High	Low	Structured, crisp
Knitted	Jersey, Rib, Interlock	Interloping of yarns	Moderate	High	Soft, flexible
Non-Woven	Felt, Spun bond, Geotextile	Bonding of fibres	Varies	Limited to Moderate	Smooth or coarse

Fabrics are crucial to the textile industry, not only adding to the manufacture of everyday products but also to their functional performance and beauty. In fashion, the choice of fabric has a direct impact on the design, drape, and comfort of a garment. For instance, fabrics with moisture-wicking or stretch properties are greatly sought after in sportswear and activewear.

Within the apparel segment, suiting and shirting fabrics require a balance of durability, comfort, appearance and dimensional stability. Suiting fabrics are generally valued for strength, smooth texture, crease resistance, drape and shape retention, while shirting fabrics are preferred for softness, breathability, colour retention and ease of maintenance. Ethnic wear and casual clothing typically require fabrics that offer comfort, good drape, colour fastness and an appealing texture, with cotton, viscose, polyester and blended fabrics being commonly used.

Within the home textiles segment, producers value fabrics that are durable, easy to maintain and provide tactile comfort, particularly for applications such as bed linen, towels, curtains, upholstery, furnishings and other household fabrics. These fabrics require properties such as abrasion resistance, dimensional stability, colour retention and ease of washing depending on the application.

Technical textiles are specifically engineered to meet defined performance requirements based on their end use. These may include high tensile strength, abrasion resistance, fire retardancy, water resistance, thermal insulation, chemical resistance and dimensional stability, making them suitable for applications across industrial, automotive, construction, healthcare, agriculture and protective textile segments.

With the industry moving towards more sustainability, the need for eco-friendly materials keeps increasing. Biodegradable materials, recycled fibres, and intelligent textiles are revolutionizing the market by providing high performance while meeting environmental needs.

4.2. Types of the Fabrics and their application in the industry

Fabric Type	Description	Examples	Applications
Woven Fabrics	Made by interlacing two sets of yarns – the weft (horizontal) and the warp (vertical). They are strong, firm, and durable, with limited stretch.	• Denim: A thick cotton fabric used in jeans and casual wear. • Formal Wear (Woven Fabrics): Smooth and structured woven fabrics such as poplin, twill, and gabardine are commonly used for formal shirts, trousers, suits, and blazers.	• Apparel: Formal wear, trousers, jackets, denim jeans. • Automotive: Upholstery, airbags, and seatbelts. • Home Textiles: Bed linens, curtains, and upholstery materials. • Industrial: Workwear and protective clothing.

Fabric Type	Description	Examples	Applications
		• Twill: A fabric with A diagonal weave used in trousers and jackets.	
Knitted Fabrics	Made by looping yarns together to create a stretchy, flexible material that can stretch in all directions.	• Jersey Knit: Soft and stretchy fabric used for t-shirts. • Rib Knit: Stretchy fabric used in sweaters and other garments.	• Apparel: Casual wear, activewear, sportswear (t-shirts, leggings, dresses). • Medical: Compression garments, socks, stockings. • Children's Wear: Soft and stretchy materials for ease of movement.
Non-Woven Fabrics	Created by bonding fibres together using mechanical, thermal, or chemical methods, without the need for yarns or threads. Lightweight and disposable.	• Spun bond: Used in medical and hygiene products like surgical gowns and masks. • Needle punch: Used in carpets and automotive insulation. • Melt blown: Used for filtration materials. – Air laid: Used in wipes and diapers.	• Medical Textiles: Surgical masks, gowns, bandages, and wound dressings. • Geotextiles: Soil stabilization, erosion control, drainage systems. • Automotive: Soundproofing, insulation, and filtration. • Packaging: Durable protective covers and shopping bags.

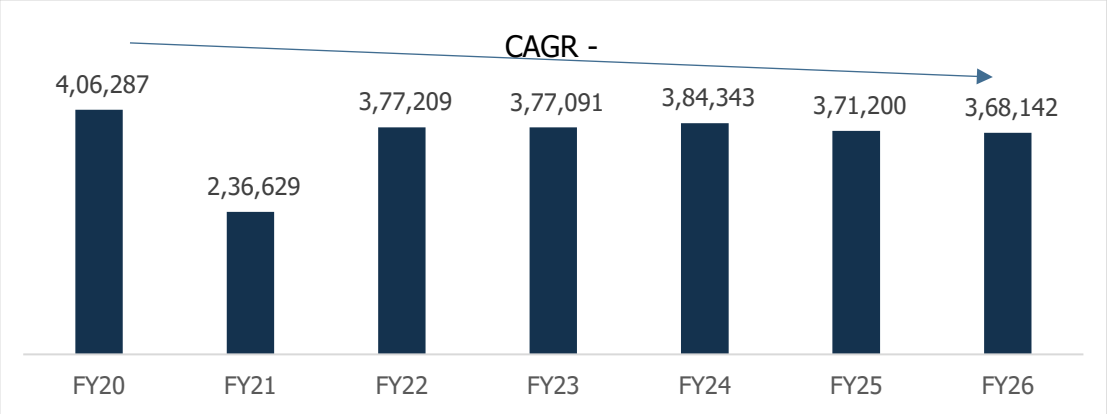
4.3. Trend in the production of Cotton woven Fabrics

From Pandemic Shock to Post-Recovery Steady Phase: Cotton Woven Fabric Output Stabilizes at 368,142 thousand MT in FY26

Cotton woven fabric production was at 406,287 thousand Meters in FY20. However, the COVID-19 pandemic severely impacted the industry in FY21, causing a sharp decline to 236,629 thousand Meters due to factory shutdowns and supply chain disruptions. Since then, production has gradually rebounded, reaching 384,343 thousand meters in FY24, signalling a recovery and a return to pre-COVID levels, driven by increased demand for casual and athleisure wear along with technological advancements. Technological advancements in the cotton woven fabric industry have led to significant improvements in production efficiency and sustainability. Innovations such as automated weaving, eco-friendly dyeing techniques, and advanced manufacturing processes have enhanced fabric quality while reducing environmental impact. The demand for cotton woven fabrics has surged, particularly driven by the growing popularity of casual and athleisure wear. Consumers increasingly prioritize comfort, breathability, and versatility, making cotton a preferred choice for everyday and activewear. This shift has significantly impacted the textile industry, compelling manufacturers to embrace modern technologies and sustainable practices to meet evolving market demands for high-performance and eco-conscious fabrics.

Cotton woven fabric production declined to 3,71,200 thousand meters in FY25 from 3,84,343 thousand meters in FY24, reflecting pressures arising from elevated domestic cotton prices and subdued export demand. During FY26, production remained largely stable, albeit marginally lower at 3,68,142 thousand meters compared to 3,71,200 thousand meters in the corresponding period of the previous year, indicating a phase of stabilization. However, structural constraints persist, including relatively lower policy support for cotton compared to government-led incentive programs focusing on man-made fibres and technical textiles, along with continued cost pressures related to energy, labour, and logistics.

Chart 14: Cotton Woven Production ('000 Run MT)



Source: CMIE, CareEdge Research

4.4. Technology Advancements

Technology Area	Key Advancement
Advanced Fibre, Spinning & Knitting Technologies	Adoption of man-made and sustainable fibres, along with compact, rotor, air-jet, seamless, and 3D knitting technologies, has improved yarn strength, fabric quality, productivity, and reduced material wastage.
Modern Weaving, Dyeing & Printing Technologies	High-speed shuttleless looms, automated dyeing systems, and digital textile printing have enhanced production efficiency, design flexibility, colour consistency, and reduced water and chemical consumption.
Advanced Fabric Finishing & Technical Textiles	Functional finishing technologies provide wrinkle resistance, antimicrobial, flame-retardant, and water-repellent properties, while technical textiles are witnessing increasing adoption across healthcare, automotive, agriculture, construction, and defence sectors.
Automation, Industry 4.0 & Smart Manufacturing	Integration of AI, IoT, robotics, and smart monitoring systems has improved operational efficiency, quality control, predictive maintenance, and reduced downtime across textile manufacturing.
Digital Design & Smart Textiles	CAD/CAM, 3D virtual sampling, and digital product development have shortened design cycles, while smart textiles with embedded sensors are creating opportunities in healthcare, sports, and defence applications.
Sustainable Manufacturing Technologies	Adoption of eco-friendly dyes, water recycling, Zero Liquid Discharge (ZLD), Effluent Treatment Plants (ETPs), renewable energy, and circular manufacturing practices has strengthened environmental sustainability.
Integrated Textile Infrastructure	Development of PM MITRA Parks and modern textile clusters is improving manufacturing efficiency, supply chain integration, logistics, and investment attractiveness across the textile value chain.
Advanced Weaving Technologies	Adoption of high-speed shuttleless looms, air-jet looms, rapier looms, projectile looms, electronic jacquard systems, and automated warp preparation technologies has significantly improved weaving productivity, fabric quality, design flexibility, operational efficiency, and reduced material wastage. Real-time monitoring and automated quality inspection systems have further enhanced consistency and reduced defects.
Ready-Made Garments (RMG) Manufacturing Technologies	Implementation of computerized fabric spreading and cutting machines, CAD/CAM-based pattern making, automated sewing systems, robotic material handling, digital sample development, 3D virtual prototyping, and smart production planning solutions has improved productivity, precision, quality

Technology Area	Key Advancement
	consistency, mass customization capabilities, and reduced production lead times. These advancements have strengthened the competitiveness of garment manufacturers in global markets.

4.5. Demand Analysis - Cotton Woven Fabrics in India

India's textile industry remains one of the most important sectors of the economy, and cotton continues to be its backbone. According to the Press Information Bureau (PIB) released in 2025 and Ministry of Textiles, the textile and apparel sector contributes around 2% to India's GDP, 10% to industrial production, and about 8.21% to the country's total exports in FY2024, highlighting its macroeconomic importance. The sector also provides direct employment to over 45 million people, making it one of the largest sources of livelihood in the country.

According to official government data, India is one of the largest producers, consumers, and exporters of cotton globally. The Ministry of Textiles reports that domestic cotton consumption is approximately 326 lakh bales, which reflects the strong and consistent demand from the textile manufacturing sector. This high level of consumption directly supports fabric production across spinning and weaving units, including cotton woven fabrics. According to the government statement domestic demand for cotton consistently remains strong and, in some periods, even exceeds available production, requiring policy measures such as temporary import duty exemptions to ensure adequate supply to the industry. This reinforces the fact that the demand for cotton-based textiles, including woven fabrics, is structurally strong in India. Cotton textiles form a significant portion of this industry, as cotton is widely used in clothing, traditional wear, and home furnishings. Cotton contributes significantly to foreign exchange earnings through exports, particularly in the form of yarn, fabrics, made ups, and garments.

For FY 2025-26, the textile sector has maintained stable performance in global markets. Total textile exports increased from Rs 3,09,859.3 crore in FY 2024-25 to Rs 3,16,334.9 crore in FY 2025-26, registering a growth of 2.1%. Within this, cotton yarn, fabrics, made-ups, and handloom products together accounted for exports of Rs 1,02,399.7 crore in FY 2025-26, reflecting the continued importance of cotton-based products in India's export basket. This indicates that demand for cotton fabrics, including woven fabrics, is not only strong domestically but also supported by export markets.

The demand for cotton woven fabrics in India is primarily driven by a large domestic consumption base. India's textile market is supported by strong consumer demand arising from a growing population, increasing income levels, and rising expenditure on clothing and household textiles. The decentralized nature of the textile industry also plays a major role, as nearly 80% of production capacity is spread across MSME and power loom sectors, which produce a large share of cotton woven fabrics for domestic markets. These units cater to mass consumption as well as supply intermediate fabrics to garment manufacturers and exporters.

For FY 2025-26, cotton remains a critical and resilient component of the Indian textile industry. With domestic consumption at around 326 lakh bales, total textile exports exceeding Rs 3.16 lakh crore, and cotton-based exports alone exceeding Rs 1 lakh crore, the demand ecosystem for cotton including woven fabrics is strong and well-supported by both domestic consumption and export opportunities. Continued policy support, infrastructure development, and improvements in cotton productivity are expected to further enhance the long-term growth and competitiveness of the cotton textile segment in India.

4.6. End-User Industries for Fabrics

1) Apparel and Fashion Industry

The Apparel and Fashion sector is a key industry where fabrics are central to the design, functionality, and comfort of clothing. Fabrics are chosen based on their texture, appearance, and performance, helping designers create garments that are both stylish and wearable. With advancements in fabric technology, modern materials now offer added features like moisture-wicking, UV protection, and antibacterial properties, meeting the changing needs of consumers. Fabrics are carefully selected to match the intended

garment, its purpose, and the season. For example, lightweight cotton is often used in summer clothing due to its breathability, while heavier materials like wool are preferred for winter wear for added warmth.

Types of Fabrics in Apparel:

- **Woven Fabrics:** These are commonly used for structured garments such as trousers, Pant, Shirt, bell Bottom style and Loose-Fitting Style paint, blouses, and jackets. They are known for their durability, strength, and ability to resist creases.
- **Knitted Fabrics:** These fabrics provide stretch and comfort, making them ideal for casual wear, sportswear, and activewear, like t-shirts, leggings, and sweaters.
- **Non-woven Fabrics:** Though used less frequently in mainstream fashion, non-woven fabrics are often employed for accessories, linings, and support elements due to their lightweight and disposable nature.

2) Home Textiles and Upholstery

The Home Textiles and Upholstery industry focuses on fabric products used in homes to provide comfort, function, and style. Fabrics for home use need to be both durable and attractive, suitable for items like curtains, bedding, and furniture. These textiles not only enhance the décor of living spaces but also offer comfort and practicality. Fabrics for home textiles must withstand frequent use and laundering while maintaining their appearance and feel. In addition to aesthetics, many modern home fabrics are designed to offer extra benefits, such as stain resistance, fire-retardant properties, and UV protection. With an increasing demand for sustainable living, eco-friendly fabrics are also gaining popularity in home textiles.

Common Fabric Types in Home Textiles:

- **Curtains and Drapes:** Heavy woven fabrics such as velvet are often used in curtains and drapes for their aesthetic appeal and ability to block light. Some are also designed for thermal insulation.
- **Bedding and Linens:** Soft and breathable materials like cotton and linen are used for bed sheets, pillowcases, and covers, valued for their comfort and ease of maintenance.
- **Upholstery:** Sturdy fabrics like canvas and chenille are used for covering furniture such as sofas and chairs, ensuring they are durable, easy to clean, and resistant to wear.

3) Industrial and Technical Applications

In Industrial and Technical Applications, fabrics are specially engineered to serve critical roles in various sectors like construction, automotive, and healthcare. These fabrics are created for specific purposes such as protection, insulation, filtration, offering superior strength, durability and functionality. Unlike typical fabrics, industrial textiles are designed to meet the demanding conditions of specific industries.

Key Fabric Types in Industrial Use:

- **Protective Clothing:** Fabrics that are fire-resistant or offer protection against chemicals and heavy-duty wear are essential in industries like manufacturing, emergency services, and oil and gas. These fabrics ensure safety and comfort for workers in hazardous environments.
- **Geotextiles:** Woven and non-woven fabrics are used in civil engineering for applications such as soil stabilization, erosion prevention, and drainage in construction projects.
- **Filtration Fabrics:** Non-woven materials, such as spun-bond and melt-blown, are commonly used in filters for air and water purification systems, industrial machinery, and other filtration systems.
- **Automotive Textiles:** Fabrics in the automotive industry are used for components like seat covers, airbag linings, and soundproofing materials. These fabrics must meet strict safety standards for fire resistance, heat tolerance, and durability.

4.7. Growth Drivers and Challenges

Growth Drivers of the Fabrics Industry in India	Challenges for the Fabrics Industry in India
Rising Domestic and Global Demand: India's growing population, increasing income levels, and evolving fashion preferences are driving the demand for various fabrics like cotton, synthetic, mixed, and speciality fabrics. Indian fabric exports are also rising globally due to affordable prices and robust production capabilities.	**Scattered and Unorganised Units**: Many fabric-making units, especially in weaving and dyeing, are small and unregistered, causing issues such as inconsistent product quality, poor working conditions, and limited capacity for technological adoption. This makes it difficult for them to compete with larger, more modern facilities.
Strong Textile Ecosystem: India has a comprehensive textile system from raw materials (like cotton, wool, silk, polyester) to yarn production, weaving or knitting, dyeing, and final stitching. This integrated system helps fabric manufacturers access materials and services easily, saving time and costs.	**Fluctuating Raw Material Prices**: The prices of key raw materials such as cotton, viscose, and polyester fluctuate due to global supply-demand changes, weather conditions, and trade regulations. This volatility makes it difficult for fabric manufacturers to plan production, control costs, and offer consistent prices, affecting profitability and delivery schedules.
Government Support and Schemes: Initiatives like the Production Linked Incentive (PLI) for synthetic fibres, MITRA parks scheme, and Technology Upgradation Fund Scheme are helping companies improve and scale up production. These programs aim to increase global competitiveness and attract investment into Indian fabric companies.	**Outdated Machinery and Low Productivity**: Many fabric makers still rely on old machinery and handlooms, leading to low productivity, higher waste, and inconsistent fabric quality. Many small players lack the resources or knowledge to upgrade to modern systems, hindering their ability to meet quality standards and take on large orders.
Shift Towards Specialised and Eco-Friendly Fabrics: Fabrics with additional features such as protection against germs, sunlight, or water, as well as eco-friendly production methods, are gaining popularity. The increasing use of fabrics in sportswear, medical textiles, and specialised garments is creating new opportunities for the industry.	**Environmental and Regulatory Pressures**: The fabric dyeing and treatment process uses significant water and chemicals, causing pollution. With growing pressure to adopt sustainable practices, manufacturers are expected to install wastewater treatment systems and switch to eco-friendly chemicals. However, these changes require substantial investment, which many small units cannot afford.
Growth of Online Sales and New Brands: The rise of direct-to-consumer brands and online fashion platforms is increasing the demand for diverse fabric types and quicker delivery. Manufacturers are using online platforms to connect directly with clothing brands and designers.	**Transport and Infrastructure Challenges**: Many fabric production units are located in small towns or rural areas where transport and infrastructure are unreliable. This causes delays in sourcing raw materials and delivering finished products. Additionally, small businesses in these regions often struggle to access financial support, hindering expansion and smooth operations.

5. Ready Made Garment Industry

5.1. Overview of the sector

The Readymade Garments (RMG) or apparel industry is the major segment of the overall textiles industry in India. Indian textiles and apparel products have high global appeal due to their fine craftsmanship across the entire value chain from fibre, yarn, and fabric to apparel. The Indian textile and apparel industry are highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India. India is the 6th largest exporter of Textiles & Apparel in the world. The Indian RMG exports currently accounts for around 42% of total textile in FY25 and clothing production in India as per the Ministry of Textiles.

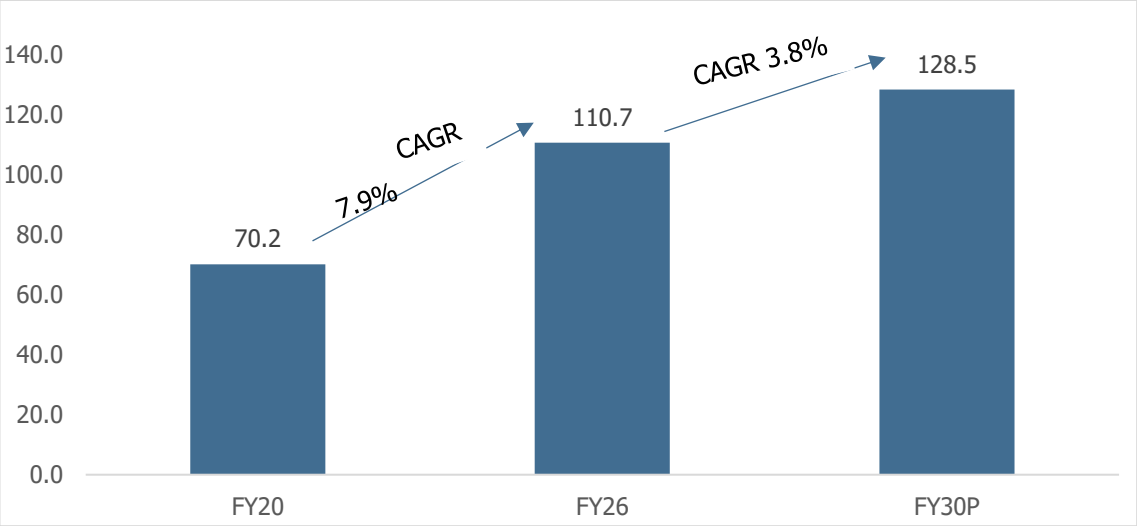
5.2. Review of the sector

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5.3. Review of the sector

The Indian readymade garments market increased from USD 70.2 billion in FY20 to USD 110.7 billion in FY26, recording a CAGR of 7.9%. The strong historical growth driven by rising household consumption, increasing preference for branded and ready-to-wear apparel, expansion of organised retail and e-commerce, and greater formalisation of the apparel market. In addition, India's large and young consumer base, increasing urbanisation and rising disposable incomes have supported higher spending on apparel. The recovery in consumer activity following the pandemic also contributed to the strong growth during the period.

Chart 15: Indian Readymade Garments Market (USD Billion)



Source: CareEdge Research
Note: P - Projected

The market is projected to grow at a more moderate CAGR of 3.8% during FY26-FY30, reaching USD 128.5 billion. The moderation reflects the relatively larger market base and increasing maturity of the domestic apparel market. While consumption is expected to continue increasing, the pace of growth is likely to normalise as the strong post-pandemic recovery and rapid formalisation benefits seen in the earlier period gradually ease. Future growth is therefore expected to be driven more by premiumisation, branded apparel, organised retail penetration, e-commerce, changing fashion preferences and higher per-capita apparel consumption, rather than only by expansion in overall volumes.

Market shift from rapid market expansion during FY20-FY26 towards more sustainable and moderate growth during FY26-FY30. The lower projected CAGR reflects a transition towards a larger and more mature market, where value growth, premiumisation and formalisation are expected to become increasingly important growth drivers.

Ready-made garment manufacturing remains labour-intensive, particularly in stitching, finishing, quality inspection and other assembly-related activities. The industry requires a mix of skilled and semi-skilled workers, including sewing machine operators, pattern makers, cutting operators, quality inspectors and production supervisors. Labour productivity is influenced by worker skills, line balancing, machine

utilisation, production planning and the complexity of garments being manufactured. Availability and retention of trained workers remain important considerations, as high employee turnover can affect productivity and increase training costs. Women constitute an important part of the garment manufacturing workforce, particularly in stitching and finishing activities. Manufacturers also need to invest in worker training and comply with applicable labour, workplace safety and social-compliance requirements, particularly when catering to international buyers.

Technology adoption in the ready-made garment industry is increasing across product development, manufacturing and factory management. Computer-aided design (CAD), digital pattern-making, 3D sampling and product lifecycle management systems are being used to improve design accuracy and reduce development time. In manufacturing, automated fabric inspection, spreading and cutting systems help improve material utilisation and production efficiency, while computer-controlled sewing machines and programmable equipment are being adopted for selected operations. Digital quality inspection, RFID-based tracking and automated packaging are also supporting greater traceability and process control. Larger manufacturers are increasingly adopting ERP, manufacturing execution systems, real-time production monitoring and data-driven planning tools. However, complete automation remains challenging because garment production involves varied designs, fabrics and construction techniques, making several sewing and assembly operations dependent on manual intervention.

5.4. SWOT Analysis

Strengths: The Indian ready-made garment industry benefits from a large and diverse domestic consumer base, an established textile manufacturing ecosystem and the availability of a sizeable workforce with garment-making capabilities. The presence of established manufacturing clusters, a broad raw-material base and capabilities across cotton, synthetic, blended and man-made fibre garments provide manufacturers with flexibility in catering to different market segments. The growing presence of organised apparel brands, retail chains and e-commerce platforms further supports the expansion of the organised garment market.

Weaknesses: The industry remains relatively labour-intensive and fragmented, with a significant number of smaller manufacturers operating with limited levels of automation and technology adoption. Productivity can vary considerably across manufacturing units due to differences in workforce skills, production processes and machinery. Smaller manufacturers may also face constraints in accessing capital for technology upgrades, while worker attrition and the availability of trained labour can affect production efficiency. Compliance, quality and sustainability requirements can further increase operational costs, particularly for smaller units.

Opportunities: Rising apparel consumption, expansion of organised retail and e-commerce, and increasing demand for branded and value-added clothing provide opportunities for the industry. Growing global sourcing diversification can also create opportunities for Indian manufacturers as international buyers seek to diversify their supply chains. Further adoption of automation, digital manufacturing and advanced production-planning systems can improve productivity and reduce lead times. Growth in sportswear, activewear, functional apparel and man-made fibre-based garments provides additional opportunities for product diversification and export growth.

Threats: Indian garment manufacturers face strong competition from Bangladesh, Vietnam and China, particularly in export markets where pricing, production efficiency and market access influence sourcing decisions. Raw-material price volatility can affect production costs and margins, while changing fashion trends and global demand conditions create uncertainty for manufacturers. Increasing sustainability, ESG, labour and traceability requirements may require additional investments in manufacturing and compliance systems. Geopolitical developments, trade-policy changes and climate-related risks affecting cotton production can further influence the industry's supply chain and export performance.

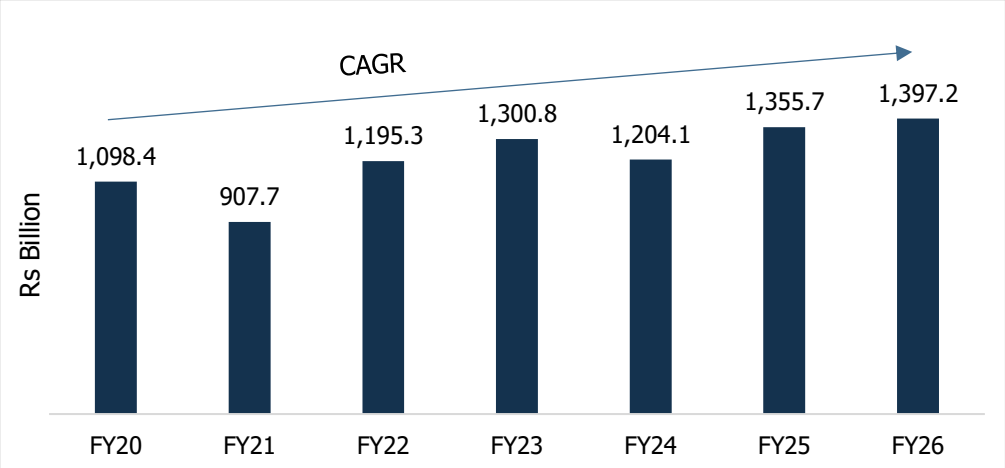
Table 5: Indicators for the RMG industry

Indicators	FY25	FY26	Y-o-Y % Change	Mar-25	Mar-26	Y-o-Y % Change
IIP index of wearing apparel	116.7	110.5	-5.31%	144.8	123.6	-14.64%

Indicators	FY25	FY26	Y-o-Y % Change	Mar-25	Mar-26	Y-o-Y % Change
WPI of manufacture of wearing apparel	153.4	156.3	1.89%	154.5	157.3	1.81%

Source: CMIE, CareEdge Research

Chart 16: Trend Analysis of Export Market in Readymade Garments

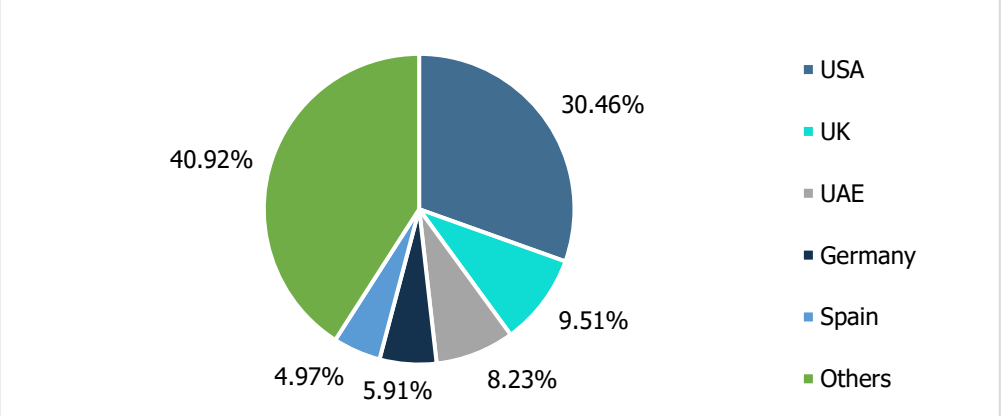


Source: CMIE, CareEdge Research

India's readymade garment (RMG) exports experienced a decline in FY24, attributed to several factors. The global economic slowdown, exacerbated by geopolitical tensions such as the Red Sea crisis, led to increased freight costs, impacting the competitiveness of Indian exports. Additionally, high retail inventory levels and sluggish demand from key markets like the U.S. and Europe further dampened export performance. In contrast, FY25 witnessed a recovery in RMG exports, driven by a shift in global sourcing strategies, with Western buyers moving away from traditional suppliers like China and Bangladesh. Government initiatives, including the Production-Linked Incentive (PLI) scheme and proposed free trade agreements with the UK and EU, provided further support to the sector's expansion. However, challenges such as rising labour and freight costs, along with geopolitical uncertainties, continued to pose risks to sustained growth. In FY26, the readymade garments sector recorded 3.1% uptick over FY25. The sector continues to be supported by government initiatives aimed at improving export competitiveness, logistics infrastructure, and textile value chains, which may support recovery over the medium term.

5.5. Trade in RMG Industry Top of Form

Chart 17: Destination-wise RMG exports from India FY26



Source: CMIE, CareEdge Research
Others include Spain, France, Saudi Arabia, Italy, Australia, Poland, Canada, Sweden, Japan, etc.

In FY26, India's readymade garments (RMG) exports remained diversified across regions, with the U.S. contributing about 30.46%, followed by the UK (9.51%), UAE (8.23%), Germany (5.91%), the Spain (4.97%), and other countries (40.92%). Exports to the U.S., the largest market, were supported by demand for competitively priced apparel and established sourcing relationships with global retailers. Demand in the UK and Germany was supported by retail market structures and sourcing diversification. Exports to the UAE were supported by its role as a trade and re-export hub for West Asia and Africa. The Netherlands functioned as an entry point into the European Union due to its logistics and distribution network. The share of other markets reflects India's presence across regions such as Europe, the Middle East, Asia, and Australia, supported by efforts to expand export markets and strengthen trade linkages. Overall, the export mix indicates diversification across markets and continued participation in global apparel trade.

Bangladesh has restricted imports of Indian cotton yarn via land ports, allowing shipments only through seaports. In response, India will impose similar restrictions on ready-made garment imports from Bangladesh across all land ports, including LCS and ICP, requiring these goods to enter only via seaports. This reciprocal move aims to encourage Bangladesh to reconsider its restrictions, address trade imbalances, and protect Indian textile exporters by ensuring fair and consistent trade terms.

Table 6: Segment-wise RMG exports from India (Value in USD Mn)

Segment	FY21	FY22	FY23	FY24	FY25	FY21 to FY25 CAGR (%)
Readymade Garments (RMG)	12,272	16,015	16,191	14,532	15,989	6.84%
Cotton Textiles	11,128	17,166	11,085	12,258	12,299	2.53%
Man-made Textile	4,180	6,294	5,412	5,081	5,295	6.09%
Carpets	1,491	1,790	1,366	1,395	1,541	0.83%
Jute Products	397	537	462	353	400	0.19%
Silk Products	76	109	95	119	162	20.83%
Wool & Woolen Textiles	109	166	205	192	160	10.07%
Handloom Products	233	269	183	140	142	-11.64%
Total Textiles & Readymade garments	**29,877**	**42,347**	**34,997**	**34,072**	**35,988**	**4.76%**
Handicrafts	1,708	2,088	1,689	1,802	1,767	0.85%
Total Textiles, Readymade garments including Handicrafts	**31,585**	**44,435**	**36,686**	**35,874**	**37,755**	**4.56%**

Source: PIB

During the period from FY21 to FY25, India's textile and readymade garments sector recorded growth, with overall exports registering a CAGR of 4.76%, supported by recovery in global demand following the pandemic and policy measures. Among the segments, readymade garments recorded a CAGR of 6.84%, supported by export demand and export incentive schemes such as the Remission of Duties and Taxes on Exported Products (RoDTEP). Man-made textiles recorded a CAGR of 6.09%, reflecting demand for synthetic fibres and policy focus on this segment. Cotton textiles recorded a CAGR of 2.53%, influenced by movements in domestic cotton prices linked to procurement mechanisms. Silk products recorded a CAGR of 20.83%, supported by demand, while wool and woollen textiles recorded a CAGR of 10.07%, supported by demand conditions. In contrast, handloom products recorded a negative CAGR of 11.64%, due to export demand conditions and competition from mechanized alternatives, despite policy support. Other segments, including carpets and jute products, recorded growth supported by export promotion measures. The handicrafts segment recorded a CAGR of 0.85% during the period from FY21 to FY25, indicating limited growth. The segment's performance was influenced by its dependence on discretionary consumer spending in key export markets such as the US and Europe, which experienced periods of demand moderation amid global economic conditions. Overall, the sector's performance reflects demand trends and policy support across segments.

Exports to any market depend on factors such as price competitiveness, labour costs, productivity, quality standards, availability of raw materials, logistics efficiency, compliance with regulatory requirements, and tariffs in the destination market. Market access conditions, global demand, exchange rate movements, and trade agreements also influence export performance. Indian textile and apparel exports have recorded stability, supported by diversification of export destinations, expansion in manufacturing capacity, and trade facilitation and export promotion measures.

5.6. Outlook

The apparel industry's growth is closely intertwined with advancements in textile processing, which serves as a critical link between raw materials and finished garments. As consumer preferences evolve towards fast fashion, performance wear, and sustainable clothing, the textile processing technologies have adapted to meet these demands.

Innovations in dyeing, printing, and finishing techniques have enabled manufacturers to produce fabrics with enhanced aesthetics, functionality, and durability. The adoption of waterless dyeing methods and the use of biodegradable chemicals reflect a shift towards more environmentally friendly practices in textile processing. These advancements not only improve the quality of apparel but also align with global sustainability goals.

Government initiatives, such as the Production Linked Incentive (PLI) scheme and the establishment of Mega Integrated Textile Region and Apparel (MITRA) parks, aim to modernize the textile sector by integrating the entire value chain from spinning and weaving to processing and garment manufacturing at single locations. This integration enhances efficiency, reduces logistics costs, and fosters innovation in textile processing, thereby supporting the apparel industry's expansion.

Furthermore, the growing demand for synthetic and blended fabrics in activewear and other apparel categories has spurred the development of specialized processing techniques to handle these materials effectively. By embracing such advancements, the textile processing sector plays a pivotal role in enabling the apparel industry to cater to diverse consumer needs and expand its global footprint.

According to the Apparel Export Promotion Council, the council has requested the Tamil Nadu government to include the apparel export industry in the 20% allocation of commercial LPG cylinders. It stated that such support would enable garment manufacturers to continue operations without disruption during the period. LPG is a fuel used in garment manufacturing, particularly in processing activities.

According to the Apparel Export Promotion Council, the council has requested the government to exempt apparel exporters from airport demurrage charges due to flight disruptions linked to the West Asia crisis. Demurrage charges are levied when cargo remains at airport terminals beyond the specified free storage period. Disruptions in international flight operations have resulted in export consignments remaining at multiple cargo terminals across the country. The levy of demurrage in such conditions would increase financial costs for exporters managing shipment delays and contractual obligations.

Indian apparel exporters continue to maintain a cautious, wait-and-watch approach amid ongoing changes in US trade policy and tariff regulations. Following the US Supreme Court's invalidation of the International Emergency Economic Powers Act (IEEPA)-based tariff framework in February 2026, the US introduced a temporary 10% global tariff under Section 122, which remained in effect until 24 July 2026 before being replaced by a new Section 301-based tariff regime that imposes additional duties of 10% to 12.5% on imports from several exporting countries. These frequent policy changes have significantly reduced the tariff-based competitive advantage that India was expected to gain over major apparel-exporting nations such as Bangladesh and Vietnam, resulting in a more level competitive landscape. Consequently, industry participants, including the Clothing Manufacturers Association of India (CMAI), believe that future growth will depend more on factors such as manufacturing efficiency, supply chain resilience, product quality, compliance capabilities, and market diversification rather than tariff differentials alone. While India continues to benefit from the global China+1 sourcing strategy and strong demand from international buyers, uncertainty surrounding US trade policies remains a key concern for long-term business planning and investment decisions.

According to the Commerce and Industry Minister, India will be granted concessional duty access for garments produced using American yarn and cotton under a trade agreement with the United States. The arrangement will align with the benefits available to Bangladesh and will take effect upon the signing of an interim trade agreement with the United States. The two countries have finalized the framework for the first phase of the bilateral trade agreement, which is expected to be implemented in March 2026. Both countries have reported substantial progress in trade talks and reaffirmed their commitment to concluding an interim agreement as a steppingstone toward a broader trade pact. As of June 2026, discussions were continuing on market access, supply chains, digital trade, and tariff concessions, indicating that the proposed textile-related benefits remain under negotiation rather than being operational.

Indian apparel exporters are preparing for shipment delays and increased costs for consignments to the UAE, a key export market, as tensions in West Asia affect maritime routes. According to the Confederation of Indian Textile Industry, an increase in freight and insurance costs could reduce margins and affect the ability to meet contractual commitments. In addition, meetings with buyers in the Middle East have been cancelled during the shipping season. According to the Knitwear Club, such disruptions may increase logistics expenses and extend turnaround times by 15–20 days. It also noted that polyester yarn is derived from petroleum-based hydrocarbons; therefore, an increase in crude oil prices leads to higher production costs for these fibres and affects overall manufacturing costs.

India and the European Union (EU) concluded negotiations on their free trade agreement (FTA) on 27 January 2026. The agreement is to be signed in 2026, subject to legal review and ratification, and is expected to come into force by early 2027. Under the FTA, apparel exports from India will receive duty-free access across tariff lines, compared to the current tariff of around 12%. This is expected to improve India’s competitiveness in the European apparel market. However, the impact is unlikely to be reflected in the current financial year or in 2026–27, as implementation is expected in early 2027. The agreement is likely to enhance the price competitiveness of Indian exporters, particularly in the RMG segment, which is highly labour-intensive and export oriented. Improved market access is expected to result in increased order inflows from European brands, higher capacity utilization, and incremental employment generation. Additionally, the agreement would enable India to better compete with countries such as Bangladesh and Vietnam, which currently benefit from preferential trade access to the European Union. The anticipated increase in garment exports is also expected to have a positive cascading effect across the textile value chain, including yarn and fabric segments. However, the extent of benefits will depend on the ability of Indian exporters to comply with stringent European standards related to sustainability, traceability, and labour practices. Overall, the agreement is expected to provide a structural boost to India’s textile exports, subject to effective implementation and compliance readiness.

The Bureau of Indian Standards has introduced quality norms for woven shirts and trousers to establish a baseline across segments. For shirts, the standards specify parameters such as stitching durability, dimensional stability, and colour retention, with a similar framework applied to trousers. The development is relevant as a significant portion of garment manufacturing in India, particularly for the domestic market, has operated on company-defined specifications rather than national benchmarks. The norms are not expected to affect export volumes, as manufacturers will continue to follow the sizing and specification requirements of importing countries while complying with BIS standards for the domestic market.

The global shift towards sustainable and ethical sourcing practices has further bolstered India's RMG sector. International buyers are increasingly diversifying their supply chains, moving away from traditional suppliers like China and Bangladesh, and turning to India for its reliable production capabilities and adherence to sustainability standards. This trend, combined with India's efforts to enhance its manufacturing capabilities and export potential, positions the RMG industry for continued growth and global competitiveness. With ongoing investments in technology, infrastructure, and workforce development, India's RMG sector is well-positioned to meet the dynamic demands of the global apparel market.

India’s RMG sector is well-positioned for sustained growth due to its large skilled workforce, improving infrastructure, and rising global relevance. With effective execution of policies and sustained investment, India has the potential to emerge as a global apparel manufacturing hub.

6. Competitive Landscape

(i) Sitaram Denim India Limited (SDIL)

Sitaram Denims India Limited (SDIL) was formerly known as Sitaram Texpark Developers Private Limited. The company was incorporated in 2011 and has its registered office located in Bhilwara, Rajasthan. It is engaged in the business of manufacturing denim fabric in Bhilwara, Rajasthan. It provides fabric for menswear under the 'Sitaram' brand. SDIL manufactures grey denim fabric and finished fabric. It is exporting to regions in the domestic market, products were sold across 15 states. In international markets, products were sold in countries including Ecuador, Peru, South Africa, Yemen, Afghanistan, Mexico and the United Arab Emirates.

(ii) Sonaselection India Ltd (SIL)

Sonaselection India Limited (SIL) was incorporated in 2022 and has its registered office located in Bhilwara, Rajasthan. The company's manufacturing unit is located in Bhilwara. It is engaged in the processing of grey fabrics into finished fabrics. It offers woven fabrics, specialty weaves, finished fabrics, product applications, advanced finishes, and many more. In addition to manufacturing fabric, the Company undertakes the processing of greige fabric on a job-work basis for third-party customers. Under this arrangement, customers provide greige fabric to the Company, which undertakes processing based on specified requirements relating to quality parameters, colour shades, finishes and other product attributes.

(iii) Swaraj Suiting Ltd (SSL)

Swaraj Suiting Limited (SSL) was incorporated in 2003 and has its registered office located in Bhilwara, Rajasthan. It is engaged in the business of manufacturing cotton and synthetic fabric at its two facilities in Bhilwara (Rajasthan) and Neemuch. The Company operates across multiple stages of the textile value chain, including spinning, warping, yarn dyeing, weaving, fabric processing and finishing. The Company has an installed capacity of over 125 looms.

(iv) Borana Weaves Ltd (BWL)

Borana Weaves Limited (BWL) was incorporated in 2020 and has its registered office located in Surat, Gujarat, is part of the Surat-based Borana group. BWL is engaged in the manufacturing of unbleached synthetic grey fabric, which is used as a base material for dyeing and printing across fashion, traditional textiles, technical textiles, home décor and interior applications. In addition, the Company manufactures polyester textured yarn (POT Yarn), which is produced by processing polyester-oriented yarn (POY Yarn), a raw material used in the production of grey fabric. As of Mar,'26, BWL operates four manufacturing units.

(v) Gokaldas Exports Ltd (GEL)

Gokaldas Exports Limited (GEL) was incorporated in 2004 and has its registered office located in Mumbai, Maharashtra. It is engaged in the business of manufacturing and exporting readymade garments for men, women, and children, and caters to international fashion brands and retailers. GEL operates from more than 30 manufacturing facilities, with operations across Karnataka, Gurgaon, Ranchi, Kenya, and Ethiopia. The company caters to renowned brands in the markets of North America and Europe, serving their requirements across various product categories. The company has exported to 50+ countries and has 35+ units. It has a presence in Africa, Dubai, Asia, Oceania, South America, and other regions.

6.1. Operations Key Performance Indicators

Fiscal 2024

	Units	SDIL	SIL*	SSL	BWL*	GEL
Average Capacity Utilization	%	84.17%	89.50%	NA	79.51%	NA
Production volume	Million Meters	11.11	NA	NA	NA	NA

	Units	SDIL	SIL*	SSL	BWL*	GEL
Revenue per Employee	Rs. Million	5.50	2.30	NA	2.51	4.28
Number of Looms	Number	120	NA	NA	NA	NA

Source: Company Reports
Note:
- * - From RHP report
- NA – Not Available

Fiscal 2025

	Units	SDIL	SIL*	SSL	BWL	GEL
Average Capacity Utilization	%	79.54%	78.24%	NA	80.93%	NA
Production volume	Million Meters	15.27	NA	NA	NA	NA
Revenue per Employee	Rs. Million	7.94	4.03	NA	4.43	6.10
Number of Looms	Number	204	NA	NA	NA	NA

Source: Company Reports
Note:
- * - From RHP report
- NA – Not Available

Fiscal 2026

	Units	SDIL	SIL*	SSL	BWL	GEL
Average Capacity Utilization	%	97.06%	82.71%	NA	80.93%	NA
Production volume	Million Meters	24.46	NA	NA	NA	NA
Revenue per Employee	Rs. Million	6.92	5.90	NA	4.79	5.30
Number of Looms	Number	204	NA	NA	1,212	NA

Source: Company Reports
Note:
- * - From RHP report
- NA – Not Available

Q1 Fiscal 2027

	Units	SDIL	SIL	SSL	BWL	GEL
Average Capacity Utilization	%	27.94%*	NA	NA	NA	NA
Production volume	Million Meters	7.04*	NA	NA	NA	NA
Revenue per Employee	Rs. Million	1.76*	NA	NA	NA	NA
Number of Looms	Number	204	NA	NA	NA	NA

*Not Annualized
Source: Company Reports
Note:
- NA – Not Available

6.2. Financial Key Performance Indicators

Fiscal 2024

	Units	SDIL	SIL	SSL	BWL	GEL
Revenue from Operations	Rs Million	1,116.82	1,209.79	3,195.88	1,990.56	23,788.85
Gross Profit	Rs Million	578.92	727.03	944.61	765.76	12,437.62
EBITDA	Rs Million	203.00	281.56	397.13	411.73	2,540.06
PAT	Rs Million	52.35	130.95	184.98	235.86	1,309.72
Cash Profit	Rs Million	148.08	198.92	265.03	327.39	2,197.46
Gross Profit Margin	%	51.84%	60.10%	29.56%	38.47%	52.28%
EBITDA Margin	%	18.18%	23.27%	12.43%	20.68%	10.68%
PAT Margin	%	4.69%	10.82%	5.79%	11.85%	5.51%
Cash Profit Margin	%	13.07%	16.40%	8.14%	16.40%	9.12%
ROE	%	7.42%	33.68%	21.33%	65.57%	12.03%
ROCE	%	4.74%	11.64%	11.24%	27.42%	8.65%
Debt to Equity	Times	2.10	3.72	1.64	1.45	0.48
Fixed Turnover Ratio	Times	0.69	1.61	4.22	2.73	6.32
Net Working Capital Days	Days	184	117	110	62	101

Source: Company Reports

Fiscal 2025

	Units	SDIL	SIL	SSL	BWL	GEL
Revenue from Operations	Rs Million	2,088.43	3,159.52	4,165.68	2,903.10	38,642.40
Gross Profit	Rs Million	1,052.67	1,312.56	1,388.89	1,125.72	19,339.46
EBITDA	Rs Million	418.80	576.05	730.50	624.47	3,709.68
PAT	Rs Million	159.42	185.63	331.46	402.02	1,585.41
Cash Profit	Rs Million	221.12	358.77	445.05	532.63	2,869.44
Gross Profit Margin	%	50.40%	41.54%	33.34%	38.78%	50.05%
EBITDA Margin	%	20.05%	18.23%	17.54%	21.51%	9.60%
PAT Margin	%	7.63%	5.88%	7.96%	13.85%	4.10%
Cash Profit Margin	%	10.53%	11.34%	10.64%	18.05%	7.33%
ROE	%	19.65%	34.08%	25.45%	59.45%	9.40%
ROCE	%	12.61%	14.52%	14.64%	33.69%	8.90%
Debt to Equity	Times	2.18	2.96	1.74	0.67	0.31
Fixed Turnover Ratio	Times	1.14	1.86	1.59	4.38	6.24
Net Working Capital Days	Days	165	128	109	88	100

Source: Company Reports

Fiscal 2026

	Units	SDIL	SIL	SSL	BWL	GEL
Revenue from Operations	Rs Million	2,423.84	5,169.49	5,767.39	3,885.93	39,876.38

	Units	SDIL	SIL	SSL	BWL	GEL
Gross Profit	Rs Million	1,158.53	2,111.50	2,060.10	1,607.46	20,629.87
EBITDA	Rs Million	504.79	841.27	1,115.40	914.83	3,563.56
PAT	Rs Million	242.26	340.23	523.66	646.12	1,001.32
Cash Profit	Rs Million	310.85	530.56	748.79	824.22	2,670.29
Gross Profit Margin	%	47.80%	40.85%	35.72%	41.37%	51.73%
EBITDA Margin	%	20.83%	16.27%	19.34%	23.54%	8.94%
PAT Margin	%	9.99%	6.58%	9.08%	16.63%	2.51%
Cash Profit Margin	%	12.75%	10.25%	12.79%	20.77%	6.57%
ROE	%	23.97%	39.05%	21.22%	35.01%	4.72%
ROCE	%	12.82%	17.96%	13.87%	20.98%	6.04%
Debt to Equity	Times	2.01	2.48	0.89	0.25	0.45
Fixed Turnover Ratio	Times	1.34	2.82	2.00	2.65	6.06
Net Working Capital Days	Days	200	136	156	100	112

Source: Company Reports

Q1 Fiscal 2027

	Units	SDIL	SIL	SSL	BWL	GEL
Revenue from Operations	Rs Million	751.07	1,481.20	1,833.66	1,008.39	11,535.14
Gross Profit	Rs Million	371.22	610.70	640.15	445.25	6,043.89
EBITDA	Rs Million	157.81	219.30	355.21	258.42	1,125.00
PAT	Rs Million	79.78	97.50	162.20	164.80	442.98
Cash Profit	Rs Million	93.32	132.00	217.25	224.70	901.08
Gross Profit Margin	%	49.43%	41.23%	34.91%	44.15%	52.40%
EBITDA Margin	%	21.01%	14.81%	19.37%	25.63%	9.75%
PAT Margin	%	10.62%	6.58%	8.85%	16.34%	3.84%
Cash Profit Margin	%	12.37%	8.90%	11.71%	22.09%	7.64%
ROE	%	6.82%	NA	NA	NA	NA
ROCE	%	3.93%	NA	NA	NA	NA
Debt to Equity	Times	2.03	NA	NA	NA	NA
Fixed Turnover Ratio	Times	0.42	NA	NA	NA	NA
Net Working Capital Days	Days	712	NA	NA	NA	NA

Above Q1 Fiscal 2027 figure is not annualized
Source: Company Reports
Note: NA – Not Available

KPI Formulas

Particulars	Formulas
Installed Capacity (%)	Actual Production / Installed Capacity
Revenue per Employee (Rs. Million)	Revenue from operations / Number of Employees

Particulars	Formulas
Revenue from operations (Rs. Million)	Revenue from operations
Gross Profit (Rs. Million)	[(Revenue from operations) – (Cost of material consumed + Purchase stock in trade + Changes in inventories of finished goods and work-in-progress)]
Gross Profit Margin (%)	Gross Profit / Revenue from operations
EBITDA (Rs. Million)	Profit before tax + Finance Cost + Depreciation – Other Income
EBITDA Margin (%)	EBITDA / Revenue from operations
EBIT (Rs. Million)	Profit before tax + Finance Cost – Other Income
PAT (Rs. Million)	Profit after tax
PAT Margin (%)	PAT / Revenue from operations
Cash Profit (Rs. Million)	PAT – Depreciation
Cash Profit Margin (%)	Cash Profit / Total Income
ROE (%)	PAT / Average Total Equity
ROCE (%)	[EBIT / (Total Debt {long term borrowings and short-term borrowings} + Total Equity)]
Debt to Equity (times)	Total Debt {long term borrowings and short-term borrowings / Total Equity
Fixed Turnover Ratio (times)	Revenue from operations / Net Block of Property, Plant and Equipment
Net Working Capital Days (Days)	[{Current assets (excluding cash and cash equivalents and bank and bank balances other than cash and cash equivalents)} – {Current liabilities (excluding short term borrowings)} / Revenue from operations] *365

7. Abbreviation

Abbreviation	Definition	Explanation
ASEAN	Association of Southeast Asian Nations	A regional intergovernmental organization of Southeast Asian countries promoting economic, political, and trade cooperation.
ATDC	Apparel Training & Design Centre	Institution providing skill development and design training for apparel and textile industry professionals.
ATIRA	Ahmedabad Textile Industry's Research Association	A research and development organization supporting technological advancement in textiles.
ATUFS	Amended Technology Upgradation Fund Scheme	Government scheme providing financial support for modernization and technology upgrades in textiles.
CAD	Computer Aided Design	Software used to design products digitally, widely applied in textile pattern and apparel design.
CAM	Computer Aided Manufacturing	Software and systems that automate manufacturing processes.
CCI	Cotton Corporation of India	Government body ensuring price support and procurement of cotton
CETP	Common Effluent Treatment Plant	Facility for treating industrial wastewater collectively to meet environmental norms.
CEPA	Comprehensive Economic Partnership Agreement	Free trade agreement covering trade in goods, services, and investment between countries.
COVID	Coronavirus Disease of 2019	Global pandemic affecting public health and economic activities.

Abbreviation	Definition	Explanation
CPI	Consumer Price Index	Economic indicator measuring changes in retail prices, reflecting inflation.
CSP	Count Strength Product	Metric used in textiles indicating yarn quality based on count and tensile strength.
CY	Calendar Year	Standard 12-month period from January to December used in reporting.
D2C	Direct to Consumer	Business model where manufacturers sell products directly to end-users without intermediaries.
DoCP	Date for Commercial Production	The official start date when a manufacturing unit begins production for sale.
DTA	Domestic Tariff Area	Part of a country where standard customs duties apply, contrasted with SEZs.
eFCI	Eligible Fixed Capital Investment	The portion of capital investment is eligible for government incentives or schemes.
EU	European Union	A political and economic union of European countries for free trade and movement.
F	Forecasted	Projected values or estimates based on predictive analysis.
FE	Final Estimates	Officially published finalized data or statistics.
FDI	Foreign Direct Investment	Investment made by foreign entities into domestic companies or assets.
FMGC	Fast Moving Consumer Goods	Products sold quickly at relatively low cost, including apparel accessories in textiles.
FOB	Freight on Board	Export/import term indicates the seller's responsibility until goods are loaded onto transport.
FRE	First Revised Estimates	Initial revision of previously published statistical estimates.
FTAs	Free Trade Agreements	Agreements between countries to reduce tariffs and trade barriers on goods and services.
FY	Fiscal Year	Accounting period used for financial reporting, e.g., April–March in India.
GIST 2.0	Grant for Internship Support in Technical Textiles	Government initiative providing internships to build skills in technical textiles.
GNDI	Gross National Disposable Income	Total income available to residents for consumption or saving.
GDP	Gross Domestic Product	Total value of goods and services produced within a country.
GVA	Gross Value Added	Measure of contribution of a sector to the economy, subtracting intermediate consumption.
GREAT Scheme	Grant for Research & Entrepreneurship across Aspiring Innovators in Technical Textiles	Support for R&D and startups in technical textiles.
HS codes	Harmonized System Codes	International standardized codes for identifying traded goods.
IIP	Index of Industrial Production	Measure of industrial output in sectors including textiles.
IMD	India Meteorological Department	Government agency providing weather forecasts relevant to agriculture and industry.
IMF	International Monetary Fund	Global financial institution providing monetary support and policy guidance.
IoT	Internet of Things	Network of connected devices used for automation and monitoring in textile manufacturing.

Abbreviation	Definition	Explanation
IPDS	Integrated Processing Development Scheme	Government program for modernization of textile processing units.
Itema S.p.A.	Italian business designation	Italian textile machinery manufacturer.
JLGs	Joint Liability Groups	Groups of borrowers, usually in MSMEs, are jointly responsible for loan repayment.
Kva	Kilovolt Amperes	Unit of electrical power used in machines and plants.
KWH	Kilowatt-Hour	Measure of electricity consumption.
LED	Light Emitting Diode	Energy-efficient lighting technology is used in factories and offices.
MEIS	Merchandise Exports from India Scheme	Export incentive program to promote Indian products abroad.
MITRA	Mega Integrated Textile Region and Apparel	Government initiative creating large integrated textile parks.
MMF	Man Made Fibers	Synthetic or cellulosic fibers are produced artificially.
MSMEs	Micro, Small, and Medium Enterprises	Small-scale enterprises are critical to textiles and apparel sector.
MSP	Minimum Support Price	Price floor for agricultural products like cotton to support farmers.
MUDRA	Micro Units Development and Refinance Agency	Government program providing loans to small enterprises, including textile units.
MW	Megawatt	Unit of electrical power capacity.
NID	National Institute of Design	Design institute contributing to textile and apparel design innovation.
NIFT	National Institute of Fashion Technology	Institution for fashion and textile education.
NTTM	National Technical Textiles Mission	Government mission promoting technical textiles sector.
OE	Open End (spinning method)	A type of rotor spinning used for yarn production.
P	Projected	Estimated value for future periods.
PE	Provisional Estimates	Preliminary published data subject to revision.
PFCE	Private Final Consumption Expenditure	Measure of household consumption expenditure.
PLI	Production Linked Incentive	Government incentive for manufacturing growth in key sectors.
PM MITRA	Prime Minister Mega Integrated Textile Region and Apparel	Flagship initiative for integrated textile clusters.
PPE kits	Personal Protective Equipment kits	Safety gear used in healthcare and industrial applications.
PSF	Polyester Staple Fiber	Type of man-made synthetic fibre widely used in textiles.
PVA	Polyvinyl Alcohol	Synthetic polymer used in textile finishing and coatings.
R&D	Research and Development	Activities for innovation, product improvement, and process efficiency.
RC	Ranchhodlal Chhotalal Technical Institute	Textile-focused technical institute in India.
RBI	Reserve Bank of India	Central bank regulating currency, credit, and financial stability.
RMG	Ready Made Garments	Finished garments ready for retail sale.

Abbreviation	Definition	Explanation
RoDTEP	Remission of Duties and Taxes on Exported Products	Scheme reimbursing taxes and duties to exporters.
RoSCTL	Rebate of State and Central Levies and Taxes	Export incentive scheme replacing MEIS for apparel and textiles.
SAMARTH	Scheme for Capacity Building in Textile Sector	Government initiative providing training to improve workforce skills.
SDP	State Domestic Product	Measure of economic output at the state level.
SEZ	Special Economic Zone	Designated area with tax and regulatory benefits to promote exports.
SHGs	Self Help Groups	Community-based organizations for small enterprise financing.
SITP	Scheme for Integrated Textile Parks	Government program developing textile clusters with infrastructure.
SMEs	Small and Medium Enterprises	Medium-scale enterprises contributing to manufacturing and employment.
TCDS	Textile Cluster Development Scheme	Initiative to strengthen and modernize textile clusters.
TPI	Twist Per Inch	Yarn property indicating twist level affecting strength and texture.
TUFS	Technology Upgradation Fund Scheme	Earlier government programs supported textile machinery modernization.
USD	United States Dollar	International currency used in trade and exports.
US	United States	Major trade partner for Indian textiles.
VSF	Viscose Staple Fiber	Semi-synthetic fibre produced from cellulose, used in fabrics.
WPI	Wholesale Price Index	It measures and tracks the average change in prices of goods traded in bulk at the wholesale or producer level before they reach retail consumers.
ZLD	Zero Liquid Discharge	Environmental practice ensuring no untreated effluent is discharged.

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 28, 190, 374 and 322, 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 26 for a discussion of the risks and uncertainties related to those statements and also the section titled '**Risk Factors**' on page 28 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 '**Textile Research Report'** dated October 30,2026, prepared and issued by CareEdge Research (the "CareEdge Report"), appointed by us on May 27, 2026, and exclusively commissioned and paid for by us in connection with the Issue. CareEdge Research 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 CareEdge 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 CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the Textile Research Report is available on the website of our Company at www.sitaramdenims.com/investors.html until the Bid/Issue Closing Date. For more information, see "**Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from the CareEdge Report, which was prepared by CareEdge Research and exclusively commissioned and paid for by our Company for the purposes of the Offer and any reliance on information from the CareEdge Report for making an investment decision in the Offer is subject to inherent risks**" on page 67.*

OVERVIEW

We are engaged in the manufacture and supply of branded and unbranded woven fabrics, primarily catering to various categories within the apparel segment. Our principal product categories comprise cotton-spandex fabrics, rigid cotton fabrics, denim fabrics, polyester-viscose ("**PV**") fabrics and other blended fabrics.

We manufacture primarily on a make-to-stock basis, with production planning and product mix guided by prevailing market demand and customer-specific requirements, including specifications relating to fibre composition, fabric construction, weight, width, design, finish and other technical parameters.

Our manufacturing operations are undertaken through a combination of our owned Manufacturing Facility and dedicated manufacturing infrastructure available through Sitaram India Limited, one of our Promoters, pursuant to an exclusive job-work arrangement.

Our Manufacturing Facility comprises of a) Sizing facility of approximately 21,084 square feet, with an installed technical capacity of 6.00 million kilograms per annum and weaving facility of approximately 106,329 square feet, with an installed technical capacity of 25.20 million metres per annum. These capacities are determined based on specified technical assumptions relating to yarn count, beam length and fabric construction, as described under "***Business Operations – Capacity Utilisation***" on page 257.

Our Manufacturing Facility is principally used for the manufacture of cotton-spandex, rigid cotton and denim fabrics, while certain product requirements, including PV and other blended fabrics, are met through the dedicated weaving infrastructure of Sitaram India Limited, depending on the construction, design and production requirements of the relevant fabric. This combination enables us to address varying product specifications and allocate production across the available manufacturing infrastructure. For further details, see "***Business Operations***" on page 254.

We sell our products in both grey and finished fabric forms. Finished fabrics are produced by subjecting woven grey fabrics to downstream processing, including dyeing and finishing, through third-party processing units prior to sale. Finished fabrics are sold principally on an unbranded basis and a small portion is also sold under the "Sitaram" brand. In addition to fabric sales, we undertake job-work weaving and sizing activities for third-party customers in accordance with their product and technical specifications and sell sized yarn.

The following table sets forth the contribution of our principal products and activities to revenue from operations for the periods indicated:

(₹ in million, except percentages)

Particulars	Three-month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Manufacturing income – product-wise								
Cotton spandex	380.18	50.61%	1468.93	60.60%	1,510.63	72.33%	464.47	41.59%
Cotton rigid	25.43	3.39%	128.42	5.30%	130.95	6.27%	50.2	4.49%
polyester-viscose	190.25	25.33%	365.97	15.10%	113.02	5.41%	363.75	32.57%
Sized Yarn	19.24	2.56%	95.04	3.92%	104.13	4.99%	-	-
Activity income – Service wise								
Job-work weaving income[(1)]	73.83	9.84%	243.18	10.03%	143.51	6.87%	212.42	19.02%
Job-work sizing income[(2)]	22.89	3.05%	86.79	3.58%	31.68	1.52%	-	-
Other operating revenue[(3)]	39.25	5.23%	35.51	1.46%	54.51	2.61%	25.98	2.33%
Total Revenue from Operations	**751.07**	**100%**	**2,423.84**	**100%**	**2,088.43**	**100%**	**1,116.82**	**100%**

Notes:

(1) Job-work weaving income it includes job work undertaken for denim fabric.

(2) Job-work sizing income represents income earned from sizing yarn supplied by third-party customers. We commenced in-house sizing operations during Fiscal 2025 following installation of our sizing machine and, accordingly, did not record job-work sizing income in Fiscal 2024.

Other operating revenue comprises sales of yarn, waste, stores and spares.

Our manufacturing operations are located in District Bhilwara, Rajasthan, which forms part of an established textile manufacturing ecosystem comprising spinning mills, yarn suppliers, weaving units, processing units and ancillary textile service providers. As per the *CareEdge Report*, Bhilwara (Rajasthan) is a key textile hub, with a strong presence in spinning, weaving and processing, particularly for synthetic, blended and suiting fabrics. The cluster has a significant concentration of organised textile mills and integrated manufacturing units, supporting large-scale production of yarn and woven fabrics for domestic and export markets.

Our location provides proximity to raw-material suppliers, downstream processors and customers. Yarn, one of our principal raw materials, is sourced from spinning mills and other suppliers, while a substantial portion of our downstream processing is undertaken through third-party units located in Bhilwara. The manufacturing facilities of Sitaram India Limited are also located in Bhilwara, facilitating coordination under our exclusive job-work arrangement. For further details, see "***Our Competitive Strengths***" and "***Business Operations – Suppliers***" on pages 244 and 264, respectively.

We commenced commercial production at our Manufacturing Facility in Fiscal 2018 with 120 automatic shuttleless airjet looms and associated preparatory machinery. Subsequently, during Fiscals 2024 and 2025, we expanded our manufacturing infrastructure through the addition of 84 shuttleless airjet looms, one sizing machine and related preparatory machinery. Our principal machinery has been sourced from textile and engineering equipment manufacturers across Japan, Switzerland, Italy, Germany, China and the United States. This includes airjet looms from Japan, automated drawing equipment from Switzerland, a sizing machine and cone winder from Italy, direct-beaming machines from China and certain warp-preparation, winding and quality-related equipment from Germany and Switzerland.

During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we incurred capital expenditure towards plant and machinery of ₹1.15 million, ₹18.02 million, ₹235.54 million and ₹606.89 million, respectively. As of the date of this Draft Red Herring Prospectus, our Manufacturing Facility integrates preparatory, weaving and inspection processes, including yarn testing, warping, sizing, drawing-in, warp tying, cone winding, weaving, inspection, grading and batching. Certain equipment and systems have been customised or configured for our manufacturing requirements. The integration of these processes supports monitoring across successive stages of production, reduces manual intervention in certain activities and enables identification of fabric-quality issues during manufacture. For further details, see "***Business Operations – Our Manufacturing Facility***" and "***Business Operations – Capacity Utilisation***" on pages 254 and 257, respectively.

Our owned manufacturing capabilities are supplemented by dedicated infrastructure available through Sitaram India Limited pursuant to the exclusive job-work arrangement. Under this arrangement, 36 Sulzer double-width looms and 72 rapier looms, aggregating to 108 looms, are dedicated to our manufacturing requirements. We supply the yarn and other materials required for production, while Sitaram India Limited undertakes specified weaving and mending activities.

This combination provides access to airjet, sulzer and rapier weaving technologies suited to different fabric constructions and production requirements. Airjet looms support high-speed manufacture of selected fabric constructions; Sulzer looms provide an alternative weaving platform for selected categories, including PV fabrics; and rapier looms support fabrics involving multiple-colour weft insertion, slub yarns and more complex constructions. Production is allocated having regard to yarn characteristics, fabric construction, colour and design requirements, machine suitability and available capacity.

The following table sets forth production undertaken at our Manufacturing Facility and through Sitaram India Limited for the periods indicated:

Particulars	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Fabric produced at our Manufacturing Facility	million meter	24.46	15.27	11.11
Fabric manufactured through Sitaram India Limited	million meter	2.35	2.56	2.58
Sizing volume*	million kg	5. 87	3.06	-

** Sizing is a preparatory process undertaken prior to weaving, in which yarn is treated with sizing material to improve its strength, abrasion resistance and performance during weaving. Sizing volume represents the quantity of yarn processed through our sizing infrastructure and is measured in million kilograms. It is a separate operating measure and is not additive to fabric production, which is measured in million metres. Our sizing machine was installed during Fiscal 2025 and, accordingly, we did not undertake in-house sizing operations during Fiscal 2024.*

Our principal product categories and operating activities are undertaken through the following manufacturing models:

Product Category / Activity	Manufacturing Model
Cotton Rigid fabric	Primarily manufactured at our Manufacturing Facility.
Cotton Spandex fabric	Primarily manufactured at our Manufacturing Facility.
PV and certain other blended fabrics	Manufactured for us by Sitaram India Limited pursuant to the exclusive job-work arrangement.
Denim Fabric	Primarily manufactured at our Manufacturing Facility.
Job-work weaving	Undertaken at our Manufacturing Facility for third-party customers using customer-supplied yarn.

Product Category / Activity	Manufacturing Model
Sizing Services	Undertaken for our manufacturing requirements, for third-party customers on a job-work basis and for sales of sized yarn.

For further details, see "***Our Product Portfolio***" and "***Business Operations – Job-work Operations***" on pages 254 and 262, respectively.

Set out below is the product and service wise contribution to our revenue from operations for the periods indicated:

(₹ in million, except percentages)

Particulars	Three-month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Manufacturing income – product-wise								
Cotton spandex	380.18	50.61%	1468.93	60.60%	1,510.63	72.33%	464.47	41.59%
Cotton rigid	25.43	3.39%	128.42	5.30%	130.95	6.27%	50.2	4.49%
PV	190.25	25.33%	365.97	15.10%	113.02	5.41%	363.75	32.57%
Sized Yarn	19.24	2.56%	95.04	3.92%	104.13	4.99%	-	-
Activity income – Service wise								
Job-work weaving income[(1)]	73.83	9.84%	243.18	10.03%	143.51	6.87%	212.42	19.02%
Job-work sizing income[(2)]	22.89	3.05%	86.79	3.58%	31.68	1.52%	-	-
Others								
Other operating revenue[(3)]	39.25	5.23%	35.51	1.46%	54.51	2.61%	25.98	2.33%
Total Revenue from Operations	**751.07**	**100%**	**2,423.84**	**100%**	**2,088.43**	**100%**	**1,116.82**	**100%**

Notes:

(1) Job-work weaving income It includes job work for denim fabric

(2) Job-work sizing income represents income earned from undertaking sizing of yarn for third-party customers. The Company commenced in-house sizing operations during Fiscal 2025 following installation of its sizing machine and, accordingly, no job-work sizing income was recorded in Fiscal 2024.

(3) Other Operating revenue comprise of comprise of Yarn sale, Waste sale and Stores & Spares

For further details, see "***Our Business - Our Product Portfolio***" and "**Business Operations – Job-work operations**" on pages 254 and 262, respectively.

Yarn is one of the principal raw materials used in our manufacturing operations. We procure dyed and undyed yarn, including cotton, polyester, polyester-viscose, texturised and other blended yarn, from spinning mills and other suppliers based on our production schedules, product specifications and inventory requirements. During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, we procured raw materials from 51, 63, 54 and 53 suppliers, respectively.

We undertake quality checks at multiple stages of manufacture, including incoming-yarn inspection, monitoring of sizing parameters, loom-stage monitoring, real-time fabric inspection, grading and final inspection. Our real-time inspection systems are designed to identify fabric defects during production so that corrective action can be undertaken at an earlier stage. Fabrics are inspected and graded prior to dispatch or downstream processing against applicable specifications, including fabric construction, width, weave consistency and visible defects. For further details, see "***Quality Assurance and Quality Control***" on page 270.

We primarily sell our products in the domestic market and also cater to international markets through direct exports and sales to merchant exporters. In the domestic market, we principally serve business-to-business customers, including textile and apparel manufacturers, wholesalers and other participants in the textile industry. Sales to merchant exporters represent sales to customers who subsequently export the products and undertake export documentation, logistics and destination-market requirements in their own name.

The following table sets forth the geographical and channel-wise contribution to revenue from operations for the periods indicated:

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Domestic sales	92.08%	96.16%	99.33%	85.11%
Direct exports	2.13%	3.02%	0.67%	14.42%
Sales through merchant exporters	5.79%	0.81%	Nil	0.47%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

In the domestic market, our products were served across 15 states and union territories during three-month period ended June 30, 2026 and in Fiscal 2026, compared with 9 states in Fiscal 2025 and 7 states and union territories in Fiscal 2024. Our principal domestic markets include Rajasthan, Delhi, Gujarat, West Bengal, Madhya Pradesh, Maharashtra and Uttar Pradesh, among others. In International markets, our products were sold in countries including Nepal, Syria, Ecuador, Peru, South Africa, Yemen, Afghanistan, Mexico and USA.

We meet our manufacturing electricity requirements through a combination of electricity sourced from the government grid and solar energy. As of the date of this Draft Red Herring Prospectus, approximately 2.50 MW (AC) of solar capacity is operational to support our manufacturing requirements, while an additional 7.40 MW (AC) is under installation. Upon commissioning of the additional capacity, the aggregate solar capacity available to support our operations is expected to increase to approximately 9.9 MW (AC). For details of our electricity consumption, solar-capacity arrangements and implementation status, see "***Energy and Water***" on page 269.

As part of the next phase of our growth, we propose to establish a stitching facility, the capital expenditure for which is proposed to be funded from the Net Proceeds of the Offer. The proposed facility is intended to build upon our existing fabric-manufacturing capabilities and enable us to expand our product offerings into stitching different categories of apparel and thereby extend our participation further downstream in the textile value chain. For further details, see **"*Objects of the Offer – Funding the proposed expansion towards setting up of readymade garment manufacturing facility at Banera, Bhilwara ("Proposed Expansion")*"** on page 141.

Our individual Promoters have vast experience in the textile industry and continue to be actively involved in the strategic and operational management of our Company. They oversee key aspects of our business, including manufacturing operations, capacity planning, procurement, customer relationships, product development and business expansion. Our Promoters are supported by our Key Managerial Personnel and Senior Management. As on June 30, 2026, we have approximately more than 400 employees on our rolls across our manufacturing and corporate functions. For further details, see "***Our Promoters and Promoter Group***" and "***Our Management***" on pages 312 and 296, respectively.

Our financial performance improved over the last three Fiscals, with growth in revenue from operations, EBITDA and net profit, alongside an expansion in profitability margins. Revenue from operations increased from ₹1,116.82 million in Fiscal 2024 to ₹2,088.43 million in Fiscal 2025 and ₹2,423.84 million in Fiscal 2026. EBITDA increased from ₹203.00 million in Fiscal 2024 to ₹418.80 million in Fiscal 2025 and ₹504.79 million in Fiscal 2026, while EBITDA margin improved from 18.18% to 20.05% and 20.83%, respectively. Net profit increased from ₹52.35 million in Fiscal 2024 to ₹159.42 million in Fiscal 2025 and ₹242.26 million in Fiscal 2026, with net profit margin improving from 4.69% to 7.63% and 9.99%, respectively. For the three-month period ended June 30, 2026, our revenue from operations stood at ₹751.07 million, EBITDA at ₹157.81 million and net profit at ₹79.78 million, with EBITDA margin and net profit margin of 21.01% and 10.62%, respectively.

The table below summarizes the financial performance indicators and operational parameters for the periods indicated:

Particulars	Unit	Three month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs					
Revenue from Operations[(1)]	Million	751.07	2,423.84	2,088.43	1,116.82
Gross Profit[(2)]	Million	371.22	1,158.53	1,052.67	578.92
Gross Profit Margin[(3)]	%	49.43%	47.80%	50.40%	51.84%
EBITDA[(4)]	Million	157.81	504.79	418.80	203.00
EBITDA Margin[(5)]	%	21.01%	20.83%	20.05%	18.18%
Net Profit[(6)]	Million	79.78	242.26	159.42	52.35
Net Profit Margin[(7)]	%	10.62%	9.99%	7.63%	4.69%
Cash Profit[(8)]	Million	93.32	310.85	221.12	148.08
Cash Profit Margin[(9)]	%	12.37%	12.75%	10.53%	13.07%
Return on Capital Employed[(10)]	%	3.93%	12.82%	12.61%	4.74%
Return on Equity[(11)]	%	6.82%	23.97%	19.65%	7.42%
Debt-to-Equity Ratio[(12)]	Times	2.03	2.01	2.18	2.10
Fixed Asset Turnover Ratio[(13)]	Times	0.42	1.34	1.14	0.69
Net Working Capital Days[(14)]	Days	712	200	165	184
Operational KPIs					
Average Capacity Utilization [(15)]	%	27.94%	97.06%	79.54%	84.17%
Production Volume [(16)]	Million Meters	7.04	24.46	15.27	11.11
Revenue per Employee[(17)]	Million	1.75	6.88	7.90	5.42
Number of Looms[(18)]	Number	204	204	204	120

**Not annualized*

Notes:

(1) Revenue from operations is revenue generated during the year and as stated in restated financial information.
(2) Gross Profit is calculated from the revenue from operations as reduced by Cost of materials consumed and Changes in inventories of finished goods and work-in-progress.
(3) Gross Profit Margin is calculated as Gross Profit divided by Revenue from Operations.
(4) EBITD is calculated as Restated profit before tax minus Other Income plus Finance Costs, Depreciation and amortization expense.
(5) EBITDA Margin is calculated as EBITDA divided by revenue from operations.
(6) Net Profit represents the profit earned during the year, as stated in the Restated Financial Information.
(7) Net Profit Margin represents Net Profit as a percentage of Revenue from Operations.
(8) Cash Profit is calculated as Net profit plus depreciation & amortization expense.
(9) Cash Profit Margin is calculated as Cash Profit as a percentage of Total Income.
(10) Return on Capital Employed is calculated as Profit Before Tax plus Finance Costs divided by the sum of Total equity and Total borrowings (current and non-current).
(11) Return on Equity is calculated as Net profit divided by Average Total equity.
(12) Debt to equity ratio is calculated as the Total borrowings (current and non-current) divided by Total equity.
(13) Fixed Asset Turnover is calculated as Revenue from Operation divided by the Net Block of Property, Plant & Equipment.
(14) Net Working capital Days is calculated as Net Working Capital divided by Revenue from operations multiply by 365. Net working capital which is difference of Current assets excluding cash and cash equivalent and Current Liabilities excluding short term borrowings.
(15) Average capacity utilization has been calculated by dividing actual production divided by pro-rata based installed capacity for respective periods.
(16) Total quantity of grey fabric produced during the relevant period.
(17) Revenue per Employee is calculated by dividing Revenue from Operations by the average number of employees during the relevant period.
(18) Number of Looms represents the total installed looms as at the end of the relevant period.

For further details regarding our financial performance, see **"*Management's Discussion and Analysis of Financial Condition and Results of Operations*"** and **"*Basis for Offer Price – Key Performance Indicators*"** on pages 374 and 171, respectively.

OUR COMPETITIVE STRENGTHS

We believe that the following are our principal competitive strengths:

- ***Integrated and automation-led preparatory and weaving infrastructure supporting process control and manufacturing efficiency***

  Our Manufacturing Facility integrates multiple stages of the woven-fabric manufacturing process, including yarn testing, warping, sizing, automated drawing, warp tying, cone winding, weaving,

inspection, grading and batching. The facility is equipped with 204 shuttleless airjet looms, together with in-house sizing, automated drawing, direct-beaming, warp-tying, cone-winding, real-time fabric inspection, batching and related production-support infrastructure. The integration of these processes enables us to undertake key preparatory, weaving and inspection activities within our Manufacturing Facility and supports process control across successive stages of production.

Certain elements of our Manufacturing Facility have been customised and automated around our weaving requirements. Our sizing system incorporates additional equipment designed to facilitate uniform application of sizing material across individual yarns, supporting yarn performance and consistency during weaving. Our direct-beaming infrastructure incorporates technology designed to support thread-sheet management, rectification of end breaks and reduction of thread laps during the sizing process.

Our Manufacturing Facility is also equipped with an automated drawing-in system that reduces dependence on manual drawing operations and supports loom preparation. Our warp-tying infrastructure supports style changeovers and continuity of weaving operations, while our automated cone-winding system enables residual yarn to be rewound and spliced into knotless yarn packages for reuse, supporting material utilisation.

Set out below are details of our installed capacity, production and capacity utilisation at our Manufacturing Facility for the periods indicated:

Particulars	Unit	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Installed weaving capacity[(1)]	million metres	25.20	25.20	19.20	13.20
Actual fabric production	million metres	7.04	24.46	15.27	11.11
Weaving capacity utilisation	%	27.94*	97.06%	79.54%	84.17%
Installed sizing capacity[(2)]	million kg	6.00	6.00	3.00	NA
Actual sizing volume	million kg	1.88	5.88	3.06	NA
Sizing capacity utilisation	%	31.33*	98.00%	102.10%	NA

Not annualized

Notes:

(3) The annual installed capacity for weaving is calculated based on the applicable technical installed capacity, time-apportioned for the relevant period. Weaving capacity varies depending on the number of picks and construction of the fabric being manufactured. For the purpose of calculating installed capacity and utilization, we have considered an average of 80 picks.

(4) The installed capacity for sizing varies depending on yarn count and beam length. For calculating sizing installed capacity, we have considered 30s yarn and a beam length of 40,000 metres. Our sizing machine was installed during Fiscal 2025 and, accordingly, sizing capacity utilisation is not available for Fiscal 2024.

Note: *As certified by R.K. Maheshwari, Independent Chartered Engineer Certificate dated October 27, 2026.*

Our weaving infrastructure is further supported by real-time fabric inspection and automated batching systems. This configuration enables in-process fabric-quality monitoring and formation of fabric rolls of up to approximately 1.50 metres in diameter. The facility also includes an automated ultrasonic cleaning system and material-handling equipment, including hoists for movement of sized beams and fabric rolls, supporting maintenance of weaving components and movement of materials across the manufacturing process.

Set out below are certain key manufacturing and process capabilities of our Manufacturing Facility:

Manufacturing Capability	Infrastructure / Capacity	Operational Relevance
Weaving	204 Airjet looms	Supports high-speed manufacture of selected fabric constructions and specifications
Sizing	One sizing machine; technical capacity of approximately 60 lakh kg per annum	Supports in-house preparation of warp yarn and consistent application of sizing material prior to weaving
Automated drawing	One automated drawing-in machine	Supports mechanised loom preparation and reduces dependence on manual drawing operations
Warp tying	Four warp tying machines	Supports warp preparation and style changeovers
Direct beaming	Two Direct beaming	Supports preparation of warp beams and management of yarn ends prior to sizing and weaving
Automated knotless cone winding	One 36-spindle rewinding system	Enables residual yarn to be rewound and spliced for reuse
Online fabric inspection and batching	Real-time inspection and automated batching systems	Enables in-process identification of fabric-quality issues and formation of fabric rolls of up to approximately 1.50 metres in diameter
Ultrasonic cleaning	One automated ultrasonic cleaning machine	Supports cleaning of heald wires, drop wires and reeds
Material handling	Six four-way hoists	Supports controlled movement of sized beams and fabric rolls within the facility

Note: *As certified by R.K. Maheshwari, Independent Chartered Engineer Certificate dated October 27, 2026.*

Our manufacturing and operating processes are also supported by certifications relating to quality, environmental management, occupational health and safety, and energy management. Our Manufacturing Facility is certified under ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018, within the respective scopes specified in those certifications.

We also hold scope certifications under the Global Organic Textile Standard ("GOTS") and Global Recycled Standard ("GRS") for specified woven-fabric categories and associated preparatory and weaving processes. Our Manufacturing Facility has also been awarded Zero Defect Zero Effect ("ZED") Gold certification under the MSME Sustainable (ZED) Certification Scheme.

The integration of yarn preparation, automated loom preparation, weaving, in-process inspection and batching, together with our quality, environmental, occupational health and safety and energy management systems, provides us with greater control across key stages of our manufacturing operations. Our ISO, GOTS, GRS and ZED certifications further support the systems and processes implemented across our manufacturing platform. We believe that this combination of integrated infrastructure, automation, process controls and certified management systems supports consistent execution of customer-specific product requirements and provides a scalable foundation for our manufacturing operations. Also, see "***Our Business – Our Manufacturing Facility***", "***Our Business – Capacity Utilisation***" and "***Our Business - Quality Assurance and Quality Control***" on pages 254, 257 and 270, respectively."

- ***Flexible manufacturing and processing platform combining owned infrastructure, dedicated weaving capacity and third-party downstream processing capabilities***

Our manufacturing model combines our Manufacturing Facility with dedicated weaving infrastructure available through Sitaram India Limited, one of our Promoters, pursuant to an exclusive job-work arrangement. Under this arrangement, Sitaram India Limited undertakes specified weaving and mending

activities for us through 36 Sulzer double-width looms and 72 rapier looms, while we supply the yarn and other materials required for production.

As of the date of this Draft Red Herring Prospectus, Sitaram India Limited undertakes its textile manufacturing activities exclusively for our Company and does not undertake textile manufacturing for any other customer. Accordingly, in addition to our 204 shuttleless airjet looms, we have dedicated access to complementary Sulzer and rapier weaving infrastructure. Such machinery is owned and operated by Sitaram India Limited, and our access is pursuant to the exclusive job-work arrangement.

Our manufacturing platform may be summarised as follows:

Manufacturing / Processing Platform	Principal Infrastructure / Capability	Nature of Arrangement
Sitaram Denims India Limited	204 Airjet looms together with associated preparatory and production-support infrastructure	Owned and operated by our Company
Sitaram India Limited	36 Sulzer double-width looms and 72 Rapier looms	Owned and operated by Sitaram India Limited and dedicated to our manufacturing requirements under the exclusive job-work arrangement
Third-party processing units	Dyeing, finishing and other downstream processing of grey fabric	Non-exclusive processing arrangements

The combination of airjet, Sulzer and rapier weaving technologies enables us to manufacture fabrics across differing constructions, yarn characteristics, colour configurations and design requirements. Our airjet looms operate at approximately 750–800 revolutions per minute ("RPM") and are configured with multiple weft-colour selection, real-time fabric inspection and batching systems. The rapier looms available through Sitaram India Limited operate at approximately 500 RPM and support multiple weft-colour selection and more complex fabric constructions, while the Sulzer looms operate at approximately 250 RPM and are suited to PV and blended fabric constructions.

These technologies enable us to allocate production according to the requirements of the relevant product. Airjet looms are suitable for cotton-spandex, rigid cotton and denim fabrics; rapier looms are suitable for PV, cotton-spandex, rigid cotton and certain complex-pattern fabrics; and Sulzer looms are suitable for PV and other blended fabrics.

Our manufacturing platform is further supplemented by third-party processing units that undertake downstream processing of grey fabric, including dyeing, finishing and other specified activities, prior to sale of finished fabrics. We have entered into an arrangement with one of our principal third-party processors for specified processing activities in accordance with our requirements. Grey fabric is supplied to processors based on the required product specifications and subsequently returned to us for inspection and sale.

The use of third-party processors enables us to access specialised downstream capabilities without establishing the corresponding infrastructure in-house. It also provides flexibility to allocate processing activities having regard to the nature of processing required, product specifications, available capacity and delivery timelines.

Accordingly, our operating model combines owned preparatory and Airjet weaving infrastructure, dedicated access to complementary Sulzer and Rapier weaving technologies and access to third-party downstream processing capabilities. This enables us to allocate production and processing activities having regard to fabric construction, yarn characteristics, colour and design requirements, finishing specifications, delivery requirements and customer specifications, while limiting the need for

corresponding capital investment across each stage of the textile manufacturing and processing chain. Also, see "***Our Business - Manufacturing Process and Business Operations***" on page 254.

- ***Diversified commercial model supported by established and recurring customer relationships***

Our commercial model comprises own-account sales of grey and finished fabrics, sales of sized yarn and job-work weaving and sizing services. Certain finished fabrics are marketed under the "Sitaram" brand. Under our own-account model, we procure yarn and other inputs, manufacture fabrics through our manufacturing platform and sell the resulting products to customers. Under our job-work model, customers supply yarn and we undertake weaving or sizing in accordance with their technical specifications, earning job-work or conversion charges.

We primarily cater to business-to-business customers across the textile value chain, including apparel manufacturers, wholesalers and other participants in the textile industry. We also cater to international markets through direct exports and sales to merchant exporters.
Our customer base has expanded during the periods under review. We catered to 316 revenue-generating customers in Fiscal 2026, compared with 232 customers in Fiscal 2025 and 147 customers in Fiscal 2024. During the three-month period ended June 30, 2026, we served 204 revenue-generating customers. Further, we have established long-standing relationships with a number of our customers. Of the total customers served by us, 64 customers have been associated with us for more than three years, reflecting continuity in a portion of our customer base. Revenue generated from such customers amounted to ₹1,741.18 million, ₹1,632.02 million and ₹811.24 million in Fiscals 2026, 2025 and 2024, respectively, representing 71.84%, 78.15% and 72.64% of our revenue from operations during the respective periods. These metrics indicate that, alongside expansion of our overall customer base, a substantial portion of our revenue has continued to be generated from customers with longer-standing relationships.

Set out below are certain metrics relating to our customer base during three month period ended June 30, 2026 and for Fiscal 2026, 2025 and 2024:

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total revenue-generating customers	206	316	232	147
Customers associated with us for more than three years	40			64
Revenue from such customers (₹ million)	466.74	1,741.18	1,632.02	811.24
Total revenue from operation (₹ million)	751.08	2,423.84	2,088.43	1,116.82
Revenue from such customers as % of revenue from operations	62.14	71.84	78.15	72.64
Largest customer contribution to revenue from operations (%)	16.22	23.05	18.55	10.31
Top five customers' contribution to revenue from operations (%)	44.75	44.37	52.03	41.68
Top ten customers' contribution to revenue from operations (%)	59.05	57.76	64.54	63.31

Our ability to engage with customers through own-account fabric sales, job-work weaving and sizing arrangements, finished-fabric sales and sales of sized yarn provides multiple avenues for customer engagement and enables us to address differing procurement, manufacturing and product requirements across the textile value chain. The increase in our revenue-generating customer base from 147 in Fiscal 2024 to 316 in Fiscal 2026, together with the contribution from customers associated with us for more than three years, supports the continuity and expansion of our customer relationships. For further details regarding our customer base and customer concentration, see "***Our Business – Our Customers***" on page 267.

- ***Strategic location within the Bhilwara textile ecosystem supports our procurement, manufacturing, downstream processing requirements, while providing proximity to customers, suppliers and job workers***

Our Manufacturing Facility is located in District Bhilwara, Rajasthan, which forms part of an established textile manufacturing ecosystem comprising spinning mills, yarn suppliers, weaving units, processing units and ancillary textile service providers. Our location provides proximity to participants across different stages of the textile value chain and supports our procurement, manufacturing and downstream processing activities. It also provides access to customers and textile markets in and around Bhilwara, facilitating customer engagement, order coordination and movement of finished fabrics.

Yarn is one of our principal raw materials, and we procure cotton, polyester, viscose and blended yarn from spinning mills and other suppliers. During the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, 99.96%, 97.74%, 99.87% and 98.88%, respectively, of our raw-material purchases were sourced from suppliers located in Rajasthan. Proximity to these suppliers supports procurement coordination and movement of raw materials to our Manufacturing Facility.

Downstream processes required for finished fabrics, including dyeing, finishing and other specified activities, are undertaken through third-party processing units. During three-month period ended June 30, 2026 and each of Fiscals 2026, 2025 and 2024, 100% of our processing expenditure was incurred with third-party processors located in Rajasthan. Their proximity facilitates movement of fabrics between weaving and downstream processing stages and coordination of processing requirements.

The exclusive infrastructure of Sitaram India Limited, one of our Promoters, are also located in Bhilwara. This facilitates coordination under our exclusive job-work arrangement, including movement of yarn and other materials between our Owned Facility and the exclusive infrastructure of Sitaram India Limited.

Set out below are certain metrics relating to our procurement and downstream processing activities in Rajasthan:

(₹ in million, except percentages)

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Raw material purchases sourced from Rajasthan	486.44	1,647.34	1330.32	685.09
Raw material purchases sourced from Rajasthan as % of total raw material purchases	99.96%	97.74%	99.87%	98.88%
Processing expenditure incurred with third-party processors located in Rajasthan	62.73	209.42	230.97	115.80
Processing expenditure incurred in Rajasthan as % of total processing expenditure	100%	100.00%	100.00%	100.00%

Our location within the Bhilwara textile ecosystem, together with the concentration of our raw-material procurement and downstream processing activities within Rajasthan and the proximity of the manufacturing facilities of Sitaram India Limited, supports coordination across procurement, weaving and downstream processing stages of our operations. Further, our presence within an established textile cluster provides proximity to customers and textile markets in the region, facilitating customer engagement, order fulfilment and delivery of our finished fabrics.

- ***Experienced Promoters and management team with sector-specific and functional expertise***

Our business is led by our Promoters, who bring longstanding experience in the textile industry and continue to be involved in the strategic and operational oversight of our Company. Anil Kumar Nuwal, our Chairman and Managing Director, has approximately 38 years of experience in the textile industry and has been associated with our Company since February 2, 2011. He provides strategic direction to our business, including formulation and implementation of business policies and oversight of our operational performance. He is supported by Madhu Sudan Nuwal, our Whole-Time Director, who has over 10 years of experience in the textile industry and is involved in overseeing our business operations,

growth initiatives, governance and performance management. Jugal Kishore Nuwal, one of our Promoters, has over 15 years of experience in the textile industry and has been associated with our Company since incorporation. He also previously served as an Executive Director of our Company until March 13, 2026.

The experience of our Promoters is complemented by a management team with functional expertise across the principal areas of our operations. Our manufacturing operations are overseen by Anil Kumar Kohli, our Executive Director, who joined our Company in 2017 as Plant Head and was subsequently designated as Executive Director in March 2022. He is responsible for manufacturing operations and production oversight. Our manufacturing and supply-chain functions are further supported by Kailash Chandra Lakshkar, General Manager – Purchase, Production Planning and Control and Dispatch, who has over 17 years of experience in purchase, production planning and dispatch; Penny Saleem Kumar, General Manager – Maintenance and Quality Production, who has over nine years of relevant experience and oversees maintenance, quality and production activities; and Prafulla Kumar Pradhan, General Manager – Sizing & Boiler, who has over 13 years of experience in textile operations and oversees our sizing and boiler operations. Collectively, these personnel are responsible for key activities extending from procurement and production planning to machinery maintenance, quality control, sizing and dispatch.

Our operating capabilities are also supported by experienced personnel across our commercial, financial and compliance functions. Harshit Nuwal, Vice President – Sales, has over eight years of experience in finance and sales and is responsible for domestic and international sales, customer relationships, market development, pricing and commercial negotiations. Nitesh Mundra, our Chief Financial Officer, has over 12 years of experience in finance and accounts and oversees financial management, internal controls, risk management and regulatory compliance. He is supported by Shyam Sunder Maloo, General Manager – Accounts, who has over five years of experience in accountancy and oversees accounting, financial reporting, budgeting, taxation, audits, cash-flow management and internal financial controls. Shruti Joshi, our Company Secretary and Compliance Officer, has over six years of experience in secretarial compliance and is responsible for our secretarial and corporate compliance functions.

We believe that the combination of longstanding textile-industry experience at the Promoter level and functional expertise across our key operating and support functions provides continuity in strategic decision-making while enabling specialised oversight of the day-to-day execution of our business. Our management structure brings together experience across procurement, production planning, manufacturing, maintenance, quality control, sizing, sales, finance and compliance, enabling coordination across the different stages of our operations. This collective experience supports our ability to manage our manufacturing platform, respond to customer requirements, coordinate procurement and production activities, maintain financial and operational controls and execute our business and growth initiatives. For further details regarding the qualifications and experience of our Directors, KMPs and SMPs, see "***Our Management***" on page 296."

- ***Healthy growth in scale, operating profitability and returns***

We have demonstrated growth in the scale of our operations and improvement in our operating profitability and return metrics during the periods under review. Our revenue from operations increased from ₹1,116.82 million in Fiscal 2024 to ₹2,088.43 million in Fiscal 2025 and ₹2,423.84 million in Fiscal 2026. This growth was accompanied by an increase in EBITDA from ₹203.00 million in Fiscal 2024 to ₹418.80 million in Fiscal 2025 and ₹504.79 million in Fiscal 2026. For the three-month period ended June 30, 2026, our revenue from operations stood at ₹751.07 million, with EBITDA of ₹157.81 million and an EBITDA margin of 21.01%.

As our business scaled, our growth in operating performance has also translated into an improvement in profitability. Our net profit increased from ₹52.35 million in Fiscal 2024 to ₹159.42 million in Fiscal 2025 and ₹242.26 million in Fiscal 2026, while our net profit margin increased from 4.69% to 7.63% and 9.99%, respectively. During the same period, our cash profit increased from ₹148.08 million in Fiscal 2024 to ₹221.12 million in Fiscal 2025 and ₹310.85 million in Fiscal 2026. For the three-month period ended June 30, 2026, our net profit stood at ₹79.78 million, with a net profit margin of 10.62%, while cash profit amounted to ₹93.32 million, with a cash profit margin of 12.37%.

The improvement in our financial performance has been accompanied by higher return ratios and improved utilisation of our asset base. Our return on capital employed increased from 4.74% in Fiscal 2024 to 12.61% in Fiscal 2025 and 12.82% in Fiscal 2026, while our return on equity increased from 7.42% to 19.65% and 23.97%, respectively. For the three-month period ended June 30, 2026, our return on capital employed and return on equity stood at 3.93% and 6.82%, respectively, on a non-annualised basis.

Our financial growth has occurred alongside the expansion of our manufacturing infrastructure. The number of Airjet looms at our Manufacturing Facility increased from 120 in Fiscal 2024 to 204 in Fiscal 2025 and Fiscal 2026, together with additions to our preparatory and sizing infrastructure. Revenue per employee increased from ₹5.42 million in Fiscal 2024 to 6.88 million in Fiscal 2026, reflecting the increase in the scale of revenue generated relative to our employee base during the last three Fiscals. For the three-month period ended June 30, 2026, revenue per employee stood at ₹1.75 million, on a non-annualised basis.

The increase in our revenue and profitability, together with the improvement in EBITDA margin, return ratios and fixed asset turnover, reflects the scaling of our operations during the periods under review. We believe that our existing manufacturing platform, operating capabilities and customer relationships provide a foundation for further growth while enabling us to pursue improvements in operating and financial performance. For factors affecting our financial performance, see **"*Management's Discussion and Analysis of Financial Condition and Results of Operations*"** on pages 374.

Our Strategies

Set forth below are our key business and growth strategies. The strategies described below have been approved by way of a board resolution passed by our Board of Directors at their meeting held on September 21, 2026.

- ***Expand manufacturing capacity and enhance operating efficiency***

  We intend to continue expanding and 251optimising our manufacturing capabilities by increasing production throughput from our existing infrastructure, undertaking selective additions to preparatory, weaving and allied machinery and improving operating efficiency across our manufacturing processes. Since commencing commercial production in Fiscal 2018 with 120 Airjet looms, we have expanded our owned weaving infrastructure to 204 Airjet looms, together with in-house sizing and associated preparatory machinery. Our fabric production at the Manufacturing Facility increased from 11.11 million metres in Fiscal 2024 to 15.27 million metres in Fiscal 2025 and 24.46 million metres in Fiscal 2026, demonstrating the scale-up of our manufacturing operations. For the three-month period ended June 30, 2026, fabric production at the Manufacturing Facility is 7.04 million, on a non-annualised basis.

  Our owned manufacturing infrastructure is supplemented by dedicated access to 36 Sulzer double-width looms and 72 Rapier looms of Sitaram India Limited pursuant to an exclusive job-work arrangement. The availability of Airjet, Sulzer and Rapier weaving technologies enables us to allocate production having regard to fabric construction, yarn characteristics, number of picks, colour and design requirements and customer specifications. We intend to continue leveraging this combined manufacturing platform to support higher production volumes and a broader range of fabric requirements.

  In parallel, we intend to improve the efficiency and consistency of our manufacturing operations by further leveraging automation and process integration across sizing, direct beaming, drawing-in, warp tying, cone winding, weaving, inspection, batching and material handling. Our Manufacturing Facility already incorporates 251customised sizing infrastructure, automated drawing-in systems, cone winding, real-time fabric inspection and automated batching arrangements. These systems provide a foundation for reducing manual intervention in certain processes, improving machine readiness and style changeovers, supporting raw-material 251utilisation and identifying process or fabric-quality issues at an earlier stage of production.

We also intend to strengthen production planning and preventive maintenance practices, improve coordination between preparatory and weaving activities and 252optimise allocation of products across the available weaving technologies. As our scale increases, we intend to continue evaluating opportunities for selective debottlenecking, automation and process improvements where such initiatives can support higher throughput, quality consistency and more effective 252utilisation of our manufacturing infrastructure.

We intend to support the expansion already achieved in our manufacturing infrastructure and production volumes, together with the automation and process-control systems currently deployed at our Manufacturing Facility.

- ***Expand our product portfolio and increase participation in value-added fabric categories***

  We intend to continue expanding our product portfolio across different fibre compositions, fabric constructions, designs, finishes and end-use applications. Our existing product portfolio includes cotton-spandex fabrics, rigid cotton fabrics, PV fabrics, denim fabrics and certain other blended fabrics, and we primarily manufacture on a make-to-stock basis including specifications relating to, among others, fibre composition, fabric construction, weight, width, design, finish and other technical parameters

  Our access to multiple weaving technologies provides a technical base for product-development initiatives. Our Airjet looms are suitable for cotton-spandex, rigid cotton and denim fabric, while the Rapier and Sulzer looms available at exclusive infrastructure capable of manufacturing PV, blended, multiple-colour and more complex fabric constructions. This enables us to evaluate new product specifications without relying on a single weaving technology. For further details of our existing product categories, see "***Our Business - Our Product Portfolio***" on page 254.

  We intend to leverage these capabilities to increase our participation in fabrics involving stretch characteristics, slub and differentiated yarns, multiple weft colours, differentiated constructions, specialised finishes and other customer-specific requirements. We also intend to use our relationships with third-party downstream processors to offer finished fabrics involving dyeing, finishing and other processing based on product and customer specifications.

  Our strategy will be driven principally by customer requirements and commercial demand rather than standardised mass production. We intend to work with existing and prospective customers to identify and comply with desired specifications, undertake sample and product-development activities and commercialise products that can be manufactured through our existing or expanded manufacturing platform. This is expected to broaden the range of products through which we can engage with customers and increase our participation across different segments of the woven-fabric market.

- ***Increase our participation in downstream textile activities through the proposed stitching facility***

  Our existing operations are primarily focused on the manufacture and supply of woven fabrics, with certain downstream processes such as dyeing and finishing undertaken through third-party processors. As part of the next stage of our growth, we intend to extend our participation further downstream in the textile value chain through the establishment of a proposed stitching facility, the capital expenditure for which is proposed to be funded from the Net Proceeds of the Offer.

  The proposed facility is intended to enable us to undertake stitching different categories of apparel using fabrics manufactured through our existing manufacturing platform and/or procured or processed in accordance with product requirements. This proposed downstream expansion is intended to build upon our existing capabilities in fabric development, manufacturing, quality control, sourcing and coordination with downstream processors.

  We intend to leverage our existing customer relationships while developing customer relationships relevant to stitched products. The proposed facility may also enable us to participate in a broader portion of the value chain by supplying products beyond fabric and addressing requirements of customers seeking stitched apparel across different categories.

The proposed expansion is expected to be implemented in accordance with the deployment schedule and cost estimates described in the Objects of the Offer. Our ability to realise the benefits of the strategy will depend on timely implementation of the proposed facility, development of the necessary operating capabilities, customer acceptance and market conditions. For further details, see **"*Objects of the Offer – Funding the proposed expansion towards setting up of readymade garment manufacturing facility at Banera, Bhilwara ("Proposed Expansion")*"** on page 141.

- ***Deepen relationships with existing customers and expand our customer base across domestic and international markets***

  We intend to continue strengthening relationships with our existing customers while pursuing new customer opportunities across domestic and international markets. Our customer base has expanded over the periods under review, from 147 revenue-generating customers in Fiscal 2024 to 232 customers in Fiscal 2025 and 316 customers in Fiscal 2026 and 204 customers for the three-month period ended June 30, 2026. Further, 64 customers have been associated with us for more than three years, demonstrating continuity within a portion of our customer base.

  Our strategy with existing customers is to deepen relationships by increasing the number and range of product specifications supplied, participating in new product-development requirements, maintaining consistency in product quality and delivery and responding to changes in their procurement and manufacturing requirements. Given our make-to-stock manufacturing model and access to different weaving technologies, we intend to seek opportunities to increase our share of customer requirements across different fabric constructions and product categories.

  At the same time, we intend to expand our customer base among textile manufacturers, fabric processors, garment and apparel manufacturers, wholesalers and other B2B participants. We intend to undertake customer acquisition through our existing sales team, distributers and agents, market visits, participation in trade interactions and direct business-development efforts.

  We also intend to selectively expand our international business. Our products have been sold in markets including Nepal, Syria, Ecuador, Peru, South Africa, Yemen, Afghanistan, Mexico and USA, and we currently cater to international markets through both direct exports and merchant exporters. We intend to evaluate additional international markets having regard to product requirements, pricing, logistics, payment terms, regulatory considerations and commercial viability. For details of our customer base and geographic sales profile, see "***Our Business – Our Customers***" and "***Our Business - Geographical distribution of revenue***" on pages 267 and 263, respectively.

  Our strategy is therefore to combine deeper engagement with existing customers with continued acquisition of new customers, while maintaining a mix of own-account sales, job-work relationships and domestic and export sales channels.

- ***Increase the contribution of finished fabrics and strengthen our "Sitaram" branded product offering***

  We currently sell our products in both grey and finished fabric forms. Finished fabrics are produced by subjecting grey fabrics manufactured through our manufacturing platform to downstream processes, including dyeing and finishing, through third-party processing units prior to sale. Finished fabrics are sold principally on an unbranded basis and also under the "Sitaram" brand.

  We intend to increase our participation in finished fabrics by using our existing relationships with third-party processing units to offer a wider range of colour, finish and product specifications. Our manufacturing model allows us to retain the core weaving and product-development activities while accessing downstream processing capabilities externally. This provides us flexibility to develop and commercialise finished fabrics without requiring corresponding ownership of all downstream processing infrastructure.

  We also intend to strengthen our offering of fabrics marketed under the "Sitaram" brand. We intend to expand the range of products sold under the brand, increase engagement with existing wholesalers, distributors and other B2B customers and evaluate opportunities to expand the geographic reach of our

branded offering. We intend for the branded business to complement our existing unbranded fabric sales and job-work activities rather than replace those businesses.

As our finished-fabric portfolio develops, we intend to use customer feedback and sales data to identify product constructions, finishes and markets that demonstrate sustained demand, and selectively scale such offerings. The strategy is intended to enable us to participate in a greater level of value addition after weaving and broaden the ways in which our products are marketed to customers.

Our Product Portfolio

We manufacture and sell a range of woven fabrics across cotton, stretch, blended and denim categories, with variations in fibre composition, construction, yarn count, weave, width, GSM, colour and other specifications based on customer requirements. Our product portfolio is used across a range of menswear applications, including shirting, bottom wear, casual wear and formal wear.

Product Category	Brief Description and Principal Applications
Cotton Rigid fabric	Woven cotton fabric manufactured using predominantly cotton yarn without stretch components. These fabrics are produced across different constructions, yarn counts and specifications and are used in applications including shirting, bottom wear, casual wear and other apparel products.
Cotton Spandex fabric	Woven cotton fabric incorporating spandex or other stretch components to provide elasticity and flexibility. These fabrics are manufactured in different constructions and specifications and are used in shirting, bottom wear, casual wear and other apparel applications requiring stretch characteristics.
PV and certain other blended fabrics	Fabrics manufactured using polyester-viscose and other blended yarn combinations. These fabrics are produced in various constructions and specifications and are used primarily in suiting, formal wear, business wear and other apparel applications.
Denim Fabric	Denim fabric is primarily manufactured using cotton yarn, often blended with spandex and/or polyester yarn, depending on the desired fabric properties. A dyed warp sheet is generally used in combination with grey or dyed weft yarn. Denim is predominantly used for shirting, bottom-weight garments such as jeans and trousers, and jackets

Our product offerings are manufactured in accordance with customer-specific requirements and may vary across fibre composition, yarn type, weave, stretch characteristics, width, colour, finish and other technical specifications. Depending on customer requirements, fabrics may be sold in grey form or may undergo identified downstream processing through third-party processors prior to sale as finished fabrics.

BUSINESS OPERATIONS

Our business operations comprise the manufacture and supply of woven fabrics through a combination of our Owned Facility, dedicated weaving infrastructure available through Sitaram India Limited pursuant to an exclusive job-work arrangement, and third-party downstream processing arrangements. We primarily manufacture on a make-to-stock basis including specifications relating to, among others, fibre composition, fabric construction, weight, width, design, finish and other technical parameters.

Our operating process broadly comprises customer requirement and production planning, procurement of yarn and other inputs, preparatory processes, weaving, inspection and grading, batching, downstream processing where required, and dispatch. Depending on the relevant fabric construction and customer requirement, products may be sold in grey form or subjected to downstream processing through third-party processors prior to sale.

OUR MANUFACTURING FACILITY

Our Manufacturing Facility is located at Balesaria, Gram Danta Nilawari, Tehsil Banera, District Bhilwara, Rajasthan ("***Manufacturing Facility***").

Our Owned Facility comprises a sizing facility covering approximately 21,084 square feet, with an installed technical capacity of 6.00 million kg per annum considering 30s yarn and a beam length of 40,000 metres, and a weaving facility covering approximately 1,06,329 square feet, with an installed capacity of 25.20 million metres per annum at an average of 80 picks.

Our Manufacturing Facility presently comprises an integrated preparatory and weaving platform covering yarn

preparation, sizing, drawing-in, warp tying, weaving, inspection and batching.

Our Manufacturing Facility is equipped with 204 Shuttleless Airjet looms, which constitute the principal weaving machinery used at the facility. Airjet weaving involves insertion of the weft yarn through compressed air and is used by us for manufacture of selected cotton-spandex, rigid cotton, denim, bottom-wear and other woven fabrics depending on the required product specification. In addition to our Airjet looms, the Owned Facility is equipped with preparatory and allied machinery and systems comprising in-house sizing, warp tying, cone winder, automatic drawing, direct beaming (Warping), cone winding, humidification, compressed-air system, fabric inspection and other production-support activities

Set out below are the details of the machinery installed at our Owned Facility:

Machine Category	Machine Name	Country of Origin	Qty
Plant & Machinery	Air jet looms	Japan	204
	DG Set-(320 kVA)	India	1
	Automatic drawing	Switzerland	1
	Drawing-in station	Switzerland	2
	Warp Tying Machine	Switzerland	3
	Warp Tying Frame	Switzerland	4
	Sizing Machine	Italy	1
	Direct Beam machine	China	2
	Cone Winder	Italy	1
	Humidification Plant	India & Switzerland	2
	ETP plant	India	1
	Cleaner	India	7
	Steam Boiler -4 TPH	India	1
	Compressed Air System	USA	1
	Luwa Auto Control Type Humidification Plant	India & Switzerland	1
	Warp Beam- Quality machine	Germany	250
	Warp Welding Device Warplink WL-22 machine	Switzerland	1
	Knot master universal tying machine	Switzerland	1
	Eco winder	Germany	204
	Ultrasonic Cleaning Machine	Germany	1
	4 way hoist	India	6

Note: *As certified by R.K. Maheshwari, Independent Chartered Engineer Certificate dated October 27, 2026.*

Certain equipment at the Owned Facility has been customised or configured for our manufacturing requirements. These include customised sizing systems, automated drawing-in infrastructure, direct-beaming systems, knotless cone winding, real-time fabric inspection and automated batching. Our automated drawing-in system is capable of completing drawing-in operations in approximately one hour as compared with up to 12 hours through conventional manual processes.

The Owned Facility is certified under ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018, covering, among other activities, manufacture, marketing and supply of fabrics for domestic and export markets and job-work of weaving and yarn sizing.

Set out below is the pictorial representation of our Owned Facility;











For details of the ownership/leasehold status of the premises and material approvals relating to our Manufacturing Facility, see "***Our Business - Properties***" and '***Government and Other Approvals***' on pages 275 and 418, respectively.

Capacity Utilization

Set out below are details of our installed capacity, production and capacity utilisation at our Manufacturing Facility for the periods indicated

Set out below are details of our installed capacity, production and capacity utilisation at our Manufacturing Facility for the periods indicated:

Particulars	Unit	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Installed weaving capacity[(1)]	million metres	25.20	25.20	19.20	13.20

Actual fabric production	million metres	7.04	24.46	15.27	11.11
Weaving capacity utilisation	%	27.94*	97.06	79.54	84.17
Installed sizing capacity[(2)]	million kg	6.00	6.00	3.00	NA
Actual sizing volume	million kg	1.88	5.88	3.06	NA
Sizing capacity utilisation	%	31.33*	97.98	102.10f	NA

Not annualized

Notes:

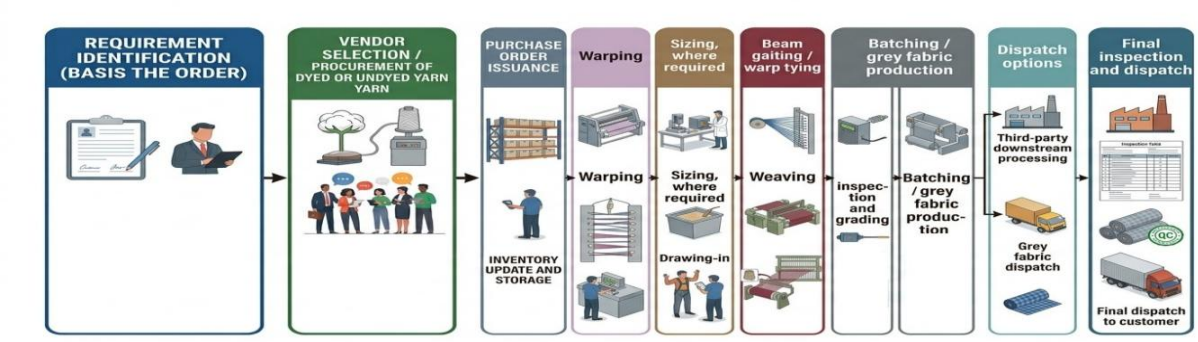
(1) The annual installed capacity for weaving is calculated based on the applicable technical installed capacity, time-apportioned for the relevant period. Weaving capacity varies depending on the number of picks and construction of the fabric being manufactured. For the purpose of calculating installed capacity and utilization, we have considered an average of 80 picks.

(2) The installed capacity for sizing installed capacity varies depending on yarn count and beam length. For calculating sizing installed capacity, we have considered 30s yarn and a beam length of 40,000 metres. Our sizing machine was installed during Fiscal 2025 and, accordingly, sizing capacity utilisation is not available for Fiscal 2024.

Note: *As certified by R.K. Maheshwari, Independent Chartered Engineer Certificate dated October 27, 2026.*

Manufacturing Process and business Operations

Set out below is our broad manufacturing process and operations, characterized by way of pictorial representation for illustrative purpose.



Procurement of raw materials

Our procurement process is aligned with our production planning and inventory requirements. Raw material requirements are identified based on production schedules, inventory levels and consumption trends. Potential suppliers are evaluated based on factors including quality, pricing, delivery capability and compliance, and vendors are approved through the procurement process prior to issuance of purchase orders.

Upon receipt, raw materials and utilities are subjected to quality and compliance checks in the in-house yarn testing laboratory, after which inventory records are updated and materials are stored under appropriate conditions prior to release for production. The yarn is tested on testing instruments for key quality parameters such as count, twist and strength.

Yarn is one of the principal raw materials used in our manufacturing operations. We procure both dyed and undyed yarn, including cotton, polyester, viscose and blended yarn, directly from textile mills and suppliers. The substantial portion of such yarn is procured from spinning mills and suppliers located in and around Bhilwara and other parts of Rajasthan. During Fiscals 2026, 2025 and 2024, we procured raw materials from 63, 54 and 53 suppliers, respectively.

Production planning and determination of manufacturing route

On receipt of confirmed customer requirements, our sales, procurement and production teams coordinate to determine the relevant fabric specifications and production route. Product specifications may include fibre composition, yarn count, warp and weft configuration, width, GSM, weave, number of picks, stretch characteristics, colour combinations, design and finish.

Based on the relevant specifications, production is allocated to the appropriate weaving platform having regard to fabric construction, yarn characteristics, design complexity, machine suitability, available capacity and delivery requirements. Our manufacturing platform provides access to Airjet, Sulzer and Rapier weaving technologies, enabling production to be allocated across different machine configurations.

Preparatory processes

Depending on the product specification, yarn is subjected to preparatory processes prior to weaving. The Company's manufacturing process includes warping, drawing-in, beam gaiting or knotting and weaving, with sizing undertaken where required.

Warping

Warping is the first stage of preparing the warp (lengthwise) yarn for weaving. During warping, yarn cones are arranged on the creel and the yarn ends are brought together to form a sheet, which is wound onto warping beams. This process prepares the warp yarn in the required configuration for subsequent sizing, drawing-in and weaving. Our warp-tying infrastructure is intended to facilitate warp preparation and style changeovers and support continuity of weaving operations.





Sizing

Where required for the relevant fabric construction, warp yarn is subjected to sizing prior to weaving. Sizing involves treatment of yarn with sizing material to improve yarn strength, abrasion resistance and performance during weaving. Our Manufacturing Facility is equipped with one in-house sizing machine. We undertake sizing both for our own manufacturing requirements and on a job-work basis for third parties. We also undertake sale of sized yarn.



Drawing-in

Following warping and sizing, where applicable, warp yarn is drawn under drafting and denting in accordance with fabric-design specifications. Our Manufacturing Facility is equipped with automated drawing-in infrastructure. Thereafter, the weaver's beams are mounted on the loom and warp yarns are tied or knotted to enable continuity of weaving operations.



Weaving

Weaving involves interlacing warp and weft yarns to produce fabric. At our owned Manufacturing Facility, weaving is undertaken primarily through Airjet looms, which use compressed air for insertion of the weft yarn. Our Manufacturing Facility is equipped with 204 Airjet looms. Our owned weaving capabilities are supplemented by dedicated infrastructure available through Sitaram India Limited, one of our Promoters, pursuant to an exclusive job-work arrangement. Sitaram India Limited has 36 Sulzer double-width looms and 72 Rapier looms, through which specified weaving and mending activities are undertaken for us, while we supply the yarn and other required materials.



Grey fabric production, inspection and grading

The fabric produced upon completion of weaving is generally in grey form, being fabric that has not undergone subsequent dyeing or finishing processes. Fabric produced through our manufacturing platform is subjected to inspection and grading prior to dispatch or downstream processing.

We undertake quality checks at different stages of manufacture, including incoming-yarn inspection, monitoring of sizing parameters, loom-stage monitoring, online fabric inspection, grading and final inspection.

Our Manufacturing Facility incorporates real-time fabric inspection systems designed to identify fabric-quality issues during production. Fabrics are inspected against parameters including construction, width, GSM, weave consistency, visible defects and other customer-specific specifications.

Following inspection and grading, the fabric is batched into rolls. Our automated batching systems are capable of forming fabric rolls of up to approximately 1.50 metres in diameter.



Downstream processing and finished fabrics

Depending on customer requirements, grey fabric may either be dispatched directly to customers or subjected to further processing before sale. Where finished fabric is required, grey fabric manufactured through our manufacturing platform is sent to third-party processing units for identified downstream activities, including dyeing, finishing and other processing, based on the relevant product specification. Following processing, the fabric is returned to us for further inspection and sale.



Job-work operations

In addition to manufacturing and selling fabrics on our own account, we undertake job-work weaving and sizing activities for third-party customers. This enables us to utilise our weaving and sizing infrastructure for customer-owned material in addition to manufacturing products for sale on our own account.

Under our job-work weaving model, the customer provides the yarn and the relevant technical and product specifications, including the required fabric construction and other manufacturing parameters. We undertake weaving in accordance with such specifications using our Owned Facility and earn conversion or job-work charges for the services provided. Since the principal raw material is supplied by the customer, revenue generated

from such arrangements principally represents consideration for the manufacturing services undertaken by us rather than the sale of fabric manufactured using raw materials procured by us.

Under our job-work sizing model, yarn is similarly supplied by the third-party customer and we undertake sizing in accordance with the agreed technical specifications and commercial terms. We earn sizing charges based on the nature and quantity of yarn processed. We commenced in-house sizing operations during Fiscal 2025 and, accordingly, did not generate revenue from job-work sizing activities in Fiscal 2024.

Our job-work activities complement our own-account manufacturing operations and enable us to utilise our available manufacturing platform across different commercial arrangements. While our own-account manufacturing operations involve procurement of raw materials by us and sale of the resulting fabric or other products to customers, under our job-work model the principal raw material is supplied by the customer and we earn charges for the manufacturing or processing services undertaken.

Geographical distribution of revenue

We primarily derive our revenue from the domestic market and also sell our products in international markets. Our domestic sales are made across various states and union territories in India, while our export sales are made to customers across multiple overseas markets. During three-month period ended June 30, 2026 and for Fiscals 2026, 2025 and 2024, domestic sales constituted 98.87%, 96.98%, 99.33% and 85.58%, respectively, of our revenue from operations, while export sales constituted 2.13%, 3.02%, 0.67% and 14.42%, respectively.

The following table sets forth the geographical contribution to our revenue from operations for the periods indicated:

(₹ in million, except percentages)

Particulars	**Three-month period ended June 30, 2026**		**Fiscal 2026**		**Fiscal 2025**		**Fiscal 2024**	
	Amount	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**
Domestic sales	735.50	97.87%	2,350.51	96.98%	2,074.41	99.33%	955.73	85.58%
Export sales*	16.02	2.13%	73.32	3.02%	14.02	0.67%	161.09	14.42%
Total Revenue from Operations	**751.07**	**100.00%**	**2,423.83**	**100.00%**	**2,088.43**	**100.00%**	**1,116.82**	**100.00%**

**Export Sales includes sales made through direct exports and merchant exporters. Sales to merchant exporter represent sales made to merchant exporters who subsequently export the products in their own name.*

Our domestic sales are spread across multiple states and union territories in India. The following table sets forth the state-wise contribution to our domestic revenue for the periods indicated:

(₹ in million, except percentages)

Domestic Geography	**Three-month period ended June 30, 2026**		**Fiscal 2026**		**Fiscal 2025**		**Fiscal 2024**	
	Amount	**% of Domestic Revenue**	**Amount**	**% of Domestic Revenue**	**Amount**	**% of Domestic Revenue**	**Amount**	**% of Domestic Revenue**
Rajasthan	490.79	66.77%	1,522.00	64.75%	1,353.13	65.23%	672.08	70.32%
Delhi	166.57	22.66%	556.73	23.69%	465.09	22.42%	201.82	21.12%
Gujarat	12.60	1.71%	60.74	2.58%	62.61	3.02%	10.51	1.10%
West Bengal	3.98	0.54%	56.09	2.39%	66.39	3.20%	Nil	Nil
Madhya Pradesh	20.31	2.76%	54.58	2.32%	81.17	3.91%	55.10	5.77%
Maharashtra	14.82	2.02%	35.36	1.50%	5.69	0.27%	6.54	0.68%
Uttar Pradesh	6.22	0.85%	22.99	0.98%	33.72	1.63%	6.91	0.72%
Chhattisgarh	7.62	1.04%	12.89	0.55%	Nil	Nil	Nil	Nil

Haryana	10.28	1.40%	12.45	0.53%	2.45	0.12%	2.77	0.29%
Tamil Nadu	Nil	Nil	10.57	0.45%	Nil	Nil	Nil	Nil
Karnataka	0.82	0.11%	2.79	0.12%	Nil	Nil	Nil	Nil
Punjab	0.31	0.04%	1.23	0.05%	4.16	0.20%	Nil	Nil
Telangana	0.09	0.01%	0.94	0.04%	Nil	Nil	Nil	Nil
Bihar	0.08	0.01%	0.83	0.04%	Nil	Nil	Nil	Nil
Odisha	0.50	0.07%	0.33	0.01%	Nil	Nil	Nil	Nil
Jammu and Kashmir	0.07	0.01%	Nil	Nil	Nil	Nil	Nil	Nil
Total Domestic Revenue	**735.07**	**100.00%**	**2,350.51**	**100.00%**	**2,074.41**	**100.00%**	**955.73**	**100.00%**

The following table sets forth the country-wise contribution to our export revenue for the periods indicated:

(₹ in million, except percentages)

Overseas Market	Three-month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Export Revenue	Amount	% of Export Revenue	Amount	% of Export Revenue	Amount	% of Export Revenue
Mexico	Nil	Nil	48.76	66.50%	Nil	Nil	Nil	Nil
Peru	Nil	Nil	16.93	23.09%	Nil	Nil	16.74	10.39%
South Africa	11.02	68.82%	4.26	5.81%	Nil	Nil	Nil	Nil
Ecuador	Nil	Nil	3.37	4.60%	4.84	34.49%	18.91	11.74%
Afghanistan	Nil	Nil	Nil	Nil	9.18	65.51%	54.07	33.56%
United States	Nil	Nil	Nil	Nil	Nil	Nil	39.19	24.33%
Yemen	Nil	Nil	Nil	Nil	Nil	Nil	25.29	15.70%
Colombia	Nil	Nil	Nil	Nil	Nil	Nil	6.89	4.28%
Nepal	0.27	1.70%	Nil	Nil	Nil	Nil	Nil	Nil
Syria	4.72	29.48%	Nil	Nil	Nil	Nil	Nil	Nil
Total Export Revenue	**16.02**	**100.00%**	**73.32**	**100.00%**	**14.02**	**100.00%**	**161.09**	**100.00%**

Note: *Export sales include sale through direct exports and merchant exports*

For risks relating to geographical concentration of our revenue and export operations, see ***"Risk Factors – A significant portion of our domestic revenue is concentrated in Rajasthan and Delhi. Revenue from these markets aggregated to ₹657.48 million, ₹2,078.73 million, ₹1,818.22 million and ₹873.90 million, representing 89.43%, 88.44%, 87.65% and 91.44% of our domestic revenue during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. Any adverse developments affecting these markets could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects"*** on page 35.

Suppliers

We procure our principal raw materials, including dyed and undyed yarn, from textile mills and suppliers. Our procurement requirements are determined based on production schedules, customer specifications, inventory levels and consumption trends.

During three-month period ended June 30, 2026 and for Fiscals 2026, 2025 and 2024, we procured raw materials from 51, 63, 54 and 53 suppliers, respectively. We generally procure raw materials pursuant to purchase orders based on our production requirements and do not depend on long-term supply contracts with our suppliers. During Fiscals 2026, 2025 and 2024, 99.96%, 97.74%, 99.87% and 98.88%, respectively, of our purchases of yarn and fabric were made from suppliers located in Rajasthan.

The following table sets forth the concentration of purchases from our largest supplier, top five suppliers and top ten suppliers during the periods indicated:

(₹ in million)

Particulars	Three-month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of total purchases*	Amount	% of total purchases*	Amount	% of total purchases*	Amount	% of total purchases*
Largest supplier	90.83	18.67%	440.58	26.14%	287.86	21.61%	96.85	13.98%
Top 5 suppliers	227.38	46.73%	999.73	59.31%	763	57.28%	359.24	51.85%
Top 10 suppliers	338.52	69.56%	1249.52	74.13%	1016.76	76.33%	525.52	75.85%

**% of total purchases represented by purchases of yarn and fabric during the respective period.*

The following tables set forth the individual contribution of our ten largest suppliers during the relevant periods.

For three-month period ended June 30, 2026

Details of suppliers#	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 1	Public Limited Company	90.83	18.67%	No
Supplier No. 2	Public Limited Company	40.05	8.23%	No
Supplier No. 3	Hindu Undivided Family	38.44	7.90%	No
Supplier No. 4	Hindu Undivided Family	31.84	6.54%	No
Supplier No. 5	Public Limited Company	26.23	5.39%	No
Supplier No. 6	Public Limited Company	25.39	5.22%	No
Supplier No. 7	Proprietorship	24.99	5.14%	No
Supplier No. 8	Private Limited Company	23.33	4.79%	No
Supplier No. 9	Private Limited Company	19.30	3.97%	No
Supplier No. 10	Private Limited Company	18.12	3.72%	No
Total		**338.52**	**69.56%**	

**Percentage of total purchases represented by purchases of yarn and fabric during the respective period.*
#The names of our top ten suppliers have not been disclosed due to non-receipt of the requisite consents from such suppliers.

For Fiscal 2026

Details of suppliers#	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 1	Public Limited Company	440.58	26.14%	No
Sitaram India Limited	Public Limited Company	218.25	12.95%	Yes
Supplier No. 3	Proprietorship	143.64	8.52%	No
Supplier No. 4	Public Limited Company	105.56	6.26%	No
Supplier No. 5	Private Limited Company	91.7	5.44%	No
Supplier No. 6	Public Limited Company	57.59	3.42%	No
Supplier No. 7	Hindu Undivided Family	52.89	3.14%	No
Supplier No. 8	Hindu Undivided Family	48.95	2.90%	No

Details of suppliers#	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 9	Proprietorship	46.95	2.79%	No
Supplier No. 10	Private Limited Company	43.41	2.58%	No
Total		**1249.52**	**74.13%**	

**Percentage of total purchases represented by purchases of yarn and fabric during the respective period.*
#The names of our top ten suppliers have not been disclosed due to non-receipt of the requisite consents from such suppliers.

For Fiscal 2025

Details of suppliers#	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 1	Public Limited Company	287.86	21.62%	No
Supplier No. 2	Private Limited Company	204.40	15.34%	No
Supplier No. 3	Public Limited Company	117.93	8.85%	No
Supplier No. 4	Hindu Undivided Family	88.61	6.65%	No
Supplier No. 5	Public Limited Company	64.20	4.82%	No
Supplier No. 6	Partnership	62.23	4.67%	No
Sitaram India Limited	Public Limited Company	54.29	4.08%	Yes
Supplier No. 8	Hindu Undivided Family	48.21	3.62%	No
Supplier No. 9	Proprietorship	45.79	3.44%	No
Supplier No. 10	Private Limited Company	43.24	3.25%	No
Total		**1,016.76**	**76.33%**	

**Percentage of total purchases represented by purchases of yarn and fabric during the respective period.*
#The names of our top ten suppliers have not been disclosed due to non-receipt of the requisite consents from such suppliers.

For Fiscal 2024

Details of suppliers#	Nature of Entity	Amount (₹ million)	% of total purchases*	Related party
Supplier No. 1	Private Limited Company	96.85	13.98%	No
Sitaram India Limited	Public Limited Company	81.74	11.80%	Yes
Supplier No. 3	Public Limited Company	63.07	9.10%	No
Supplier No. 4	Hindu Undivided Family	59.62	8.61%	No
Supplier No. 5	Public Limited Company	57.96	8.37%	No
Supplier No. 6	Private Limited Company	51.08	7.37%	No
Supplier No. 7	Proprietorship	35.54	5.13%	No
Supplier No. 8	Private Limited Company	34.90	5.04%	No
Supplier No. 9	Proprietorship	24.30	3.51%	No
Supplier No. 10	Public Limited Company	20.46	2.95%	No
Total		**525.52**	**75.85%**	

**Percentage of total purchases represented by purchases of yarn and fabric during the respective period,*
#The names of our top ten suppliers have not been disclosed due to non-receipt of the requisite consents from such suppliers.

Also, see "***Risk Factors – We depend on a limited number of suppliers for procurement of our key raw materials. Purchases from our top ten suppliers aggregated to ₹338.52 million, ₹1,249.52 million, ₹1,016.76 million and ₹525.52 million, representing 69.56%, 74.13%, 76.33% and 75.85% of our total purchases during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. We generally procure raw materials through purchase orders rather than long-term supply contracts. Any inability to***

procure materials within the required timelines or on commercially acceptable terms could adversely affect our manufacturing operations, business and results of operations. Further, our historical procurement includes purchases from Sitaram India Limited, one of our Promoters, with whom we implemented an exclusive job-work arrangement subsequent to Fiscal 2026, exposing us to risks associated with related-party dependence" on page 39.

Our customers

We cater primarily to business-to-business customers across the textile value chain, including textile and apparel manufacturers, wholesalers and other participants in the textile industry. We supply fabrics manufactured on our own account and also undertake job-work weaving and sizing for third-party customers. We manufacture primarily on a make-to-stock basis including specifications relating to, among others, fibre composition, fabric construction, weight, width, design, finish and other technical parameters.

Our customer base has expanded over the periods under review. We generated revenue from 204 customer during three-month period ended June 30, 2026 and 316 customers in Fiscal 2026, 232 customers in Fiscal 2025 and 147 customers in Fiscal 2024.

The following table sets forth certain details relating to our customer base for the periods indicated:

The details of top one (1), five (5) and top (10) customers during last three Fiscals are stated as below;

Particulars	Three-month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (In ₹ million)	% of Revenue from operations	Amount (In ₹ million)	% of Revenue from operations	Amount (In ₹ million)	% of Revenue from operations	Amount (In ₹ million)	% of Revenue from operations
Largest customer	121.80	16.21%	558.81	23.05%	387.43	18.55%	115.10	10.31%
Top 5 customers	336.08	44.74%	1075.41	44.37%	1086.68	52.03%	465.54	41.68%
Top 10 customers	443.48	59.04%	1400.05	57.76%	1347.87	64.54%	707.06	63.31%

The following tables set forth the individual contribution of our ten largest customer during the relevant periods.

For three-month period ended June 30, 2026

Sr. No.	Name of the customer[#]	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
1.	Customer No. 1	Proprietorship	121.80	16.21%	No
2.	Customer No. 2	Public Limited Company	63.74	8.48%	No
3.	Customer No. 3	Public Limited Company	60.68	8.08%	No
4.	Customer No. 4	Hindu Undivided Family	46.31	6.16%	No
5.	Customer No. 5	Public Limited Company	43.55	5.80%	No
6.	Customer No. 6	Partnership	26.24	3.49%	No
7.	Customer No. 7	Partnership	23.53	3.13%	No
8.	Customer No. 8	Private Limited Company	20.18	2.69%	No
9.	Customer No. 9	Private Limited Company	19.24	2.56%	No
10.	Customer No. 10	Private Limited Company	18.22	2.43%	No

Sr. No.	Name of the customer[#]	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
Total			**443.48**	**59.04%**	

[#]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.

For Fiscal 2026

Sr. No.	Name of the customer[#]	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
1.	Customer No. 1	Proprietorship	558.81	23.05%	No
2.	Customer No. 2	Public Limited Company	167.82	6.92%	No
3.	Sitaram India Limited	Public Limited Company	124.40	5.13%	Yes
4.	Customer No. 4	Partnership	119.88	4.95%	No
5.	Customer No. 5	Public Limited Company	104.51	4.31%	No
6.	Customer No. 6	Hindu Undivided Family	102.83	4.24%	No
7.	Customer No. 7	Partnership	62.88	2.59%	Yes
8.	Customer No. 8	Private Limited Company	55.60	2.29%	No
9.	Customer No. 9	Limited Liability Partnership	52.23	2.15%	No
10.	Customer No. 10	Public Limited Company	51.09	2.11%	No
Total			**1400.05**	**57.76%**	

[#]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.

For Fiscal 2025

Sr. No.	Name of the customer[#]	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
1.	Customer No. 1	Proprietorship	387.43	18.55%	No
2.	Customer No. 2	Public Limited Company	222.46	10.65%	No
3.	Sitaram India Limited	Public Limited Company	186.72	8.94%	Yes
4.	Customer No. 4	Hindu Undivided Family	146.16	7.00%	No
5.	Customer No. 5	Partnership	143.91	6.89%	No
6.	Customer No. 6	Partnership	64.65	3.10%	No
7.	Ginni International Limited	Public Limited Company	53.00	2.54%	No
8.	Customer No. 8	Private Limited Company	51.39	2.46%	No
9.	Bhaskar Industries Private Limited	Private Limited Company	49.90	2.39%	No
10.	Customer No. 10	Limited Liability Partnership	42.24	2.02%	No
Total			**1347.86**	**64.54%**	

[#]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.

For Fiscal 2024

Sr. No.	Name of the customer	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
1.	Customer No. 1	Public Limited Company	115.10	10.31%	No
2.	Customer No. 2	Proprietorship	112.04	10.03%	No
3.	Sitaram India	Public Limited Company	83.60	7.49%	Yes

Sr. No.	Name of the customer	Nature of Entity	Amount (₹ in millions)	% of revenue from operations	Related Party
	Limited				
4.	Ginni International Limited	Public Limited Company	81.61	7.31%	No
5.	Customer No. 5	Hindu Undivided Family	73.19	6.55%	No
6.	Customer No. 6	Foreign Entity	54.07	4.84%	No
7.	Customer No. 7	Public Limited Company	51.74	4.63%	No
8.	Customer No. 8	Partnership	51.26	4.59%	No
9.	Bhaskar Industries Private Limited	Private Limited Company	45.26	4.05%	No
10.	Customer No. 10	Foreign Entity	39.19	3.51%	Yes
Total			**707.06**	**63.31%**	

[#]*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.*

Also, see "***Risk Factors – We derive a significant portion of our revenue from operations from a limited number of customers. Our top ten customers contributed ₹443.48 million, ₹1,400.05 million, ₹1,347.87 million and ₹707.06 million, representing 59.04%, 57.76%, 64.54% and 63.31% of our revenue from operations during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. Any loss of such customers, reduction in their purchases or deterioration in their financial condition could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects***" on page 29.

Energy and Water

Our manufacturing operations require a continuous and stable supply of electricity for the operation of our weaving, sizing, yarn-preparatory, compressed-air system, humidification and other production-support systems. We currently meet our electricity requirements through a combination of electricity procured from the government grid and solar power.

We have progressively increased the use of solar energy in our manufacturing operations. Solar energy accounted for approximately 14.87%, 10.86% and 11.28% of our total electricity consumption in Fiscals 2026, 2025 and 2024, respectively. As of the date of this Draft Red Herring Prospectus, we have access to approximately 2.50 MW (AC) of operational solar capacity for supporting our manufacturing requirements. We are also in the process of installing an additional 7.40 MW (AC) of solar capacity, which is expected to be commissioned by end of calender year. Upon commissioning of such additional capacity, the aggregate solar capacity available to support our operations is expected to increase to approximately 9.90 MW (AC).

The following table sets forth the contribution of solar energy and electricity procured from the government grid to our total electricity consumption for the periods indicated:

Source of electricity	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Solar energy	15.40%	14.87%	10.86%	11.28%
Government grid	84.60%	85.13%	89.14%	88.72%
Total	**100.00**%	**100.00**%	**100.00**%	**100.00**%

Our manufacturing operations also require water. Water requirements are primarily met through local utility providers and other permissible means.

Also, see "***Risk Factors – Our manufacturing operations require a continuous and stable supply of electricity and water. Interruptions in supply, increases in utility costs or delays in commissioning additional solar capacity could materially and adversely affect our production, business, financial condition, results of operations, cash flows and prospects***" on page 56.

Quality Assurance and Quality Control

We undertake quality assurance and quality control checks at various stages of our manufacturing process, commencing with receipt of yarn and continuing through yarn preparation, sizing, weaving, fabric inspection, grading and dispatch. Our quality-control processes are designed to monitor compliance with customer-specific technical requirements and identify process or fabric-quality deviations at an early stage.

Raw materials received at our Owned Facility are subject to incoming inspection prior to release for production. During the sizing and yarn-preparation stages, we monitor relevant process parameters with the objective of maintaining consistency in warp preparation prior to weaving. During weaving, production is monitored at the loom stage, and our Owned Facility incorporates real time fabric inspection systems that enable identification of fabric defects during production rather than solely after completion of weaving.

Following weaving, fabrics are inspected and graded prior to dispatch or downstream processing based on applicable product and customer specifications, including parameters such as fabric construction, width, weave consistency, visible defects and other customer-specific requirements. Where fabrics are sent to third-party processors for downstream activities, the processed fabrics are also subject to applicable inspection and acceptance procedures prior to final dispatch to customers

Our quality-control framework is supported by automation led and process-integrated equipment, including online fabric inspection and automated batching systems. The integration of inspection into the manufacturing process enables production personnel to identify and address certain defects or process deviations during production.

Our Manufacturing Facility is certified under ISO 9001:2015 for quality management systems, covering, among others, manufacturing, marketing and supply of fabrics for domestic and export markets, as well as job-work weaving and yarn sizing. We also maintain other management-system and textile certifications, including ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, GOTS and GRS, as applicable to the scope specified in the relevant certifications.

Raw material quality inspection:



Finished fabric quality inspection:



Competition

The woven fabrics industry in which we operate is competitive and includes organised and unorganised manufacturers with varying product portfolios, manufacturing capabilities, customer relationships and geographic presence. We compete with textile manufacturers and fabric producers supplying cotton, stretch, polyester-viscose, blended and denim fabrics to domestic and international customers.

Competition in our industry is based on a number of factors, including product quality and consistency, pricing, product specifications and customisation capabilities, breadth of product portfolio, manufacturing capacity, ability to meet delivery schedules, customer relationships, access to raw materials, operating efficiency and responsiveness to changes in customer requirements. Our ability to compete also depends on our ability to manufacture fabrics across different constructions and fibre combinations and to manage production through our owned and dedicated manufacturing arrangements.

We face competition both in the domestic market and, to a more limited extent, in the international markets in which we sell our products. The competitive intensity may vary across product categories and geographies depending on prevailing demand, raw-material prices, capacity availability, customer requirements and the presence of competing manufacturers. In addition, customers may source similar products from multiple manufacturers, and therefore there can be no assurance that existing customer relationships will result in recurring or increased business.

Sales and Marketing

We market and sell our products primarily to B2B customers, including textile manufacturers, processors, garment and apparel manufacturers, wholesalers and other participants in the textile value chain. Our sales team is responsible for customer acquisition, relationship management, understanding product requirements and coordinating commercial terms, order execution and dispatch.

Customer requirements vary by fibre composition, construction, width, colour, finish and other specifications, and our sales and production teams coordinate to manufacture products in accordance with such requirements.

We undertake sales through direct customer engagement and, where applicable, distributers and agents. Certain finished fabrics are also marketed under the “Sitaram” brand.

Human Resource

Our employees are integral to our manufacturing operations and support functions, including production, maintenance, quality control, procurement, sales and marketing, finance and accounts, human resources,

administration and legal and compliance. We seek to recruit personnel based on our operational requirements and provide training and supervision appropriate to their respective functions.

As on September 30, 2026, we had 415 permanent employees. The following table sets forth the department-wise break-up of our permanent employees as of such date

Department	Number of employees
Management	23
Accounts and Finance	8
Production and Operations	280
Sales and Marketing	26
Legal and Compliance	1
Maintenance	36
Human Resources	2
Quality Control	20
Administration	40
Total	**415**

In addition to our employees, we engage contract labour based on our manufacturing and operational requirements. In addition, we had engaged 8 contract labour. The number of contract labour engaged by us may vary depending on production requirements and the nature and volume of activities undertaken.

The following table sets forth our employee attrition for the periods indicated:

Particulars	Three-month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Opening employee headcount	391	314	215	197
Employees joined during the Fiscal	171	395	320	118
Employees who left during the Fiscal	94	318	221	100
Closing employee headcount	468	391	314	215
Average employee headcount[#]	429.50	352.5	264.5	206.0
Attrition rate	**21.89%**	**90.21%**	**83.55%**	**48.54%**

**Not annualized*

Note: Average employee headcount is calculated as the average of the opening and closing employee headcount for the relevant Fiscal. Attrition rate is calculated as the number of employees who left during the relevant Fiscal divided by the average employee headcount for such Fiscal.

Our employee attrition has been concentrated primarily among operational and entry-level personnel and has not resulted in any material adverse impact on its operations. The nature of these roles generally involves a higher degree of workforce mobility, including movement between textile, manufacturing and other industrial establishments in the surrounding areas. Also, see "***Risk Factors – We may be subject to industrial unrest, labour shortages, workforce-related disruptions or increased employee costs, which could adversely affect our business, results of operations, cash flows and financial condition***" on page 71.

The details of employees registered with Employee Provident Fund and Employee State Insurance for Fiscal 2026, 2025 and 2024 are as below:

(₹ in Million)

Particulars	Three-month period ended June 30, 2026*		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	No. of Employee	Statutory Dues paid	No. of Employee	Statutory Dues paid	No. of Employee	Statutory Dues paid	No. of Employee	Statutory Dues paid
Employee Provident Fund	421	2.67	375	8.64	259	10.92	200	5.47
Employee State Insurance	423	0.28	348	2.28	243	1.64	179	1.14

**Not annualized*

The remaining employees are not covered under the Employees' Provident Fund (EPF) and Employees' State Insurance (ESIC) schemes as they do not fall within the statutory eligibility criteria. These include employees whose wages exceed the prescribed statutory thresholds and certain categories of staff who are not mandatorily required to be covered under these schemes under applicable law.

Insurance

We maintain insurance coverage in respect of our insurable assets, including our property, plant and equipment and inventories, with a view to protecting our business against certain operational and asset-related risks. Our insurance policies are reviewed periodically having regard to the nature and value of our assets and our business requirements.

The following table sets forth the book value of our insurable assets and the corresponding insurance coverage for the periods indicated:

(₹ in million, except percentages)

Particulars	Three-month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Book value of insurable assets*	3,019.42	2,918.05	2,524.46	2,003.90
Insurance coverage	4,021.50	4,021.50	3,321.50	1,465.90
Insurance coverage as a percentage of book value of insurable assets	133.19%	137.81%	131.57%	73.15%

**Insurable assets comprise property, plant and equipment and inventories.*

Also, see "***Risk Factors – Our insurance coverage may not adequately protect us against all losses. Our insurance coverage was ₹1,465.90 million against insurable assets with a book value of ₹2,003.90 million as at March 31, 2024, representing coverage of 73.15%. Any uninsured or inadequately insured loss could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects"*** on page 56.

Information Technology

We use information technology systems and applications to support various aspects of our business operations, including procurement, inventory management, production planning, sales, finance and accounts, human resources and other administrative functions. Our manufacturing operations are also supported by technology-enabled systems used for production monitoring, process control, fabric inspection and related operational activities.

We maintain IT infrastructure comprising SAP, Saral Pay (Relyon), Datalog and Microsoft Office, together with appropriate access controls, data backup and system maintenance arrangements to support the continuity of our business operations. Our key IT systems are used for the following purposes:

- *SAP*: Used for accounting, finance, inventory management and related business processes.
- *Saral Pay (Relyon)*: Used for payroll and human resource management.
- *Datalog*: Used for production-related activities and production management.
- *Microsoft Office*: Used for general office administration, documentation, communication, reporting and other business requirements.

We periodically upgrade our technology systems based on operational requirements and changes in our business. We also take measures to protect our systems and data against unauthorised access, system failures, data loss and cybersecurity risks.

Environment, Health and Safety

We are committed to maintaining a safe and healthy working environment for our employees and other personnel engaged at our Manufacturing Facility. We have an onboarding process for newly hired employees and conduct training programmes relating to workplace safety, operating procedures, quality processes and skill development. Our manufacturing operations involve the use of weaving machinery, sizing equipment, compressed-air systems and other production infrastructure. We implement workplace safety practices, including use of personal protective equipment, supervision of shop-floor activities and maintenance of machinery and equipment.

Our Company has obtained coverage under the Employees' State Insurance Corporation ("**ESIC**") scheme for eligible employees in accordance with applicable law, including in relation to employment-related injuries and other specified contingencies.

Our Owned Facility is also equipped with an effluent treatment plant for treatment of wastewater generated from the sizing process, and such treated water is reused within the facility.

Corporate Social Responsibility

Our Company has constituted a CSR committee of our Board of Directors and have adopted and also formulated a CSR policy. As a part of the CSR initiatives, our Company has undertaken several initiatives as per Schedule VII and in complied with Section 135 of the Companies Act, 2013. As per our Restated Financial Information, our CSR expenditure for Fiscals 2026, 2025 and 2024 was ₹2.79 million, ₹0.58 million and ₹0.01 million respectively.

Intellectual Property

As on date of this Draft Red Herring Prospectus, our Company uses the following trademarks for which our Promoter, Sitaram India Limited has made an application for registration or renewal, as applicable, and which are pending as on the date of this Draft Red Herring Prospectus:

Sr. No.	Particulars	Registration Status	Registration / Application number	Trademark Type	Class	Date of Application
i.	SITARAM PREMIUM SUITINGS	Expired; renewal applied for	1267440	Device	24	February 17, 2004
ii.	SITARAM	Pending	7551184	Word	24	February 20, 2026
iii.	SITARAM	Opposed	7551181	Device	24	February 20, 2026
iv.	SITARAM	Under examination	7551183	Device	24	February 20, 2026
v.	SITARAM	Opposed	7551182	Device	24	February 20, 2026
vi.	SITARAM	Send to Vienna Codification	8088591	Device	24	October 27, 2026

Note: The device trademark 'SITARAM SUITINGS' bearing registration number 1267440 in Class 24 is registered in the name of Sitaram India Limited and was valid up to February 17, 2024. The registration has accordingly expired, and Sitaram India Limited, one of our Promoters, has made an application for its renewal, which is pending as on the date of this Draft Red Herring Prospectus.

We have entered into an arrangement with our Promoter, Sitaram India Limited ("**SIL**"), whereby SIL, the owner of the 'Sitaram' brand, has granted us a license to use the 'Sitaram' brand. This license is subject to an annual royalty payment of ₹0.50 million. Under this arrangement, SIL retains sole and exclusive ownership of the 'Sitaram' brand, including all associated rights and goodwill. We do not acquire any ownership or proprietary interest in the brand beyond the rights to use, granted in the arrangement. For details, see "***Risk Factors – We do not own the 'Sitaram' brand or any of the trademarks and logos used by us. One of these trademarks is registered in the name of a third party and its registration has expired, and the applications made by Sitaram India Limited, one of our Promoters, for the other trademarks are pending, of which certain applications have been opposed. Any inability to use, protect or enforce these trademarks could adversely affect our brand, reputation, business and results of operations***" on page 77.

For risk associated with our intellectual property please see, "***Risk Factors***" beginning on page 28.

Properties

The following table sets forth the location and other details of the material properties owned/ leased by us for our business purpose:

Address of the premises	Purpose	Date of Sale Deed / Lease Deed/ Rent Agreement	Date of Purchase Tenure	Purchase / Leased /Rented from	Owned / Leased / Rented	Whether Lessor is related to the Company	Total Rent / Lease (Per Month)
Plot No. F-226,F-227,G228,G229 Rico Industrial Area ,Iv Phase, Pur Road Bhilwara	Registered & Corporate Office	August 31, 2026	11 months w.e.f. August 31, 2026	Sitaram India Limited	Leased	Yes	₹1,00,000/-
Araji Nos. 947, 951, 954, 966/2, 967/2, 954/1, 955/1, 966/1, 967/1, 966, 955, 966/3, 967/3, 948, 949, 953, 950, 952 and 952/1, Revenue Village Danta Nilwari, Post Office Balesariya, 16 km Milestone, Ajmer Road, Tehsil Banera, District Bhilwara, Rajasthan – 311 401	Manufacturing Facility	October 24, 2017	-	Shri Ramlal Bairwa	Owned	No	-
		August 03, 2016	-	Legal heirs of Late Shri Mansingh Chaudhary (Mansingh Nirmal Kumar HUF) — 8 persons	Owned	No	-
		February 15, 2017	-	Bhanwarlal Jaat	Owned	No	-
		September 14, 2016 September19,2016	-	N.A.	Owned	No	-
		November 04, 2016	-	Shri Chetan Kumar Bairwa	Owned	No	-
		November 15, 2016	-	Shri Ramlal Bairwa, son of Shri Ghasiram Bairwa	Owned	No	-
		September 14, 2016	-	Gopal, Sunil Kumar Soni, and Anita Soni	Owned	No	-

	September 14, 2016	-	Bheru s/okalu jaat	Owned	No	-
	September 19, 2016	-	Kalu	Owned	No	-
	September 19, 2016	-	Pratap	Owned	No	-
	September 19, 2016	-	Kana alias Kanhaiyalal	Owned	No	-

KEY REGULATIONS AND POLICIES IN INDIA

*In carrying on our business as described in the section titled "**Our Business**" on page 239, 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 Approvals**" on page 418.*

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.

Rajasthan Investment Promotion Scheme, 2024 ("RIPS 2024") and Rajasthan Investment Promotion Scheme, 2022 ("RIPS 2022")

The Government of Rajasthan formulated the Rajasthan Investment Promotion Scheme, 2024 and the Rajasthan Investment Promotion Scheme, 2022 to promote investment, industrial development, employment generation and balanced and sustainable economic growth across the State. The schemes recognise textiles, garments and apparel as eligible manufacturing or thrust-sector activities and provide eligible enterprises with a range of fiscal and non-fiscal incentives, subject to the applicable eligibility criteria, investment and employment thresholds, project classification, prescribed ceilings, procedural requirements and receipt of the relevant approvals or entitlement certificates. The benefits may include investment subsidy by way of reimbursement of State tax due and deposited, capital subsidy on eligible fixed capital investment, or a turnover-linked incentive, as applicable, together with interest subvention on eligible term loans, electricity-duty and mandi-fee benefits, stamp-duty and land-conversion-charge benefits, employment and thrust-sector boosters, and other support for green initiatives, clusters, freight, training and skilling. The availability and quantum of such benefits depend on the applicable scheme and the specific facts and approvals relating to the relevant enterprise or unit, and the benefits are not necessarily cumulative.

Rajasthan Industrial Development Policy, 2019

The Government of Rajasthan introduced the Rajasthan Industrial Development Policy, 2019 to create an enabling ecosystem for inclusive, balanced, sustainable and eco-friendly industrial development, infrastructure enhancement and employment generation in the State. The policy emphasises industrial parks, theme-based and sector-specific clusters, common infrastructure and testing and certification facilities, including through RIICO industrial areas, while also promoting the growth of micro, small and medium enterprises, technological upgradation, research and development, skill development, innovation, and the domestic and export competitiveness of manufacturing units operating in Rajasthan. The policy also provides for focused initiatives relating to the textile and apparel sector, including apparel and technical textiles, skill development, and design and innovation facilities

Textiles (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

Export Promotion Capital Goods Scheme

The objective of the Export Promotion Capital Goods Scheme ("EPCG Scheme") is to facilitate import of capital goods for producing quality goods and services and enhance manufacturing competitiveness. EPCG Scheme allows import of capital goods that are used in pre-production, production and post-production without the payment of customs duty. Capital goods imported under the benefit under the scheme is subject to an export value equivalent to 6 times of duty saved on the importation of such capital goods within 6 years from the date of issuance of the authorisation. EPCG Scheme covers manufacturer exporters with or without supporting manufacturers, merchant exporters tied to supporting manufacturers and service providers.

Rajasthan Investment Promotion Scheme ("RIPS")

The objective of RIPS is to encourage new investments and promote expansion of existing enterprises in the State, thereby enhancing industrial competitiveness, employment generation and sustainable economic development. RIPS provides eligible enterprises with a bouquet of incentives including investment subsidy, interest subsidy, employment generation subsidy and other fiscal benefits as notified under the scheme. As per the latest policy, RIPS will be operative till March 31, 2029 or until a new policy notification is issued by Government of Rajasthan. The benefits under RIPS are admissible for a prescribed period and are subject to fulfilment of conditions such as commencement of commercial production within the stipulated timeline, maintenance of investment and employment levels, and adherence to reporting and compliance requirements under the scheme. RIPS covers a broad spectrum of investors including manufacturing units, service sector enterprises, thrust sector projects and MSMEs, with the extent and quantum of subsidy linked to the amount of investment made and the category of enterprise, as specified in the relevant notifications issued by the Government of Rajasthan.

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.

The Boilers Act, 2025 ("Boilers Act")

The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during manufacture, erection and use of boilers in India and for matters connected therewith. It came into force on May 1, 2025 and repealed and replaced the Indian Boilers Act, 1923.

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. They restrict the use of any unfair trade practice by e-commerce entities and mandate the establishment of an adequate grievance redressal mechanism and the appointment of a grievance officer. Further, the E-Commerce Rules require all e-commerce entities to appoint a nodal person of contact or an alternate senior designated functionary to ensure compliance with their 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, and 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 list 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, 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 prescribe regulations for imports, pre-packing and the sale of commodities in a packaged form intended for retail sale, wholesale 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 a 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 licence. A person may apply to the bureau for grant of a licence or certificate of conformity if the articles, goods, process, system or service conforms to an Indian Standard.

B. Laws Relating to Employment

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020, streamlines Indian labour law by consolidating three key statutes to enhance the ease of doing business. It significantly increases operational flexibility for companies by raising the employee threshold from 100 to 300 for requiring prior government permission for layoffs, retrenchment, and closure, and for mandating formal standing orders. While providing this flexibility, the Code also introduces several worker-centric provisions, including an expanded definition of 'worker,' the formal recognition of fixed-term employment with pro-rata benefits, and the establishment of a 'Reskilling Fund' for retrenched employees. Furthermore, it establishes a clear framework for recognizing a sole negotiating union to streamline collective bargaining and imposes stricter conditions, such as a mandatory notice period, for strikes and lock-outs, aiming to balance employer flexibility with industrial harmony.

Code on Wages, 2019

The Code on Wages, 2019, is a comprehensive legislation that consolidates and simplifies four central labour laws: the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965; and the Equal Remuneration Act, 1976. Its primary objective is to create a uniform and streamlined framework for wage-related regulations across all sectors of employment. A key feature of the Code is the universalization of minimum wage and timely wage payment provisions, making them applicable to all employees, including those in the unorganized sector, thereby removing previous wage ceilings and employment-specific limitations. The Code introduces the concept of a national "floor wage" to be determined by the Central Government, which will serve as a baseline that state-level minimum wages cannot fall below. Furthermore, it prohibits gender discrimination in matters of wages and recruitment for the same or similar nature of work, codifies the rules for annual bonus payments, and specifies clear timelines for wage payments and permissible deductions. The enforcement mechanism is also revamped, introducing the role of an "Inspector-cum-Facilitator" to advise employers and employees, alongside traditional inspection functions, aiming for a more transparent and less adversarial compliance system.

Code on Social Security, 2020

The Code on Social Security, 2020, is a comprehensive legislation designed to consolidate and amend nine central labour enactments related to social security, including those governing provident funds, employee insurance, maternity benefits, and gratuity. Its most significant objective is to universalize social security benefits by extending coverage to the vast unorganized sector, as well as to gig and platform workers, who were previously largely outside the traditional safety net. The Code establishes a framework for this expansion through the mandatory registration of all workers on a national portal and the creation of a dedicated Social Security Fund to finance schemes for them. While streamlining the administration of existing statutory schemes like the EPF and ESI, the Code's core purpose is to create a

single, unified structure to provide a social security umbrella for the entire Indian workforce, adapting to the changing nature of work in the modern economy.

Occupational Safety, Health and Working Conditions (OSH) Code, 2020

The Occupational Safety, Health and Working Conditions (OSH) Code, 2020, is a comprehensive legislation that consolidates and replaces 13 central labour laws, including The Factories Act, 1948; The Mines Act, 1952; The Dock Workers (Safety, Health and Welfare) Act, 1986; The Building and Other Construction Workers Act, 1996; The Plantations Labour Act, 1951; The Contract Labour Act, 1970; The Inter-State Migrant Workmen Act, 1979; The Working Journalist and other Newspaper Employees Act, 1955; The Working Journalist (Fixation of Rates of Wages) Act, 1958; The Motor Transport Workers Act, 1961; The Sales Promotion Employees Act, 1976; The Beedi and Cigar Workers Act, 1966; and The Cine-Workers and Cinema Theatre Workers Act, 1981. Its primary objective is to create a single, uniform regulatory framework for a wide range of establishments. The Code simplifies compliance for employers by introducing a single registration and license system and clearly defines the duties of both employers and employees regarding workplace safety. Furthermore, it establishes advisory boards, introduces specific welfare provisions for contract and migrant workers, and permits women to work at night with their consent and adequate safety. By shifting the enforcement mechanism towards an "Inspector-cum-Facilitator" model, the Code aims to foster a more proactive and advisory approach to ensuring safe and humane working conditions.

C. 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.

D. 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 authorized 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. The Government of India, through the Directorate General of Foreign Trade ("DGFT"), notified the Foreign Trade Policy, 2023 ("FTP 2023") on March 31, 2023, with effect from April 1, 2023. FTP 2023 replaced the Foreign Trade Policy 2015–2020, which had been extended until March 31, 2023. FTP 2023 focuses, inter alia, on process re-engineering and automation, export promotion through collaboration among exporters, States, districts and Indian Missions, ease of doing business, reduction of transaction costs, e-initiatives, and emerging areas including e-commerce exports, streamlining of the SCOMET policy and development of districts as export hubs.

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.

FEMA Rules

The Central Government notified the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("FEMA Rules" / "FEMA NDI Rules") on October 17, 2019, and the RBI notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019, to regulate the acquisition, transfer, and reporting of equity instruments by persons resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment ("**FDI**") under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

E. Taxation Laws

Income Tax Act, 2025

Income Tax Act, 2025 is applicable to every domestic or foreign company whose income is taxable under the provisions of this Act or rules made under it depending upon its "Residential Status" and "Type of Income" involved. Under section 263(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Customs Act, 1962 ("Customs Act")

The Customs Act, as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any company intending to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code under FTDR. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance, GoI.

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.

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

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

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

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.

Consumer protection Act, 2019

An Act to provide for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes and for matters connected therewith. The Act establish a Council to be known as the Central and State Consumer Protection Council. The Act establish Consumer Disputes Redressal Agencies. The Act provide speedy and simple redressal to consumer disputes, a quasi-judicial machinery is sought to be set up at the district, State and Central level. These quasi-judicial bodies will observe the principles of natural justice and have been empowered to give relief of a specific nature and to award, wherever appropriate, compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

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.

Sale of Goods Act, 1930.

This Act has been came into force on the 1st day of July,1930. The unrepealed provisions of the Indian Contract Act, 1872, save in so far as they are inconsistent with the express provisions of this Act, shall continue to apply to contracts for the sale of goods. The Act contains the provisions regarding the sale and agreement to sell.

Key legal and regulatory framework that becomes applicable to us on and from the date of listing of its securities:

SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations")

The SEBI ICDR Regulations govern public issuances and other capital raising activities by companies in India. These regulations prescribe the eligibility criteria, disclosure requirements, issue procedures,

pricing norms and post-issue obligations applicable to issuers.

SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations")

The PIT Regulations prohibit insider trading and regulate the communication, procurement and disclosure of unpublished price sensitive information. These regulations prescribe compliance and disclosure requirements for listed entities, designated persons and insiders to promote market integrity and investor protection.

SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("SEBI NCS Regulations")

SEBI NCS Regulations govern the public issue, private placement, and listing of non-convertible securities, laying down conditions for eligibility, disclosure, and compliance.

SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 ("SEBI SDI Regulations")

SEBI SDI Regulations apply to the issuance and listing of securitised debt instruments and security receipts, providing a regulatory framework for securitisation transactions and the entities involved.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

SEBI Listing Regulations set out the continuous disclosure obligations and corporate governance norms applicable to listed entities to ensure transparency and investor protection.

Securities Contracts (Regulation) Act, 1956 ("SCRA") and the corresponding rules framed thereunder

SCRA Regulates transactions in securities, the functioning of stock exchanges, and provides for the recognition of such exchanges and contracts in securities.

SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("FUTP Regulations")

FUTP Regulations prohibit fraudulent, manipulative, and unfair trade practices in the securities market to safeguard investor interests and market integrity.

SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations")

SEBI Takeover Regulations govern the acquisition of shares or voting rights and control in listed companies, ensuring fairness and transparency in takeover activities.

Any other applicable circulars, guidelines, or directions issued by SEBI from time to time.

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, the Arbitration and Conciliation Act, 1996 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 '*Sitaram Texpark Developers Private Limited*', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated February 2, 2011 issued by the Registrar of Companies, Jaipur at Rajasthan. Subsequently, pursuant to a resolution passed by our Board dated April 7, 2016 and a special resolution passed by our Shareholders dated April 20, 2016. Thereafter, the name of our Company was changed from '*Sitaram Texpark Developers Private Limited*' to '*Sitaram Denim India Private Limited*', and a fresh certificate of incorporation dated May 20, 2016 was issued by the Registrar of Companies, Jaipur at Rajasthan. Subsequently, pursuant to a board resolution dated May 20, 2016 and a special resolution passed by the shareholders on May 23, 2016, our Company was converted into a public limited company and its name was changed from '*Sitaram Denim India Private Limited*' to '*Sitaram Denim India Limited*' and a fresh certificate of incorporation consequent upon conversion was issued on June 3, 2016 by the Registrar of Companies, Jaipur at Rajasthan. Thereafter, pursuant to a resolution passed by our Board dated June 9, 2016 and a special resolution passed by our Shareholders dated June 10, 2016 the name of our Company was changed from '*Sitaram Denim India Limited*' to '*Sitaram Denims India Limited*', and a fresh certificate of incorporation pursuant to change of name was issued on June 16, 2016 by the Registrar of Companies, Jaipur at Rajasthan.

Changes in the Registered Office

Except as disclosed below, there has been no change in the registered office of our Company since the date of incorporation:

Effective date of change	Details of change	Reasons for change
January 1, 2026	The registered office of our Company was shifted from '*48 – Main Sector, Shastri Nagar, Bhilwara – 311 001, Rajasthan, India*' to '*F-226,227, G-228, 229, IV Phase, RIICO Industrial Area, Bhilwara– 311 001, Rajasthan, India*'	For Administrative purpose

Main objects of our Company

The main object(s) of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To undertake, identify, formulate, design, develop, structure, promote, aid, procure, establish, equip, manage, construct, erect, operate, maintain, improve, control, regulate, modify, restructure, re-organise, participate and/or assist in the designing, development, construction, implementation, commissioning, operation and maintenance of various infrastructure projects in inter alia included in the textile industry, and any other sectors, in clusters or otherwise, schemes, facilities, programmes, or advisory mandates across sectors in India or abroad and ancillary facilities and services by charging, collecting, auctioning, retaining and appropriating tariffs, charges, tools, fees, prices, rents, user fees, from users of infrastructure facilities, projects, facilities and to develop integrated textile parks inter alia comprising various stone manufacturing, finishing and processing units, textile units, textile plant, and textile testing and R&D facilities alongwith centre machinery, training centers and other social infrastructure and associated services of any description and ancillary facilities including construction of buildings, factory sheds, design centers, warehouses, raw material depot, creche, canteen, workers hostel, labour rest and recreation facilities, hoardings and other infrastructure facilities as may be required for the purposes in public and private sector partnership mode or any other formats and for this purpose to enter into all types of contracts with government and any other entities. To work for development of industry, provide consultancy to owner of successful running, organise awareness programme on cluster development to get active participation of cluster actors in cluster development programme (CDP), awareness programme, organised seminar on benefits or consortia approach. Exposure visit to other cluster, exhibition to observe technology in action for automation and cost competitiveness in textile industry. Formation and registration of special purpose vehicle, preparation of project, appraisal of proposals for exploring the feasibility for selection of machinery and equipment etc. Organising seminars, conferences, ISO class credit rating to create opportunities for projecting an image of cluster and boarding business and broadening business base through global linkage, organising workshop for development bids,

organising seminars cum conference to provide opportunity for projects in positive image of cluster and expanding business opportunities of cluster units, hiring of services of exports for coordinating cluster activities, education training, seminar of international trades/visit to international trade fair to give exposure to cluster enterprises.

2. To act as special purpose vehicle for implementing different schemes of the Central, State, Governments and other authorities Specifically for cluster development schemes of Central Government and other public authorities and to carry on the business of developing, operating, maintaining and upgrading various infrastructure facilities at different industrial locations and to engage in the activities of development of textile industries as may be approved under any of the schemes, present and future and to engage in training and development activities pertaining to textile industries and Purchase & Sale of Land, Diagnostic Study of Food Level, Air Direction & Basic needs of industry, infrastructure Deployment SEZ, Focal Point Development (Development of Schools, Parks, Yards, Hospitals, Common Efficiency Treatment Plant, Hazardous Waste Disposal & management Plant), working as a Non Making Organization, logistics services and sub-contract exchange services/facilities.

3. To carry on all or any of the business of manufacturing, processing, spinning, doubling, scouring, sizing, combing, weaving, ginning, bailing, knitting, winning, coloring, dying, bleaching finishing, calendaring, printing, mercerizing, chemical processing, selling, buying, importing, exporting, distributing, exchanging, bartering, shipping or otherwise dealing in cotton, wool silk, art silk, rayon, terrenes flex hemp, polyester synthetics, linen, jute, nylon, ploy plastic strips and others fibrous articles, chemicals or synthetics or textile substance or any of these commodities is treat and utilize and deal in any waste arising from any such operations of the buying and selling or any dealing in all or any of aforesaid substance.

4. To carry on the business as manufacturers, developers, assemblers, dealers, importers, exporters, traders, purchasers, sellers, hire purchasers, hires, repairs, of power generating, and distributing plants, equipments, operating specially using power from renewable energy sources such as solar, wind, biogas, solar products like solar panels, solar lights, solar cookers, solar gysers and all other products which may come out of research and to carry on the business as to do research and development, data collection, analysis, publishing of research and study material, efficient supply of quality inputs and technical guidance Customised Training & Development solutions in the field of solar energy and solar products.

5. To do Research, design and develop the concept in the field of renewable energy, Patenting and publishing the novel concept design, develop and manufacture the innovative energy generation and consumption products, design develop and install on-grid or off-grid power plants using renewable energy sources, become the intermediate party of the energy generation, conversion and effective consumption products in the form of dealers/distributors/franchisee/importers/exporters design, develop and construct the energy efficient buildings and architecture, provide training, workshop and seminars provide consultancy for the energy generation and efficient consumption of the energy, market analysis and preparing reports

6. To carry on the business of spinners, doublers, twisters, texturisers, combers, ginners, pressers, balers, manufacturers, processors, buyers, sellers, importers, exporters, traders and dealers in all kinds of yarns, threads and fibres, including 100% cotton yarn (carded, combed and compact), polyester-viscose (PV) yarn, polyester-wool (PW) yarn, polyester-cotton (PC) yarn, 100% polyester yarn, viscose, modal, lyocell, linen, wool, acrylic, nylon, silk, art silk, rayon, jute, hemp, flax, staple fibre, spandex, recycled and organic fibres and their blends, whether ring-spun, open-end, vortex, slub, melange, core-spun, dyed, grey, gassed, mercerised, doubled or specialty yarns of every count and variety, and the ginning, pressing and baling of cotton and other fibres.

7. To carry on the business of weavers, knitters, manufacturers, producers, buyers, sellers, importers, exporters and dealers in all kinds of woven, knitted, non-woven, felted, netted, embroidered and looped materials, fabrics and cloth, including denim (indigo, coloured and stretch), twill, drill, canvas, corduroy, suitings, shirtings, bottom-weights, dress materials, sarees, poplin, sheeting and home furnishing fabrics, made of cotton, PV, PW, PC, polyester, viscose, wool, silk, artificial silk, rayon, linen, flax, jute, hemp,

staple fibre, man-made and synthetic fibres or any blend thereof, whether on the Company's own account or on job-work basis.

8. To carry on the business of processors, sizers, dyers, bleachers, printers, embroiderers, pressers, mercerisers, finishers, calenderers, sanforisers, coaters and laminators of all kinds of yarns, fabrics and garments, whether on the Company's own account or on job-work basis, including indigo rope dyeing, indigo slasher dyeing, sulphur dyeing and denim finishing; cotton fabric finishing including singeing, desizing, scouring, bleaching, mercerising, dyeing, printing, raising, brushing, calendering, sanforising and stentering; dyeing, heat-setting and finishing of PV, PW, PC, polyester and other synthetic and blended fabrics; sizing of warp yarns; yarn, package and fibre dyeing; embroidery; and digital, rotary and screen printing.

9. To carry on the business of manufacturers, stitchers, tailors, cutters, embroiderers, washers, finishers, designers, buyers, sellers, importers, exporters, retailers, wholesalers and dealers in all types of readymade garments, apparels and made-ups for men, women and children, including jeans, trousers, shirts, jackets, suits, uniforms, workwear, knitwear, hosiery, innerwear, sportswear, ethnic wear and fashion wear, together with garment washing and finishing of all kinds, and home textiles and made-ups such as bed linen, towels, curtains and bags, whether on the Company's own account or on job-work basis.

10. To carry on the business of manufacturers, processors, converters, buyers, sellers, importers, exporters and dealers in all kinds of technical textiles, non-woven fabrics, coated and laminated fabrics and functional fabrics, including those used for agricultural, building, geotextile, medical and hygiene, automotive, industrial, packaging, protective, sports and home applications, made from cotton, polyester, polypropylene, nylon, aramid, glass, carbon or any other fibre or blend thereof.

11. To carry on the business of traders, merchants, exporters, importers, merchandisers, distributors, stockists, commission agents, buying and selling agents, brokers, forwarders, suppliers and representatives, in India and abroad, of all kinds of fibres, yarns, fabrics, garments, textiles, dyes, chemicals, auxiliaries, trims, accessories, packing materials, and textile machinery, spares and equipment, and to open showrooms, retail outlets and e-commerce channels and to create, acquire and license brands.

12. To collect, treat, process, recycle, reprocess, utilise, buy and sell all waste, by-products and substitutes arising from spinning, weaving, processing and garmenting, including cotton waste, yarn waste, fabric cuttings and recycled fibre, to manufacture recycled yarns and fabrics, and to set up effluent treatment plants, zero liquid discharge systems and chemical recovery systems.

13. To carry on the business of designers, developers, testers and consultants in textile and apparel products, and to establish design studios, sampling units, testing and quality laboratories, research and development centres and training centres for textile and garment technology, and to conduct any other activities related to textiles with the advancement of new technologies.

Amendments to the Memorandum of Association

Set out below are the amendments to our MoA in the last 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholder's resolution/ Effective date	Particulars
April 20, 2016	Clause V of the Memorandum of Association was amended to reflect the alteration of the authorised share capital of our Company from ₹1,000,000 (Rupees one million only) divided into 100,000 (One Hundred Thousand) Equity Shares of ₹10 each to ₹100,000,000 (Rupees one hundred million only) divided into 10,000,000 (Ten Million) Equity Shares of ₹10 each.

Date of Shareholder's resolution/ Effective date	Particulars
April 20, 2016	Clause III(A) of the Memorandum of Association of our Company was amended to reflect the insertion of main object clause i.e. sub-clause 3,4 and 5 of Clause III(A) i.e. 1. To carry on all or any of the business of manufacturing, processing, spinning, doubling, scouring, sizing, combing, weaving, ginning, bailing, knitting, winning, coloring, dying, bleaching finishing, calendaring, printing, mercerizing, chemical processing, selling, buying, importing, exporting, distributing, exchanging, bartering, shipping or otherwise dealing in cotton, wool silk, art silk, rayon, terrenes flex hemp, polyester synthetics, linen, jute, nylon, ploy plastic strips and others fibrous articles, chemicals or synthetics or textile substance or any of these commodities is treat and utilize and deal in any waste arising from any such operations of the buying and selling or any dealing in all or any of aforesaid substance. 2. To carry on the business as manufacturers, developers, assemblers, dealers, importers, exporters, traders, purchasers, sellers, hire purchasers, hires, repairs, of power generating, and distributing plants, equipments, operating specially using power from renewable energy sources such as solar, wind, biogas, solar products like solar panels, solar lights, solar cookers, solar geysers and all other products which may come out of research and to carry on the business as to do research and development, data collection, analysis, publishing of research and study material, efficient supply of quality inputs and technical guidance Customised Training & Development solutions in the field of solar energy and solar products. 3. To do Research, design and develop the concept in the field of renewable energy, Patenting and publishing the novel concept design, develop and manufacture the innovative energy generation and consumption products, design develop and install on-grid or off-grid power plants using renewable energy sources, become the intermediate party of the energy generation, conversion and effective consumption products in the form of dealers/distributors/franchisee/importers/exporters design, develop and construct the energy efficient buildings and architecture, provide training, workshop and seminars provide consultancy for the energy generation and efficient consumption of the energy, market analysis and preparing reports.
April 20, 2016	Clause I of the Memorandum of Association of our Company was amended to reflect the change in name from '*Sitaram Texpark Developers Private Limited*' to '*Sitaram Denim India Private Limited*' consequent to change in name of Company.
May 23, 2016	Clause I of the Memorandum of Association of our Company was amended to reflect the change in name from '*Sitaram Denim India Private Limited*' to '*Sitaram Denim India Limited*' pursuant to the conversion of our Company from a private limited company to a public limited company.
June 10, 2016	Clause I of the Memorandum of Association of our Company was amended to reflect the change in name from '*Sitaram Denim India Limited*' to '*Sitaram Denims India Limited*'.
December 31, 2016	Clause V of the Memorandum of Association was amended to reflect the alteration of the authorised share capital of our Company from ₹100,000,000 (Rupees one hundred million only) divided into 10,000,000 (Ten Million) Equity Shares of ₹10 each to ₹210,100,000 (Rupees two hundred and ten million and one hundred thousand only) divided into 21,010,000 (Twenty-One Million and Ten Thousand) Equity Shares of ₹10 each.

Date of Shareholder's resolution/ Effective date	Particulars
March 27, 2026	Clause V of the MoA was amended to reflect the sub-division of the existing Authorised Share Capital of the Company from ₹ 210,100,000 (Rupees two hundred and ten million and one hundred thousand only) consisting of 21,010,000 Equity shares of face value of ₹10 each to ₹210,100,000 (Rupees two hundred and ten million and one hundred thousand only) consisting of 42,020,000 Equity shares of face value of ₹5 each
March 27, 2026	Clause V of the Memorandum of Association was amended to reflect the alteration of the authorised share capital of our Company from ₹210,100,000 (Rupees two hundred and ten million and one hundred thousand only) divided into 42,020,000 (Forty-Two Million Twenty Thousand) Equity Shares of ₹5 each to ₹450,000,000 (Rupees four hundred and fifty million only) divided into 90,000,000 (Ninety Million) Equity Shares of ₹5 each.
August 29, 2026	Clause V of the Memorandum of Association was amended to reflect the alteration of the authorised share capital of our Company from ₹450,000,000 (Rupees four hundred and fifty million only) divided into 90,000,000 (Ninety Million) Equity Shares of ₹5 each to ₹600,000,000 (Rupees Six Hundred Million only) divided into 120,000,000 (One Hundred Twenty Million) Equity Shares of ₹5 each.
October 27, 2026	Clause III(A) of the Memorandum of Association was amended to insert a new main object relating to the manufacture, stitching, processing and sale of readymade garments and apparel, i.e., "6.To carry on the business of spinners, doublers, twisters, texturisers, combers, ginners, pressers, balers, manufacturers, processors, buyers, sellers, importers, exporters, traders and dealers in all kinds of yarns, threads and fibres, including 100% cotton yarn (carded, combed and compact), polyester-viscose (PV) yarn, polyester-wool (PW) yarn, polyester-cotton (PC) yarn, 100% polyester yarn, viscose, modal, lyocell, linen, wool, acrylic, nylon, silk, art silk, rayon, jute, hemp, flax, staple fibre, spandex, recycled and organic fibres and their blends, whether ring-spun, open-end, vortex, slub, melange, core-spun, dyed, grey, gassed, mercerised, doubled or specialty yarns of every count and variety, and the ginning, pressing and baling of cotton and other fibres. 7. To carry on the business of weavers, knitters, manufacturers, producers, buyers, sellers, importers, exporters and dealers in all kinds of woven, knitted, non-woven, felted, netted, embroidered and looped materials, fabrics and cloth, including denim (indigo, coloured and stretch), twill, drill, canvas, corduroy, suitings, shirtings, bottom-weights, dress materials, sarees, poplin, sheeting and home furnishing fabrics, made of cotton, PV, PW, PC, polyester, viscose, wool, silk, artificial silk, rayon, linen, flax, jute, hemp, staple fibre, man-made and synthetic fibres or any blend thereof, whether on the Company's own account or on job-work basis. 8. To carry on the business of processors, sizers, dyers, bleachers, printers, embroiderers, pressers, mercerisers, finishers, calenderers, sanforisers, coaters and laminators of all kinds of yarns, fabrics and garments, whether on the Company's own account or on job-work basis, including indigo rope dyeing, indigo slasher dyeing, sulphur dyeing and denim finishing; cotton fabric finishing including singeing, desizing, scouring, bleaching, mercerising, dyeing, printing, raising, brushing, calendering, sanforising and stentering; dyeing, heat-setting and finishing of PV, PW, PC, polyester and other synthetic and blended fabrics; sizing of warp yarns; yarn, package and fibre dyeing; embroidery; and digital, rotary and screen printing. 9. To carry on the business of manufacturers, stitchers, tailors, cutters,

Date of Shareholder's resolution/ Effective date	Particulars
	embroiderers, washers, finishers, designers, buyers, sellers, importers, exporters, retailers, wholesalers and dealers in all types of readymade garments, apparels and made-ups for men, women and children, including jeans, trousers, shirts, jackets, suits, uniforms, workwear, knitwear, hosiery, innerwear, sportswear, ethnic wear and fashion wear, together with garment washing and finishing of all kinds, and home textiles and made-ups such as bed linen, towels, curtains and bags, whether on the Company's own account or on job-work basis. 10. To carry on the business of manufacturers, processors, converters, buyers, sellers, importers, exporters and dealers in all kinds of technical textiles, non-woven fabrics, coated and laminated fabrics and functional fabrics, including those used for agricultural, building, geotextile, medical and hygiene, automotive, industrial, packaging, protective, sports and home applications, made from cotton, polyester, polypropylene, nylon, aramid, glass, carbon or any other fibre or blend thereof. 11. To carry on the business of traders, merchants, exporters, importers, merchandisers, distributors, stockists, commission agents, buying and selling agents, brokers, forwarders, suppliers and representatives, in India and abroad, of all kinds of fibres, yarns, fabrics, garments, textiles, dyes, chemicals, auxiliaries, trims, accessories, packing materials, and textile machinery, spares and equipment, and to open showrooms, retail outlets and e-commerce channels and to create, acquire and license brands. 12. To collect, treat, process, recycle, reprocess, utilise, buy and sell all waste, by-products and substitutes arising from spinning, weaving, processing and garmenting, including cotton waste, yarn waste, fabric cuttings and recycled fibre, to manufacture recycled yarns and fabrics, and to set up effluent treatment plants, zero liquid discharge systems and chemical recovery systems. 13. To carry on the business of designers, developers, testers and consultants in textile and apparel products, and to establish design studios, sampling units, testing and quality laboratories, research and development centres and training centres for textile and garment technology, and to conduct any other activities related to textiles with the advancement of new technologies.".

Major events and milestones of our Company

The table below sets forth some of the key events in the history of our Company:

Fiscal Year	Events
2011	Incorporation of our Company as "Sitaram Texpark Developers Private Limited".
2017	*Our Company changed its name from* "Sitaram Texpark Developers Private Limited" *to "Sitaram Denim India Private Limited"*
	Conversion of our Company from a private limited company to a public limited company
2018	Commencement of commercial production at our manufacturing facility with the installation of 120 shuttleless Airjet looms
2024	Our Company achieved a milestone with revenue from operations crossing ₹1,000 million
	Installation of an additional 84 shuttleless Airjet looms, increasing our total installed weaving capacity to 25.20 million metres per annum at an average of 80 picks
	Installation of a sizing machine with an installed capacity of 6.00 million kilograms per annum for captive use at our manufacturing facility
	Installation and commissioning of a rooftop solar power facility with a cumulative installed capacity of 2.50 MW (AC) at our manufacturing facility
2025	Our Company achieved a milestone with revenue from operations crossing ₹2,000 million
2026	Initiated expansion of solar power capacity by an additional 7.40 MW (AC), taking the total planned capacity to 9.90 MW (AC)
	Expansion of our customer base, with more than 300 revenue-generating customers during Fiscal 2026.
	Entered into an exclusive job work agreement with Sitaram India Limited for utilising its manufacturing facilities

Awards, Accreditations and Recognitions

The table below sets forth some of the key awards, accreditations and recognition received by our Company:

Fiscal	Awards, Accreditations and Recognition
2026	ZED Gold Certification under the Zero Defect Zero Effect (ZED) Scheme of the Ministry of Micro, Small and Medium Enterprises, Government of India.
2027	ECOCERT (Ecological Certification) certification confirming that our greige fabrics conform to the Global Organic Textile Standard (GOTS), Version 7.0.
2027	ECOCERT (Ecological Certification) certification confirming that our dyed fabrics conform to the Global Recycled Standard (GRS), Version 4.0.

Launch of key products or services, entry into new geographies or exit from existing

For launch of key products or services, entry into new geographies or exit from existing markets see "***Our Business***" on page 239.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

As on the date of this Draft Red Herring Prospectus, there have been no instances of defaults or rescheduling/re-structuring of our Company's current borrowings with financial institutions / banks.

Time and cost overruns in setting up projects

As on the date of this Draft Red Herring Prospectus, there have been no instances of time or cost over-runs in respect of our locations or business operations.

Significant financial or strategic partnerships

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc., in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Shareholders Agreement and other agreements

As on date of this Draft Red Herring Prospectus, our Company is not party to any shareholder's agreements or other agreements other than in the ordinary course of business.

Further, as on the date of this Draft Red Herring Prospectus, there are no inter-se agreements/arrangements or any deeds of assignment, acquisition agreements, shareholders agreement, financing agreements, agreements of like nature with respect to our Company that our Company is a party to and there are no other agreements/arrangement and clauses/covenants with respect to our Company that our Company is a party to, or of which it is aware, which are material and which need to be disclosed or non-disclosure of which may have a bearing on the investment decision in the Offer. Further, there are no clauses/covenants which are adverse/pre-judicial to the interest of the minority/public shareholders of our Company.

Capacity/facility creation, location of plants

For details regarding capacity and locations of our Manufacturing Facility, see "***Our Business – Capacity Utilization***" on page 257.

Agreements with our Key Managerial Personnel, Senior Management, Directors, Promoters or any other employee

As of the date of this Draft Red Herring Prospectus, there are no agreements entered into by a Key Managerial Personnel or Senior Management or Directors or the Promoter 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 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.

Other material agreements

Exclusive Job Work Agreement dated March 1, 2026 between our Company and Sitaram India Limited: Pursuant to this agreement, Sitaram India Limited undertakes weaving and related job work for our Company for a term of five years. During the term, Sitaram India Limited shall not provide job work to any other person or engage in any business that conflicts with the textile business of our Company. Our Company may terminate the agreement by giving 90 days' notice.

Non-Compete Agreement dated September 14, 2026 between our Company and Sitaram India Limited: Pursuant to this agreement, Sitaram India Limited has agreed not to approach, solicit or divert any customer of our Company while the job work arrangement subsists and for a period of 24 months thereafter. The agreement is governed by the laws of India and the courts at Bhilwara have jurisdiction.

Details of Special Rights

There are no special rights available to any shareholder of our Company or any other person.

Holding company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As of the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary company.

Joint Venture of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any Joint Venture.

Other confirmations

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 for the job work services provided by Sitaram India Limited, our Corporate Promoter, pursuant to an Exclusive Job Work Agreement dated March 1, 2026, 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, Directors and Group Companies.

Except as stated below, there is no conflict of interest between the lessor of immovable properties and the Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and Group Companies.

Our Company has entered into a rent agreement dated August 31, 2026 with our Corporate Promoter, Sitaram India Limited in respect of its Registered Office premises, for a period of 11 months commencing from September 1, 2026. Pursuant to the Rent Agreement, our Company is required to pay a monthly rent of ₹0.10 million to Sitaram India Limited and electricity and other expenses amounting to ₹0.02 million per month.

Details of guarantees given to third parties by the Promoter Group Selling Shareholders offering Equity Shares in the Offer

As on the date of this Draft Red Herring Prospectus, our Promoter Group Selling Shareholders have not given any guarantees to third parties.

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 3 directors and not more than 15 directors, provided that the Company may appoint more than 15 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) Whole Time Director, one (1) Executive Director, three (3) Non-Executive Independent Directors, including one (1) Non-Executive 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 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	Directorships in other Companies
Anil Kumar Nuwal **Date of birth**: December 28, 1968 **Age (years):** 57 **Address**: 9, Main Sector, Shastri Nagar, Bhilwara – 311 001, Rajasthan, India **Occupation**: Business **Term**: From June 1, 2024 to May 31, 2029 **Period of directorship**: Since February 02, 2011 **DIN**: 00096471	Chairman and Managing Director	***Indian Companies*** • *Sitaram India Limited* ***Foreign Companies*** *Nil*
Madhu Sudan Nuwal **Date of birth**: March 06, 1970 **Age (years):** 56 **Address**: 8, Main Sector, Shastri Nagar, Bhilwara – 311 001, Rajasthan, India **Occupation**: Business **Term**: February 19, 2026 to February 18, 2031, Liable to retire by rotation **Period of directorship**: Since April 20, 2016 **DIN**: 00212341	Whole Time Director	***Indian Companies*** • *Sitaram India Limited* ***Foreign Companies*** *Nil*

Name, date of birth, age, address, occupation, term, period of directorship and DIN	Designation	Directorships in other Companies
Anil Kumar Kohli **Date of birth**: June 15, 1970 **Age (years):** 56 **Address**: H 448/30, Khatri Colony, Bhopalpura Road, Bhilwara – 311 001, Rajasthan, India **Occupation**: Service **Term**: Liable to retire by rotation. **Period of directorship**: Since March 10, 2022 **DIN**: 09530109	Executive Director	***Indian Companies*** • *Sitaram India Limited* ***Foreign Companies*** *Nil*
Birendranath Bandyopadhyay **Date of birth**: October 4, 1968 **Age (years):** 58 **Address**: 303, Sarthi Residency, Dumas Road, Near V.R. Mall Magdalla, Rundh, Surat-395007, Gujarat, India **Occupation**: Consultant **Term**: From September 17, 2026 till September 16, 2031 **Period of directorship:** Since September 17, 2026 **DIN:** 10802067	Independent Director	***Indian Companies*** *Nil* ***Foreign Companies*** *Nil*
Kamlesh Kumar Choudhary **Date of birth**: November 4, 1964 **Age (years):** 61 **Address**: House No. 123, Main Sector, Shastri Nagar, Bhilwara – 311001, Rajasthan, India **Occupation**: Retired **Term**: From February 19, 2026 to February 18, 2031 **Period of directorship:** Since February 19,	Independent Director	***Indian Companies*** • *Sonaselection India Limited* ***Foreign Companies*** *Nil*

Name, date of birth, age, address, occupation, term, period of directorship and DIN	Designation	Directorships in other Companies
2026 **DIN:** 09291860		
Nupur Manishkumar Varday **Date of Birth**: June 15, 1991 **Age (years)**: 35 **Address**: I-22, Behind Hotel Amit Palace, Mohan Lal Sukhadia Nagar, Bhilwara-311001, Rajasthan, India **Occupation**: Professional **Term**: From August 29, 2026 till August 28, 2031. **Period of directorship**: Since August 29, 2026. **DIN**: 10881346	Independent Director	***Indian Companies*** *Nil* ***Foreign Companies*** *Nil*

Brief profiles of our Directors

Anil Kumar Nuwal is the Chairman and Managing Director of our Company. He has been associated with the Company since February 2, 2011. He has completed his degree in Bachelor of Science from the University of Rajasthan. He possesses 38 years of experience in the textile industry. His roles and responsibilities include providing strategic leadership and overseeing the Company's business operations, procurement, growth, and operational performance.and driving corporate governance, regulatory compliance, key business decisions, and long-term business objectives.

Madhu Sudan Nuwal is the Whole-Time Director of our Company. He has been associated with the Company since April 20, 2016. He has completed his degree in Bachelor of Engineering (textile branch) from the University of Rajasthan. He has over 29 years of experience in the textile industry. His roles and responsibilities include providing overall management, strategic planning, business growth, operational efficiency, stakeholder relationships, corporate governance, risk management, and regulatory compliance of the Company.

Anil Kumar Kohli is the Executive Director of our Company. He has been associated with the Company since April 1, 2017 as a plant head and later on designated to Executive director on March 10, 2022. He has completed his diploma in Textile Technology (Weaving) from the Punjab State board of Technical Education. He has over 9 years of experience in the textile industry. His roles and responsibilities include end-to-end plant management, focusing on optimizing daily production, quality, workforce, safety, costs, and cross-departmental coordination to ensure efficient operational performance.

Birendranath Bandyopadhyay is the Non-Executive Independent Director of our Company. He has been associated with the Company since September 17, 2026. He has completed his degree in Master of Technology from India Institute of Technology. He has over 28 years of experience in the textile and synthetic fibre industry. Previously, he was associated with various organization such as Kusumgar Limited, Orbit Exports Limited, PT. Indo-Rama Synthetics Tbk and JCT Limited.

Kamlesh Kumar Choudhary is the Non-Executive Independent Director of our Company. He has been associated with the Company since February 19, 2026. He has completed his degree in Master of Commerce from the Rajasthan University. He has also passed the Associate Examination conducted by the Indian Institute of

Bankers and is an Associate Member of the Indian Institute of Bankers. He retired honorably as General Manager of Bank of Baroda after rendering over 39 years of service with the Bank of Baroda. He is presently serving as a director on the board of Sonaselection India Limited.

Nupur Manishkumar Varday is the Non-Executive Independent Director of our Company. She has been associated with the Company since August 29, 2026. She is a qualified Company Secretary and a fellow member from the Institute of Company Secretary of India. She has completed her degree in Master of Commerce from the Indira Gandhi National Open University and Master of Laws from the Gujarat University. She has over 7 years of experience in the legal and secretarial compliance. Previously, she was associated with Minova Runaya Private Limited and Jay Chemical Industries Private Limited as a Company Secretary.

Relationship between Directors and Key Managerial Personnel or Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel and Senior Management are related to each other.

Name of the Director	Related to	Relationship
Anil Kumar Nuwal	Madhu Sudan Nuwal	Brothers

Terms of appointment of our Executive Directors

Anil Kumar Nuwal, Chairman cum Managing Director

He was re-appointed as Managing Director pursuant to a resolution of the Board dated May 6, 2024 and Ordinary Resolution dated May 27, 2024, for a term with effect from June 1, 2024 to May 31, 2029. In terms of the aforesaid resolutions, he is entitled to the following remuneration and other employee benefits.

The following table sets forth the terms of appointment of Anil Kumar Nuwal with effect from June 1, 2024 to May 31, 2029

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Anil Kumar Nuwal shall be entitled to basic salary amounting up to ₹4.80 million per annum
2.	Other Benefits	Anil Kumar Nuwal shall be entitled to allowances and other benefits aggregating to ₹4.80 million per annum, in addition to following perquisites: (i) Medical Reimbursement; (ii) Travel Allowances; and (iii) Club Membership Fees (iv) And other benefits as may be decided by the Board of Directors from time to time within overall limits prescribed under Section 197 and Schedule V of the Companies Act, 2013.

Madhu Sudan Nuwal, Whole Time Director

He was re-designated as Whole Time Director pursuant to a resolution of the Board dated February 19, 2026 and Ordinary Resolution dated March 27, 2026, for a term with effect from February 19, 2026 to February 18, 2031. In terms of the aforesaid resolutions, he is entitled to the following remuneration and other employee benefits

The following table sets forth the terms of appointment of Madhu Sudan Nuwal with effect from February 19, 2026 to February 18, 2031.

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Madhu Sudan Nuwal shall be entitled to a basic salary of ₹4.80 million per annum.
2.	Other Benefits	Madhu Sudan Nuwal shall be entitled to allowances and other benefits aggregating to ₹3.60 million per annum, in addition to the following: (i) Medical Reimbursement (ii) Travel Allowances

Sr. No	Particulars	Salary and perquisites
		(iii) Club Membership Fees (iv) And other benefits as may be decided by the Board of Directors from time to time within overall limits prescribed under Section 197 and Schedule V of the Companies Act, 2013.

Anil Kumar Kohli, Executive Director

He was appointed as the Executive Director pursuant to a resolution of the Board dated March 10, 2022 and Ordinary Resolution dated September 30, 2022.

The following table sets forth the terms of appointment of Anil Kumar Kohli with effect from March 10, 2022

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Anil Kumar Kohli shall be entitled to basic salary amounting up to ₹ 1.2 million per annum
2.	Other Benefits	Anil Kumar Kohli shall be entitled to allowances and other benefits aggregating to of ₹0.54 million per annum, in addition to perquisites: (i) Medical Reimbursement; (ii) Travel Alowances; and (iii) Club Memebership Fees (iv) And other benefits as may be decided by the Board of Director from time to time with in overall limits prescribed under Section 197 and Schedule V of the Companies Act, 2013

Terms of appointment of our Non-executive Directors (including Independent Directors)

Except for sitting fees, our Independent Directors are not entitled to receive any remuneration or compensation from our Company.

Pursuant to the Board resolution dated April 10, 2026 each Independent Director, is entitled to receive sitting fees of ₹ 1,500 per meeting for attending meetings of the Board and ₹ 1,000 per meeting for attending meetings of the committees of the Board of Directors.

Remuneration paid to our Directors

Details of the remuneration paid to our Directors in Fiscal 2026 are as follows:

(in ₹ million)

Name of the Director	Remuneration/ Salary	Sitting Fees	Commission/ Professional fee**	Other Allowances & Perquisites	Total Remuneration
Anil Kumar Nuwal*	4.80	-	-	3.00	7.80
Madhu Sudan Nuwal*	4.80	-	-	1.13	5.93
Anil Kumar Kohli	0.82	-	-	0.42	1.24
Birendranath Bandyopadhyay	-	-	-	-	-
Kamlesh Kumar Choudhary	-	-	-	-	-
Nupur Manishkumar Varday	-	-	-	-	-

**The Directors are also KMPs*
***Includes any expense reimbursement provided*

Remuneration paid or payable to our Directors from our Subsidiaries or Associate Companies

Our Company does not have any subsidiary or associate companies as on the date of this Draft Red Herring Prospectus. Accordingly, none of our Directors have received any remuneration from any subsidiary or associate company.

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.	Anil Kumar Nuwal	13,410,000	15.96
2.	Madhu Sudan Nuwal	11,008,000	13.10

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 contracts with Directors

As on the date of filing of this Draft Red Herring Prospectus, our Company has not entered into any service contracts with the Directors pursuant to which they are entitled to any benefits upon termination of employment.

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 our Board resolution dated February 19, 2026 and the special resolution passed by our shareholders dated March 27, 2026, respectively, 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 (excluding 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 10,000.00 million.

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 and to the extent of the rent payable to the Corporate Promoter of our Company which is promoted and controlled by our Promoter Directors.

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.

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 land and property acquired or proposed to be acquired by our Company

Except for the property purchased by our Company from Mr. Anil Kumar Nuwal vide sale deed dated March 28, 2025, situated at Araji No. 944, measuring 0.0379 hectare, Araji No. 945, measuring 1.0623 hectare, and Araji No. 946, measuring 0.4932 hectare, aggregating to a total area of 1.5934 hectares, located at Village Raisinghpura, Patwar Circle Baran, Tehsil Banera, District Bhilwara, Rajasthan, India, our Directors have no interest in any property acquired by our Company, or proposed to be acquired by our Company, or in any transaction for acquisition of land, construction of buildings and supply of machinery.

Interest in promotion or formation of our Company

Except for 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 312.

Business interest
], 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 Wilful 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.

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.

Details of struck-off companies in which at the time of struck off the director were associated

Except as stated below, none of our Directors have been directors of struck-off Companies in which, at the time of, strike off, the directors were associated.

Date of Stike off	Persons	Struck-off Entities	Nature of Strike off	Reason
July 20, 2026	Anil Kumar Nuwal	Sitaram Cot	Voluntary Strike off	Not carrying on any

	Finish Private Limited	business or operation for a period of two immediately preceding financial years

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 Change	Nature of Event	Reason
Anil Kumar Nuwal	June 1, 2024	Change in Designation to Managing Director	Re-designation
Madhu Sudan Nuwal	June 1, 2024	Change in Designation from Managing Director to Director	Re-designation
Madhu Sudan Nuwal	February 19, 2026	Change in designation to Whole Time Director	Re-designation
Jugal Kishore Nuwal	March 13, 2026	Cessation as Director	Due to strategic role change
Vishvnath Garg	March 13, 2026	Cessation as Independent Director	Due to professional commitments
Raj Kumar Nyati	March 13, 2026	Cessation as Independent Director	Due to professional commitments
Maheshkumar Tejraj Inani	February 19, 2026	Appointment as an Additional Independent Director	Appointment
Kamlesh Kumar Choudhary	February 19, 2026	Appointment as an Additional Independent Director	Appointment
Prerna Jain	March 13, 2026	Appointment as an Additional Independent Director	Appointment
Maheshkumar Tejraj Inani	September 4, 2026	Cessation as Independent Director	Due to professional commitments
Prerna Jain	August 17, 2026	Cessation as an Additional Independent Director	Due to professional commitments
Birendranath Bandyopadhyay	September 17, 2026	Appointment as an Independent Director	Appointment
Nupur Manishkumar Varday	August 29, 2026	Appointment as an Independent Director	Appointment

**This table does not include changes pursuant to regularization.*

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) Whole Time Director, one (1) Executive Director, three (3) Non-Executive Independent Directors, including one (1) Non-Executive 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 originally constituted pursuant to a meeting of our Board held on June 15, 2018, and was subsequently re-constituted on August 31, 2026 and September 21, 2026.

The Audit Committee currently consists of:
a) Kamlesh Kumar Choudhary *(Chairman)*
b) Nupur Manishkumar Varday *(Member)*
c) Anil Kuimar Nuwal *(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 financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible,
2. Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Examining and reviewing, with the management, the annual financial statements and auditor's report thereon 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; and
    g) modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly, half-yearly and annual 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, rights 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

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, the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow-up there
15. Reviewing the findings of any internal investigations by the internal auditors in there is suspected fraud or irregularity or a failure of internal control systems of and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature a as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the whistle blower mechanism;
19. Monitoring the end use of funds through public offers and related matters;
20. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
21. Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

22. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 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; and
23. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
24. Approving the key performance indicators for disclosure in the offer documents; and
25. Carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

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) Statement of significant related party transactions (as defined by the audit committee), submitted by management
d) Internal audit reports relating to internal control weaknesses;
e) The appointment, removal and terms of remuneration of the chief internal auditor;
f) Statement of deviations in terms of the SEBI Listing Regulations:
   - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations;
   - Annual statement of funds utilised for purposes other than those stated in the Offer document/ prospectus/notice in terms of the SEBI Listing Regulations.
g) The financial statements, in particular, the investments made by any unlisted subsidiary; and
h) Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

Nomination and Remuneration Committee:

The Nomination and Remuneration committee was originally constituted by a resolution of our Board June 15, 2018 and was subsequently re-constituted on August 31, 2026 and September 21, 2026 .

The Nomination and Remuneration Committee currently consists of:
a) Kamlesh Kumar Choudhary *(Chairperson)*
b) Birenranath Bandhyopadhyay *(Member)*
c) Nupur Manishkumar Varday *(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;
(2) Recommendation to the Board of Directors a policy relating to the remuneration of directors, key managerial personnel and other employees;
(3) Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
(4) Devising a policy on diversity of the 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 recommending their appointment and removal to the Board;
(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) Recommendation to the Board, all remuneration, in whatever form, payable to senior management;
(8) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
(9) Ensuring that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
(10) Ensuring that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company;
(11) Administration and implementation of employee stock option schemes or other share-based schemes, if any;
(12) Reviewing and approving compensation strategy from time to time in the context of the Company's business strategy;
(13) Carrying out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
(14) Performing such other functions as may be necessary or appropriate for the performance of its duties.

Review by Nomination and Remuneration Committee

The Committee shall mandatorily review:

a) The performance evaluation of directors, the Board and its committees;
b) The remuneration policy of the Company;
c) Succession planning for Board and senior management;
d) The appointment, removal and remuneration of Key Managerial Personnel and senior management;
e) Any other matters as may be required under the Companies Act, 2013 and SEBI Listing Regulations.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted pursuant to a meeting of our Board held on April 10, 2026. 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) Kamlesh Kumar Choudhary*(Chairperson)*
b) Anil Kumar Nuwal *(Member)*
c) Madhu Sudan Nuwal*(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; and
(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 originally constituted by a resolution of our Board dated December 7, 2023 and last re-constituted dated March 13, 2026. The current constitution of the CSR Committee is as follows:

a) Madhu Sudan Nuwal *(Chairperson)*;
b) Anil Kumar Nuwal *(Member)*; and
c) Kamlesh Kumar Choudhary *(Member).*

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

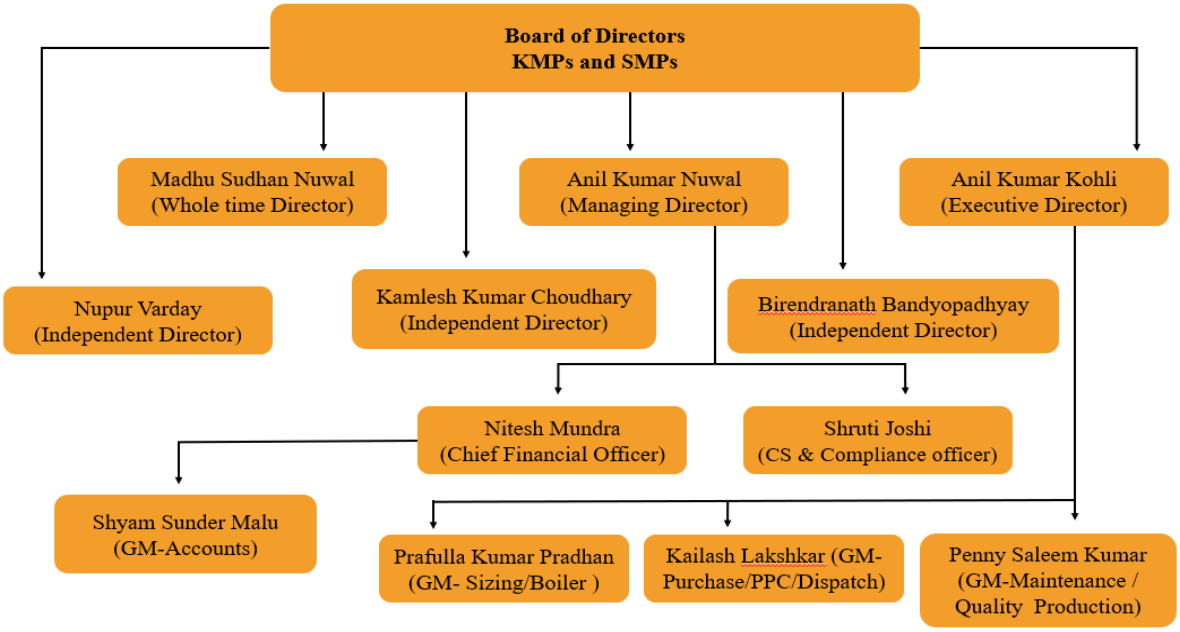
(1) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
(2) To recommend the amount of expenditure to be incurred on CSR activities;
(3) To monitor the Corporate Social Responsibility Policy of the Company from time to time;
(4) To formulate and recommend to the Board an annual action plan in pursuance of the CSR Policy, which shall include:
(5) the list of CSR projects or programmes that are approved to be undertaken;
(6) the manner of execution of such projects or programmes;
(7) the modalities of utilisation of funds and implementation schedules;
(8) monitoring and reporting mechanism for the projects or programmes; and
(9) details of need and impact assessment, if any, for the projects undertaken by the Company;
(10) To ensure that the CSR activities are undertaken by the Company itself or through eligible implementing agencies in accordance with the Companies Act and CSR Rules;
(11) To review the progress of CSR projects and programmes and ensure timely implementation;
(12) To ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its CSR Policy, subject to applicable provisions;
(13) To ensure that any unspent CSR amount is dealt with in accordance with the provisions of Section 135 of the Companies Act, 2013;
(14) To oversee the reporting and disclosure of CSR activities in the Board's Report and on the Company's website, as required under applicable law;
(15) To review and recommend amendments, if any, to the CSR Policy of the Company;
(16) To carry out any other function as may be assigned to it by the Board or as may be prescribed under the Companies Act, 2013 and CSR Rules from time to time.

Review by CSR Committee

The CSR Committee shall periodically review:

a) Implementation and progress of CSR projects and programs;
b) Utilization of CSR funds;
c) Compliance with CSR Policy and statutory requirements;
d) Impact assessment reports, where applicable;
e) Any other matter as may be required under the Companies Act, 2013 and CSR Rules.

Management Organization Structure



Key Managerial Personnel and Senior Management

Key Managerial Personnel

Other than Anil Kumar Nuwal, Managing Director and Madhu Sudan Nuwal, Whole-Time Director, 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.

Nitesh Mundra is the Chief Financial Officer of our Company and has been associated with the company since January 1, 2026, initially as General Manager-Accounts and subsequently appointed as Chief Financial Officer on February 19, 2026. He is a qualified Chartered Accountant and a member of Institute of Chartered Accountant of India. He holds a degree in Bachelor of Commerce from Maharshi Dayanand Saraswati University. He has over 12 years of experience in the finance and accounts. His roles and responsibilities include overseeing the Company's financial management, regulatory compliance, internal controls, risk management, and supporting the Board in strategic decision-making. He received a compensation of ₹0.52 million in Fiscal 2026.

Shruti Joshi is the Company Secretary and Compliance Officer of our Company and has been associated with the company since December 22, 2025, initially as Assistant Manager-Company Secretary and subsequently appointed as Company Secretary and Compliance Officer on February 19, 2026. She has completed her degree in Master of Commerce from the Maharshi Dayanand Saraswati University . She is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India. She has over 6 years of experience in the field of secretarial compliance. His roles and responsibilities include secretarial and compliance related functions in our Company. She received a compensation of ₹0.12 million in Fiscal 2026.

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 308, the details of our other Senior Management Personnel are set out below:

Kailash Chandra Lakshkar is the General Manager– Purchase, Production Planning and Control (PPC), and Dispatch Department of our Company and has been associated with the company since August 1, 2025, earlier to his appointment in the company, he has served in Sitaram India Limited for 17 years. He has passed the Bachelor of Arts examination from the Maharshi Dayanand Saraswati University. He has also completed a diploma course

in computer-related subjects from S.Tech Institute. He has over 18 years of experience in the Purchase/ PPC and Dispatch. He is responsible for overseeing Purchase, Production Planning and Control (PPC), and Dispatch functions, including procurement, inventory management, production planning and logistics coordination while ensuring timely material availability, efficient production planning, cost optimization and timely dispatch of finished goods while maintaining statutory and internal compliance. He received a gross remuneration of ₹0.40 million in Fiscal 2026.

Penny Saleem Kumar is the General Manager in maintenance and quality production department of our Company and has been associated with the company since April 17, 2017, initially joined the Company as a General Manager and late on has been designated as General Manager – Maintenance and Quality Production Department with effect from February 19, 2026. He has completed his Diploma Course in Textile Design from a textile technology institute affiliated with the Punjab State Board of Technical Education & Industrial Training. He has over nine years of experience in the field of management and operations He is responsible for overseeing the Maintenance, Quality and Production functions, including production planning, machinery maintenance, quality control, manpower management and statutory compliance, while also driving operational efficiency, cost reduction, process improvements and ensures smooth and uninterrupted manufacturing operations. He received a gross remuneration of ₹0.79 million in Fiscal 2026.

Prafulla Kumar Pradhan is the General Manager-Sizing & Boiler of our Company and has been associated with the company since February 8, 2024, in the Sizing & Boiler department. He was appointed as the General Manager – Sizing & Boiler on on February 19, 2026. He has completed his diploma in Textile Technologyfrom Institute of Textile Technology. He has over 12 years of experience in the textile industry, including experience in sizing and boiler operations and textile manufacturing . He is responsible for overseeing the Sizing Department and Boiler Operations, including production planning, maintenance, manpower management, quality, safety and statutory compliance and driving operational efficiency, energy conservation, cost reduction and continuous improvement while ensuring uninterrupted manufacturing support. He received a gross remuneration of ₹0.74 million in Fiscal 2026.

Shyam Sunder Maloo is the General Manager in accounts department of our Company and has been associated with the company since March 14, 2026. He is a qualified Chartered Accountant. He has over five years of experience in the accountancy. He is responsible for overseeing the Company's accounting and finance functions, including financial reporting, budgeting, taxation, audits, statutory compliances, cash flow and internal financial controls, managing the finance team, SAP accounting processes and supporting regulatory, IPO and strategic financial matters. He received a gross remuneration of ₹0.04 million in Fiscal 2026.

Service Contracts with Key Managerial Personnel and Senior Management

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

For details of the interest of our Managing Director and Non- Executive Director in our Company, see "***Our Management – Interest of Directors***" on page 301.

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 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 from our Company as on the date of this Draft Red Herring Prospectus.

Relationship amongst Key Managerial Personnel and Senior Management

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 are related to each other.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management 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

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management

There is no bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management

Except as stated below, none of our Key Managerial Personnel and Senior Management hold any Equity Shares of our Company, as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the KMP/SMP	No. of Shares held	Percentage (%)
1.	Anil Kumar Nuwal	13,410,000	15.96
2.	Madhu Sudan Nuwal	11,008,000	13.10

Changes in Key Managerial Personnel and Senior Management during the last three years

The changes in our Key Managerial Personnel and Senior Management 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 and reason
Key Managerial Personnel		
Priya Lakhotia	April 30, 2024	Cessation as Company Secretary due to personal reasons
Devika Maheshwari	May 1, 2024	Appointment as Company Secretary
Anil Kumar Nuwal	June 1, 2024	Change in designation to Managing Director
Madhu Sudan Nuwal	February 19. 2026	Change in designation to Whole Time Director
Harshit Nuwal	February 19, 2026	Cessation as Chief Financial Officer due to other professional commitment
Devika Maheshwari	February 19, 2026	Cessation as Company Secretary due to personal reasons
Nitesh Mundra	February 19, 2026	Appointment as Chief Financial Officer
Shruti Joshi	February 19, 2026	Appointment as Company Secretary and Compliance Officer
Senior Management		
Kailash Chandra Lakshkar	August 1, 2025	Appointment as General Manager– Purchase, Production Planning and Control (PPC)
Prafulla Kumar Pradhan	February 8, 2024	Appointment as General Manager-Sizing & Boiler
Shyam Sundar Maloo	March 21, 2026	Appointment as General Manager - Accounts

Attrition of Key Managerial Personnel and Senior Management

The average attrition of Key Managerial Personnel and Senior Management 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 and other Equity-Based Employee Benefit Schemes.

OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTERS

Anil Kumar Nuwal, Madhu Sudan Nuwal, Jugal Kishore Nuwal and Sitaram India Limited 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
Anil Kumar Nuwal	13,410,000	15.96
Madhu Sudan Nuwal	11,008,000	13.10
Jugal Kishore Nuwal	11,008,000	13.10
Sitaram India Limited	36,000,000	42.84
Total	**71,426,000**	**84.99**

For further details, see ***"Capital Structure – The aggregate shareholding of the Promoters, Promoter group and Directors of our Corporate Promoter"*** on page 129.

Details of our individual Promoters



Anil Kumar Nuwal

Anil Kumar Nuwal, aged 57 years, is the Managing Director of our Company.

Permanent Account Number: AAVPN4375L

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 296.

Other Ventures: Other than as disclosed in "***Entities forming part of our Promoter Group other than our Corporate Promoter***" and "***Our Management***" on pages 319 and 296, respectively, Anil Kumar Nuwal is not involved in any other venture.



Madhu Sudan Nuwal

Madhu Sudan Nuwal, aged 56 years, is the Whole-Time Director of our Company.

Permanent Account Number: ABNPN8591K

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 296.

Other Ventures: Other than as disclosed in "***Entities forming part of our Promoter Group other than our Corporate Promoter***" and "***Our Management***" on pages 319 and 296, respectively, Madhu Sudan Nuwal is not involved in any other venture.



Jugal Kishore Nuwal

Date of Birth: January 7, 1968, aged 58 years.

Personal Address: 10, Main Sector, Shastri Nagar, Bhilwara-311001, Rajasthan, India.

Jugal Kishore Nuwal is one of the Promoters of our Company. He has completed his Higher Secondary Examination from the Board of Secondary Education, Rajasthan. He has been associated with the Company since incorporation and has over 15 years of experience in the textile industry. Previously, he held the position of an executive director of our Company since incorporation till March 13, 2026. He is currently serving as a Whole-Time Director on the board of Sitaram India Limited.

Permanent Account Number: ABBPN0386N

Other Ventures:

1. Sitaram India Limited

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.

Details of our Corporate Promoter

Sitaram India Limited

Corporate Information

Sitaram India Limited, one of our Promoters was incorporated on September 24, 1987, under the provisions of the Companies Act, 1956. The registered office is situated at F-226, 227, G-228, 229, IV Phase, RIICO Industrial Area, Bhilwara-311001, Rajasthan, India. The corporate identification number of Sitaram India Limited is U13121RJ1987PLC004101 Its PAN is AABCS9860L. Sitaram India Limited is a vertically integrated textile

company with its primary operations located in Bhilwara, Rajasthan. The company is engaged in textile manufacturing and trading, including processing, weaving, dyeing, finishing and dealing in various textile fibres and fabrics. It also proposes to undertake real estate development, construction and infrastructure activities, including roads, bridges and engineering services, as well as mining, mineral exploration, processing and trading of ores and minerals.

Change in activities

There has been no change in the main activities of Sitaram India Limited since the date of its incorporation.

Details of Directors

The Directors of Sitaram India Limited as on the date of filing of Draft Red Herring Prospectus are as set out below:

Sr. No.	Name of the Director	Designation	DIN
1.	Jugal Kishore Nuwal	Whole Time Director	00171844
2.	Anil Kumar Nuwal	Director	00096471
3.	Madhu Sudan Nuwal	Director	00212341
4.	Anil Kumar Kohli	Director	09530109

Promoters of Sitaram India Limited

The Promoter of Sitaram India Limited are as below:

(i) Jugal Kishore Nuwal
(ii) Anil Kumar Nuwal
(iii) Madhu Sudan Nuwal

Capital Structure

Sr. No.	Particulars	No of Equity Shares of Face Value of ₹10
1.	Authorised Share Capital	17,500,000
2.	Issued, Subscribed and Paid-up Equity Share Capital	7,362,652

Shareholding Pattern

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹10	Percentage of Holding
1.	Jagdish Prasad Nuwal	1,121,250	15.23
2.	Anil Kumar Nuwal	2,125,962	28.87
3.	Jugal Kishore Nuwal	804,922	10.93
4.	Madhu Sudan Nuwal	1,288,624	17.50
5.	Kanta Devi Nuwal	165,000	2.24
6.	Mamta Nuwal	488,279	6.63
7.	Madhu Nuwal	279,047	3.79
8.	Sangeeta Nuwal	440,069	5.98
9.	Sunita Mahesh Laddha	49,500	0.67
10.	Anil Kumar Nuwal HUF	300,000	4.07
11.	Madhu Sudan Nuwal HUF	300,000	4.07
	Total	**7,362,652**	**100.00%**

Our Company confirms that the PAN, bank account numbers and the registered address of Sitaram India Limited shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Change in control of Sitaram India Limited

There has been no change in control of Sitaram India Limited in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Change in control of our Company

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. Further, Anil Kumar Nuwal, Madhu Sudan Nuwal, Jugal Kishore Nuwal and Sitaram India Limited have been identified as the only Promoters of our Company.

Interests of our Promoters

(a) Interest in the promotion of our Company

Our Promoters are interested in our Company to the extent (a) that they are the promoters of our Company; (b) of their respective direct or indirect shareholding in our Company, the shareholding of their relatives and entities in which our Promoters are interested and which hold the Equity Shares, and the dividends payable upon such shareholding, if any; (c) any other distributions in respect of the Equity Shares held by them, their relatives or such entities, if any; (d) of being Directors and Key Managerial Personnel of our Company and the sitting fees / remuneration, benefits and reimbursement of expenses, payable to them as per the terms of their appointment as such, by our Company; and; (e) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoters hold shares or have an interest. For details of the Promoters' shareholding in our Company, see section titled as "***Capital Structure – History of the share capital held by our Promoters and the members of our Promoter Group in our Company – Build-up of our Promoters' shareholding in our Company***" on page 125. For details of the interest of our Promoters as Directors of our Company, see "***Our Management – Interest of Directors***" and "***Restated Financial Information – Note 41 – Related Party Disclosures***" on pages 301 and 352, respectively.

(b) Interest in the property (including acquisition of land, construction of building and supply of machinery) of our Company

Except as disclosed in the section titled "***Restated Financial Information – Note 41 – Related Party Disclosures***" on page 352,our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of filing of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except for the rent received by our Promoter, Sitaram India Limited, against its property taken on rent by the Company pursuant to a rent agreement dated August 31, 2026, situated at F- 226, 227, G-228, 229, IVth Phase, RIICO Industrial Area, Bhilwara-311001, Rajasthan, India, our Promoters do not have any direct or indirect interest in any property that our Company has taken on rent.

(c) Interest in our Company arising out of being a member of a firm or company

Except for their interest as members of Sitaram India Limited, our Corporate Promoter, which holds 42.84% of the Equity Shares of our Company, and with which our Company has entered into the Exclusive Job Work Agreement dated March 1, 2026, the Non-Compete Agreement dated September 14, 2026 and the rent agreement dated August 31, 2026, and from which our Company has availed unsecured loans, our Promoters are not interested as a member of a firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to them or to such firm or company 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 any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

(d) Interest in our Company other than as Promoter

Our Promoters are interested in our Company to the extent of their directorship (and consequently remuneration payable to them and reimbursement of expenses) in our Company and the dividends payable, if any, and any other distribution in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company. For further details, please see sections titled "***Our Management***", "***Capital Structure***" and "***Restated Financial Information***" on pages 296, 117 and 322, respectively, our Promoters do not have any other interest in our Company.

Further, our Individual Promoters are also directors and hold shares in our Corporate Promoter i.e. Sitaram India Limited, amounting to 57.31% of the paid-up capital of our Corporate Promoter.

Material Guarantees given by our Promoters

Our Promoters have not given any material guarantees to any third party, in respect of the Equity Shares, as on the date of this Draft Red Herring Prospectus.

Payment of Amounts or Benefits to Promoter Group During the last two years

Except in the ordinary course of business and as stated in the section titled "***Financial Information***" on page 322, there has been no payment of amounts or benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our 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.

Companies and firms with which our Promoters have disassociated in the last three years

Except as disclosed below, none of our Promoters have disassociated from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of the Promoter	Name of the company/firm disassociated from	Date of disassociation	Reason for disassociation
Anil Kumar Nuwal	Sitaram Cot Finish Private Limited	July 20, 2026	Voluntary strike-off of the company under Section 248(2) of the Companies Act, as it was not carrying on any business
Madhu Sudan Nuwal	Sitaram Cot Finish Private Limited	July 20, 2026	Voluntary strike-off of the company under Section 248(2) of the Companies Act, as it was not carrying on any business
Anil Kumar Nuwal	Exclusive.com Private Limited	September 01, 2026	Amalgamation of the company with our Corporate Promoter, Sitaram India Limited, under Section 233 of the Companies Act, pursuant to the order of the Regional Director dated September 02, 2026

Name of the Promoter	Name of the company/firm disassociated from	Date of disassociation	Reason for disassociation
Jugal Kishor Nuwal	Exclusive.com Private Limited	September 01, 2026	Amalgamation of the company with our Corporate Promoter, Sitaram India Limited, under Section 233 of the Companies Act, pursuant to the order of the Regional Director dated September 02, 2026
Madhu Sudan Nuwal	Seezoo Infotech Private Limited	September 01, 2026	Amalgamation of the company with our Corporate Promoter, Sitaram India Limited, under Section 233 of the Companies Act, pursuant to the order of the Regional Director dated September 02, 2026
Jugal Kishor Nuwal	Sita Software Private Limited	September 01, 2026	Amalgamation of the company with our Corporate Promoter, Sitaram India Limited, under Section 233 of the Companies Act, pursuant to the order of the Regional Director dated September 02, 2026

Confirmations

Our Promoters have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI or any other government authority. Further, there are no violations of securities laws committed by our Promoter and members of the Promoter Group in the past, and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities.

Our Promoters are not promoter or director of any other Company which is debarred from accessing capital markets.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

Our Promoters have not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.

Our Promoters, Anil Kumar Nuwal, Madhu Sudan Nuwal and Jugal Kishore Nuwal have given personal guarantees respectively, towards financial facilities availed from the Bankers of our Company, therefore, they are interested to the extent of the said guarantees. Further, all promoters have extended unsecured loans and are therefore also interested to the extent of the said loans. For further information, see "***Financial Indebtedness***" on page 367 and "***Restated Financial Information***" on page 322.

Other Confirmations

Conflict of interest between the suppliers of raw materials and third-party service providers

Except for the job work services provided by Sitaram India Limited, our Corporate Promoter, pursuant to an Exclusive Job Work Agreement dated March 1, 2026, 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 Promoters and its Promoter Group.

Conflict of interest between the lessor of the immovable properties of the Company

Except for the rent received by our Promoter, Sitaram India Limited, against its property taken on rent by the Company pursuant to a rent agreement dated August 31, 2026, situated at F- 226, 227, G-228, 229, IVth Phase, RIICO Industrial Area, Bhilwara-311001, Rajasthan, India, there is no conflict of interest between the lessor of immovable properties and the Company, its Promoters, and our Promoter Group.

Except as stated below, none of our Promoters appears in the list of directors of struck-off companies by the RoC or the MCA under Section 248 of the Companies Act. Further, none of the entities forming part of our Promoter Group are appearing in the list of struck-off companies by the RoC or the MCA under Section 248 of the Companies Act.

Date of Strike off	Persons	Struck-off Entities	Nature of Strike off	Reason for Strike off
July 20, 2026	Anil Kumar Nuwal	Sitaram Cot Finish Private Limited	Voluntary Strike off	Not carrying on any business or operation for a period of two immediately preceding financial years
July 20, 2026	Madhu Sudan Nuwal	Sitaram Cot Finish Private Limited	Voluntary Strike off	Not carrying on any business or operation for a period of two immediately preceding financial years

Promoter Group

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations except the Promoters are set out below:

Natural persons forming part of our Promoter Group other than our Promoter.

Sr. No.	Name of Individuals	Relationships
Anil Kumar Nuwal		
1.	Jagdish Prasad Nuwal	Father
2.	Kanta Devi Nuwal	Mother
3.	Jugal Kishore Nuwal	Brother
4.	Madhu Sudan Nuwal	Brother
5.	Sunita Laddha	Sister
6.	Chetanya Nuwal	Son
7.	Shivangi Maheshwari	Daughter
8.	Sangeeta Nuwal	Spouse
9.	Shakuntala Chhaparwal	Spouse Mother
10.	Madan Lal Chhaparwal	Spouse Father
11.	Saroj Devi Mundra	Spouse Sister
12.	Mukesh Chhaparwal	Spouse Brother
13.	Sandeep Chaparwal	Spouse Brother
Madhu Sudan Nuwal		
1.	Jagdish Prasad Nuwal	Father
2.	Kanta Devi Nuwal	Mother
3.	Anil Kumar Nuwal	Brother
4.	Jugal Kishore Nuwal	Brother
5.	Sunita Laddha	Sister
6.	Vedant Nuwal	Son
7.	Gauri Nuwal	Daughter
8.	Paridhi Nuwal	Daughter
9.	Mamta Nuwal	Spouse

Sr. No.	Name of Individuals	Relationships
10.	Om Prakash Totla	Spouse Father
11.	Geeta Totla	Spouse Mother
12.	Rajendra Prasad Totla	Spouse Brother
Jugal Kishore Nuwal		
1.	Jagdish Prasad Nuwal	Father
2.	Kanta Devi Nuwal	Mother
3.	Anil Kumar Nuwal	Brother
4.	Madhu Sudan Nuwal	Brother
5.	Sunita Laddha	Sister
6.	Harshit Nuwal	Son
7.	Aditya Nuwal	Son
8.	Madhu Nuwal	Spouse
9.	Radha Devi Bhootra	Spouse Mother
10.	Prem Lata Gagrani	Spouse Sister
11.	Nirmala Jajoo	Spouse Sister
12.	Anita Laddha	Spouse Sister
13.	Ravindra Bhootra	Spouse Brother

Entities forming part of our Promoter Group other than our Corporate Promoters:

Sr. No.	Name of entities	Nature
1.	Anil Kumar Nuwal HUF	HUF
2.	Jagdish Prasad Nuwal HUF	HUF
3.	Harshit Nuwal HUF	HUF
4.	Madhu Sudan Nuwal HUF	HUF
5.	Jugal Kishore Nuwal HUF	HUF
6.	Khajuriya Shyam Construction	Partnership Firm
7.	Shree Balaji Logistics	Partnership Firm
8.	Prajal Infra Projects Private Limited	Company
9.	Shree Sanwariya Carrier	Partnership Firm
10.	Yash Contractor India Private Limited	Company
11.	M Mahaveer Enterprises	Partnership Firm
12.	Prachi Builders	Partnership Firm
13.	Shree Charbuja Financial Services	Partnership Firm
14.	OP Totla & Co.	Partnership Firm
15.	Stitchsaga Apparel Co.	Proprietorship Firm
16.	Ravindra Enterprises	Proprietorship Firm
17.	M/s Madhu Sudan Novelty Store	Proprietorship Firm
18.	Om Prakash Totla HUF	HUF
19.	Rajendra Prasad Totla HUF	HUF
20.	Ravindra Bhootra HUF	HUF
21.	Vanan Enterprises	Partnership
22.	Earth Engineering & Laboratory Private Limited	Company
23.	Kavach India Private Limited	Company
24.	Sidharth Jain HUF	HUF
25.	Somil Maheshwari HUF	HUF
26.	Gautam Gagrani HUF	HUF

OUR GROUP COMPANY

In accordance with the SEBI (ICDR) Regulations 2018 and the applicable accounting standards, for the purpose of identification of "Group Companies", our Company has considered (i) such Companies (other than our Promoters) with which there were related party transactions during the period for which Restated Financial Information have been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards (i.e., Ind AS 24); and (ii) any other Companies which are considered material by our Board.

In respect of point (ii) above, our Board, in its meeting held on April 10, 2026 has considered and adopted a policy of materiality for the identification of Companies that shall be considered material and disclosed as a "Group Company" in this Draft Red Herring Prospectus. In terms of such materiality policy, if a Company (other than our Promoters) (a) is a member of the Promoter Group; and (b) has entered into one or more transactions with our Company during the last completed Financial Year, which individually or in aggregate in value exceeds 10% of the restated revenue from operations of our Company as per the Restated Financial Information of the last completed financial year and stub period, it shall be considered material and disclosed as a 'Group Company'.

Accordingly, (i) all such Companies (other than our Promoters) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), as per Restated Financial Information; and (ii) any other Companies which are considered material by our Board, have been considered as Group Companies in terms of the SEBI (ICDR) Regulations 2018 and amendments thereto.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company does not have any Group Company. Consequently, the disclosures required in relation to Group Companies under the SEBI ICDR Regulations, including in relation to common pursuits, related business transactions, business interest in our Company, litigation, and listed/defunct status, are not applicable to our Company.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by the Board of Directors 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 notified thereunder and the SEBI Listing Regulations, as amended. Further the Board shall also have the absolute power to declare interim dividend in compliance with the Companies Act and the SEBI Listing Regulations. The dividend distribution policy of our Company was approved and adopted by our Board on April 10, 2026 (the "***Dividend Distribution Policy***").

We may retain all our earnings, if any, for purposes to be decided by our Company, subject to compliance with the provisions of the Companies Act. The quantum of dividend, if any, will depend on a number of factors, including but not limited to financial commitments with respect to outstanding borrowings and interest thereon, financial requirement for business expansion and/or diversification, acquisition, etc., of new businesses, present and future capital expenditure plans of our Company including organic/ inorganic growth opportunities, our Company's liquidity position including its present and expected obligations, cost of borrowings, profits of the Company, past dividend trend of the Company and the industry, other corporate action options including, bonus issue, buy back of shares, and any other relevant or material factor as may be deemed fit by the Board. The external factors on the basis of which our Company may declare the dividend shall inter alia include the state of economy and capital markets requiring our Company to maintain liquidity, evaluation of whether there are any exceptional circumstances in the global market, regulatory changes including introduction of new or changes in existing tax or regulatory requirements (including dividend distribution tax) having significant impact on our Company's operations or finances. Additionally, the utilization of retained earnings shall be considered in a manner beneficial to the interest of the Company and its shareholders, based on factors such as strategic and long-term plans of the Company, future equity acquisitions, diversification opportunities, or any other criteria that may be considered relevant by the Board in this regard. In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents, our Company is currently a party to or may enter into from time to time.

Our Company may also, from time to time, pay interim dividends.

There is no guarantee that any dividends will be declared or paid in the future. For details in relation to risks involved in this regard, 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 84.

We have not declared and paid any dividends on the Equity Shares in any of the last three Fiscals preceding the date of this Draft Red Herring Prospectus and until the date of this Draft Red Herring Prospectus.

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SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

Sr. No.	Particulars	Page No.
1.	The examination report and the Restated Financial Information	323

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INDEPENDENT CHARTERED ACCOUNTANT'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
Sitaram Denims India Limited
F-226, 227, G-228, 229, Phase IV, RIICO Industrial Area,
Bhilwara – 311001, Rajasthan
CIN: U17100RJ2011PLC034052

Dear Sirs,

1. We, A Bakliwal & Co., Chartered Accountants, have examined the attached restated financial information of Sitaram Denims India Limited ("SDIL" / "the Company") comprising the Restated Statement of Assets and Liabilities as at June 30, 2026, March 31, 2026, March 31, 2025 and March 31, 2024, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the period ended June 30, 2026 and for the years ended March 31, 2026, March 31, 2025 and March 31, 2024, the material accounting policies and other explanatory information thereto (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 24th October, 2026 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), the Red Herring Prospectus ("RHP") and the Prospectus to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), and the Registrar of Companies, Rajasthan at Jaipur ("RoC"), 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 ("ICDR Regulations"), including Schedule VI, Part A, Clause IX thereof;

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note"); and

    d) E-mail dated October 28, 2021 from SEBI to the Association of Investment Bankers of India, instructing lead managers to ensure that issuer companies provide financial statements prepared in accordance with Indian Accounting Standards ("Ind AS") for all periods presented in the offer document (the "SEBI e-mail"), which is the basis on which the financial statements for the years ended March 31, 2025 and March 31, 2024 — originally prepared and audited under the Companies (Accounting Standards) Rules, 2021 ("previous GAAP") — have been restated to Ind AS for inclusion in the Restated Financial Information.

2. The Board of Directors of the Company is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP, RHP and Prospectus to be filed with SEBI, the Stock Exchange(s) and 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 2 to the Restated Financial Information. The responsibility of the Board of Directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, the ICDR Regulations, the Guidance Note and the SEBI e-mail.

3. We have examined such Restated Financial Information taking into consideration:

    a) The terms of reference and terms of our engagement agreed with you in accordance with our engagement letter dated January 01, 2026 in connection with the proposed IPO of equity shares of the Company;

    b) The Guidance Note, which 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, the ICDR Regulations and the SEBI e-mail.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Companies Act 2013, the ICDR Regulations, the Guidance Note and the SEBI e-mail in connection with the proposed IPO.

4. These Restated Financial Information have been compiled by the management from:

   a) The audited Ind AS financial statements of the Company as at and for the period ended June 30, 2026, prepared by the management for the purpose of this restatement and audited by M/s R Kabra & Co LLP, Chartered Accountants (FRN: 104502W/W100721) and M/s Pokharna Somani & Associates, Chartered Accountants (FRN: 011535C), the Company's Joint Statutory Auditors, vide their audit report dated October 23, 2026;

   b) The audited Ind AS financial statements of the Company as at and for the year ended March 31, 2026, being the Company's first financial statements prepared under Ind AS (transition date April 1, 2024), audited by M/s R Kabra & Co LLP and M/s Pokharna Somani & Associates (Joint Statutory Auditors), vide their audit report dated July 22, 2026. As disclosed by way of an Other Matters paragraph in that report, the comparative Ind AS financial information therein for the year ended March 31, 2025 is based on restatement, to comply with Ind AS, of the financial statements for that year prepared under the Companies (Accounting Standards) Rules, 2021 ("previous GAAP") and audited by the predecessor auditor referred in sub-paragraph (c) below, such Ind AS adjustments having been audited by the Joint Statutory Auditors, with their opinion on the Statement in respect of that matter stated as not modified;

   c) The audited financial statements of the Company as at and for the year ended March 31, 2025, prepared under the previous GAAP, audited by M/s Jain Dinesh Kumar & Co., Chartered Accountants (FRN: 019617C), vide their audit report dated July 29, 2025, expressing an unmodified opinion, and restated to Ind AS as referred in sub-paragraph (b) above; and

   d) The audited financial statements of the Company as at and for the year ended March 31, 2024, prepared under the previous GAAP, audited by M/s S. Dad & Co., Chartered Accountants (FRN: 007534C), vide their audit report dated June 11, 2024, expressing an unmodified opinion, and restated to Ind AS as referred in sub-paragraph (b) above.

5. For the purpose of our examination, we have relied on:

   a) Audit report issued by M/s R Kabra & Co LLP and M/s Pokharna Somani & Associates dated October 23, 2026 on the special purpose Ind AS financial statements of the Company as at and for the period ended June 30, 2026, as referred in Paragraph 4(a) above;

   b) Audit report issued by M/s R Kabra & Co LLP and M/s Pokharna Somani & Associates dated July 22, 2026 on the Ind AS financial statements of the Company as at and for the year ended March 31, 2026, as referred in Paragraph 4(b) above;

   c) Audit report issued by M/s Jain Dinesh Kumar & Co. dated July 29, 2025 on the financial statements of the Company as at and for the year ended March 31, 2025, as referred in Paragraph 4(c) above; and

   d) Audit report issued by M/s S. Dad & Co. dated June 11, 2024 on the financial statements of the Company as at and for the year ended March 31, 2024, as referred in Paragraph 4(d) above.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

   a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively, including the restatement from previous GAAP to Ind AS of the financial statements for the years ended March 31, 2026, March 31, 2025 and March 31, 2024, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended June 30, 2026;

   b. does not contain any modification requiring adjustments, each of the underlying audit reports referred to in Paragraph 5 above having expressed an unmodified/unqualified opinion; and

   c. have been prepared in accordance with the Act, the ICDR Regulations, the Guidance Note and the SEBI e-mail.

7. We have not audited any financial statements of the Company as of any date or for any period subsequent to June 30, 2026. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to June 30, 2026.

8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the audit reports mentioned in Paragraph 5 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the audit reports referred to herein, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

11. Our report is intended solely for the use of the Board of Directors for inclusion in the DRHP, RHP and Prospectus to be filed with SEBI, the Stock Exchange(s) and the 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 A Bakliwal & Co.
Chartered Accountants
ICAI Firm Registration No.: 148416W

Sd/-

CA Bharat Jain
Partner
Membership Number: 440315
UDIN: 26440315CWKZRQ8355
Place: Mumbai
Date: October 24, 2026

SITARAM DENIMS INDIA LIMITED
CIN:U17100RJ2011PLC034052
Restated Statement of Assets and Liabilities as on June 30, 2026
(Rs in Million, unless stated otherwise)

Particulars	Notes	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	4	1,802.62	1,810.52	1,839.67	1,615.05
(b) Capital work-in-progress	4a	173.79	6.63	0.66	76.67
(c) Right of use assets	5	1.52	1.81	-	-
(d) Intangible Assets	6	0.49	0.55	0.21	-
(e) Investment Property	7	84.91	84.91	84.41	50.79
(f) Financial Assets					
(i) Investments	8	0.82	0.76	0.72	0.66
(ii) Others Financial Assets	9	148.42	148.12	22.81	30.67
(g) Income Tax Assets (net)	10d)	-	-	1.63	-
(h) Other Non-Current Assets	11	219.75	243.16	17.10	18.25
TOTAL NON-CURRENT ASSETS (A)		**2,432.32**	**2,296.46**	**1,967.21**	**1,792.10**
Current Assets					
(a) Inventories	12	1,216.80	1,107.53	684.80	388.84
(b) Financial Assets					
(i) Trade Receivables	13	602.93	544.24	506.18	270.46
(ii) Cash and Cash Equivalents	14	0.54	0.13	0.08	12.16
(iii) Bank balances other than (ii) above	15	38.46	37.91	35.19	32.96
(iv) Loans and advances	16	0.60	2.00	2.12	0.39
(v) Others	9	13.78	13.64	-	-
(c) Other Current Assets	17	125.76	98.31	62.10	69.64
TOTAL CURRENT ASSETS (B)		**1,998.88**	**1,803.76**	**1,290.46**	**774.47**
TOTAL ASSETS (A+B)		**4,431.20**	**4,100.22**	**3,257.67**	**2,566.57**
EQUITY AND LIABILITIES					
(A) EQUITY					
(a) Equity Share Capital	18	420.20	420.20	210.10	210.10
(b) Other Equity	19	790.02	710.36	680.71	521.32
TOTAL EQUITY (A)		**1,210.22**	**1,130.56**	**890.81**	**731.42**
(B) LIABILITIES					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	20	1,430.15	1,198.00	1,184.47	1,116.64
(ii) Lease liabilities	21	0.39	0.68	-	-
(iii) Other financial liabilities	22	16.59	10.70	15.93	72.72
(b) Deferred tax liabilities (net)	10c)	85.64	83.64	62.52	27.55
(c) Other non- current Liabilities	23	121.67	122.75	-	-
(d) Provisions	24	4.40	3.87	1.99	2.41
TOTAL NON-CURRENT LIABILITIES (B)		**1,658.84**	**1,419.64**	**1,264.90**	**1,219.33**
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	25	1,029.05	1,074.67	757.00	416.25
(ii) Lease liabilities	21	1.12	1.10	-	-
(iii) Trade Payables	26				
(A) total outstanding dues of micro enterprises and small enterprises; and		84.21	33.61	45.96	29.69
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		337.62	343.66	245.67	146.70
(iv) Other Financial Liabilities	27	7.27	5.47	6.44	1.06
(b) Other Current Liabilities	28	26.57	34.61	31.16	6.99
(c) Provisions	29	28.82	27.12	15.73	12.34
(d) Current Tax Liabilities (Net)	30	47.48	29.78	-	2.78
TOTAL CURRENT LIABILITIES (C)		**1,562.14**	**1,550.03**	**1,101.96**	**615.82**
TOTAL EQUITY AND LIABILITIES (A+B+C)		**4,431.20**	**4,100.22**	**3,257.67**	**2,566.57**
Material accounting policies & key accounting estimates & judgements	1-3				
The accompanying notes are an integral part of the Restated Financial Information	4-52				

This is the Restated Statement of Assets and Liabilities referred to in our report of even date.

As per our Report of even date annexed
For A Bakliwal & Co.
Firm Registration No. 148416W
Chartered Accountants

Sd/-

Bharat Jain
Partner
(M.No.- 440315)
Place : Mumbai
Date : 24/10/2026
UDIN : 26440315CWKZRQ8355

For & on Behalf of the Board

Sd/- **Sd/-**

Anil Kumar Nuwal (Chairman & Managing Director) DIN: 00096471
Madhu Sudan Nuwal (Whole time Director) DIN: 00212341

Sd/- **Sd/-**

Nitesh Mundra Chief financial officer
Shruti Joshi Company Secretary **M.no.-34332**

SITARAM DENIMS INDIA LIMITED
CIN:U17100RJ2011PLC034052
Restated Statement of Profit and Loss for the period ended June 30, 2026
(Rs in Million, unless stated otherwise)

Particulars	Notes	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
INCOME					
Revenue From Operations	31	751.07	2,423.84	2,088.43	1,116.82
Other Income	32	3.25	15.12	11.58	16.38
TOTAL INCOME		**754.32**	**2,438.96**	**2,100.01**	**1,133.20**
EXPENSES					
Cost of Material Consumed	33	553.73	1,528.75	1,095.01	647.06
Change in Inventories	34	(173.88)	(263.44)	(59.25)	(109.16)
Employee Benefit Expenses	35	35.01	117.10	100.86	74.31
Finance Costs	36	40.18	126.22	155.69	54.74
Depreciation & Amortization Expense	37	13.54	68.59	61.70	95.73
Other Expenses	38	178.40	536.64	533.01	301.61
TOTAL EXPENSES		**646.98**	**2,113.86**	**1,887.02**	**1,064.29**
PROFIT BEFORE TAX		**107.34**	**325.10**	**212.99**	**68.90**
Tax Expense	10a)				
Current Tax		25.51	60.87	18.60	10.72
Deferred Tax		2.05	21.97	34.97	5.84
TOTAL TAX EXPENSE		**27.56**	**82.84**	**53.57**	**16.56**
PROFIT FOR THE PERIOD/YEAR		**79.78**	**242.26**	**159.42**	**52.35**
Other Comprehensive Income		-	-	-	-
Items that will not be reclassified to profit or loss					
Re-measurement gain / (Loss) on defined benefit obligations		(0.16)	(3.36)	(0.03)	(0.02)
Income tax relating to re-measurement gain on defined benefit obligations	10a)	0.04	0.85	0.01	0.01
TOTAL OTHER COMPREHENSIVE INCOME		**(0.12)**	**(2.52)**	**(0.02)**	**(0.02)**
TOTAL COMPREHENSIVE INCOME		**79.66**	**239.74**	**159.40**	**52.33**
Earnings Per Share (In Rs)	39				
(1) Basic		0.95	2.88	1.90	0.62
(2) Diluted		0.95	2.88	1.90	0.62
Material accounting policies & key accounting estimates & judgements	1-3				
The accompanying notes are an integral part of the Restated Financial Information	4-52				

This is the Restated Statement of Profit and Loss referred to in our report of even date.

As per our Report of even date annexed
For A Bakliwal & Co.
Firm Registration No. 148416W
Chartered Accountants

Sd/-

Bharat Jain
Partner
(M.No.- 440315)
Place : Mumbai
Date : 24/10/2026
UDIN : 26440315CWKZRQ8355

For & on Behalf of the Board

Sd/-
Anil Kumar Nuwal
(Chairman & Managing Director)
DIN: 00096471

Sd/-
Madhu Sudan Nuwal
(Whole time Director)
DIN: 00212341

Sd/-
Nitesh Mundra
Chief financial officer

Sd/-
Shruti Joshi
Company Secretary
M.no.-34332

SITARAM DENIMS INDIA LIMITED
CIN:U17100RJ2011PLC034052
Restated Statement of Changes in Equity for the period ended June 30, 2026
(Rs in Million, unless stated otherwise)

(a) Equity Share Capital

Particulars	As on June 30, 2026		As at March 31, 2026		As at March 31, 2025		As at March 31, 2024	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Issued, Subscribed & Fully Paid up (Equity Shares of Rs.5/- each for June 30, 2026 & March 31, 2026; Equity Shares of Rs.10/- each for March 31, 2025 & March 31, 2024)								
Opening Balance	8,40,40,000	420.20	2,10,10,000	210.10	2,10,10,000	210.10	2,10,10,000	210.10
Add : Bonus Shares Issued during the year	-	-	2,10,10,000	210.10	-	-	-	-
Add: Share split during the year	-	-	4,20,20,000	-	-	-	-	-
Closing Balance	**8,40,40,000**	**420.20**	**8,40,40,000**	**420.20**	**2,10,10,000**	**210.10**	**2,10,10,000**	**210.10**

(b) Other equity

Particulars	Reserves & Surplus		Other Comprehensive Income	Total
	Retained Earnings	Securities Premium		
Balance as at April 1, 2023	**468.99**	**-**	**-**	**468.99**
Profit for the year	52.35	-	-	**52.35**
Other comprehensive income for the year	-	-	(0.02)	**(0.02)**
Balance as at March 31, 2024	**521.33**	**-**	**(0.02)**	**521.32**
Balance as at April 1, 2024	**521.33**	**-**	**(0.02)**	**521.32**
Profit for the year	159.42	-	-	**159.42**
Other comprehensive income for the year	-	-	(0.02)	**(0.02)**
Balance as at March 31, 2025	**680.75**	**-**	**(0.04)**	**680.71**
Balance as at April 1, 2025	**680.75**	**-**	**(0.04)**	**680.71**
Bonus Shares Issued during the year	(210.10)	-	**-**	**(210.10)**
Profit for the year	242.26	-	-	**242.26**
Other comprehensive income for the year	-	-	(2.52)	**(2.52)**
Balance as at March 31, 2026	**712.91**	**-**	**(2.55)**	**710.36**
Balance as at April 1, 2026	**712.91**	**-**	**(2.55)**	**710.36**
Profit for the year	79.78	-	-	**79.78**
Other comprehensive income for the year	-	-	(0.12)	**(0.12)**
Balance as on June 30, 2026	**792.69**	**-**	**(2.67)**	**790.02**

The accompanying notes are an integral part of the Restated Financial Information

This is the restated statement of change in equity referred to in our report of even date.

As per our Report of even date annexed
For A Bakliwal & Co.
Firm Registration No. 148416W
Chartered Accountants

Sd/-

Bharat Jain
Partner
(M.No.- 440315)
Place : Mumbai
Date : 24/10/2026
UDIN : 26440315CWKZRQ8355

For & on Behalf of the Board

Sd/-

Anil Kumar Nuwal
(Chairman &
Managing Director)
DIN: 00096471

Sd/-

Nitesh Mundra
Chief financial officer

Sd/-

Madhu Sudan Nuwal
(Whole time Director)
DIN: 00212341

Sd/-

Shruti Joshi
Company Secretary
M.no.-34332

SITARAM DENIMS INDIA LIMITED
CIN:U17100RJ2011PLC034052
Statement of Cash Flows for the period ended June 30, 2026
(Rs in Million, unless stated otherwise)

Particulars	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax	107.34	325.10	212.99	68.90
Adjustments for:				
Depreciation & Amortization Expense	13.54	68.59	61.70	95.73
Finance Costs	17.57	79.86	94.74	42.49
Other income	(0.00)	(0.00)	(0.66)	(0.28)
Income from Government Grants	(1.08)	(3.13)	-	-
RODTEP & Duty Drawback on export	(0.13)	(3.31)	(6.23)	(5.19)
Foreign exchange Gain / (Loss)	(0.27)	(2.08)	-	-
Gains/(Loss) on Investments Measured at FVTPL	(0.06)	(0.05)	(0.06)	(0.15)
Interest Income	(1.67)	(5.37)	(4.59)	(5.47)
Acturial gain and loss	(0.16)	(3.36)	(0.03)	(0.02)
Operating profit before working capital changes	**135.07**	**456.25**	**357.87**	**196.02**
Adjustments for:				
Decrease/(Increase) in Inventories	(109.28)	(422.73)	(295.95)	(156.75)
Decrease/(Increase) in Loans	1.40	0.11	(1.73)	0.15
Decrease/(Increase) in Trade Receivables	(58.42)	(35.98)	(235.72)	(87.97)
Decrease/(Increase) in Other Financial Assets	0.65	(135.83)	7.86	(6.05)
Decrease/(Increase) in Other assets	(27.32)	(32.90)	13.77	(44.10)
Increase/(Decrease) in Trade Payables	44.55	85.65	115.23	137.00
Increase/(Decrease) in Other Financial Liabilities	1.80	(0.97)	5.37	0.76
Increase/(Decrease) in Other Current Liabilities	(9.10)	126.21	24.16	(19.61)
Increase/(Decrease) in Provisions	2.23	13.26	2.98	1.83
Cash flow from operating activities post working capital changes	**(18.41)**	**53.09**	**(6.16)**	**21.28**
Refund/ (Payment) of income tax (net)	(7.81)	(29.46)	(23.01)	(3.77)
Net cash flow from operating activities (A)	**(26.22)**	**23.63**	**(29.18)**	**17.52**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment including capital work in progress	(172.46)	(44.88)	(210.29)	(877.43)
(Increase)/Decrease in Capital Advances	23.42	(226.06)	1.15	28.56
Increase/(Decrease) in Liabilities for Capital Goods	5.89	(5.23)	(56.80)	44.74
Purchase of Intangible assets	-	(0.39)	(0.23)	-
Purchase of investment property	-	(0.50)	(33.61)	-
Other income	0.00	0.00	0.66	0.28
Interest received	1.67	5.37	4.59	5.47
Net cash used in investing activities (B)	**(141.48)**	**(271.69)**	**(294.53)**	**(798.38)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings (net of repayments)	186.53	331.20	408.58	866.07
Interest paid	(17.57)	(79.86)	(94.74)	(42.49)
Payment of lease liabilities	(0.30)	(0.50)	-	-
Net cash used in financing activities (C)	**168.67**	**250.84**	**313.84**	**823.58**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**0.97**	**2.77**	**(9.86)**	**42.72**
Cash and cash equivalents as at April 1	**38.04**	**35.26**	**45.13**	**2.41**
Cash and cash equivalents as at March 31/ June 30	**39.00**	**38.04**	**35.26**	**45.13**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**0.97**	**2.77**	**(9.86)**	**42.72**

Notes

1. The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 - 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 read with the relevant rules issued thereunder.

Particulars	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Cash and Cash Equivalents as per above comprise of the following:				
Balances with banks	-	-	-	8.25
Cash on hand	0.54	0.13	0.08	3.92
Bank deposit with maturity more than 3 months but less than 12 months	38.46	37.91	35.19	32.96
	39.00	**38.04**	**35.26**	**45.13**

This is the Restated Statement of Cash Flows referred to in our report of even date.

The accompanying notes are an integral part of the Restated Financial Information.

As per our Report of even date annexed
For A Bakliwal & Co.
Firm Registration No. 148416W
Chartered Accountants

Sd/-
Bharat Jain
Partner
(M.No.- 440315)
Place : Mumbai
Date : 24/10/2026
UDIN : 26440315CWKZRQ8355

For & on Behalf of the Board

Sd/-
Anil Kumar Nuwal
(Chairman & Managing Director)
DIN: 00096471

Sd/-
Madhu Sudan Nuwal
(Whole time Director)
DIN: 00212341

Sd/-
Nitesh Mundra
Chief financial officer

Sd/-
Shruti Joshi
Company Secretary

SITARAM DENIMS INDIA LIMITED
CIN:U17100RJ2011PLC034052

Notes to the Restated Financial Information
(Rs in Million, unless stated otherwise)

1 Corporate information

"Sitaram Denims India Limited ("SDIL" or the "Company"), formerly known as Sitaram Texpark Developers Private Limited, was incorporated in 2011 and is engaged in the manufacture and supply of branded and unbranded woven fabrics, primarily catering to the men's wear segment.

The Company's principal product categories comprise cotton-spandex fabrics, rigid cotton fabrics, denim fabrics, polyester-viscose ("PV") fabrics and other blended fabrics, with its branded products marketed under the "Sitaram" brand. SDIL operates a manufacturing facility in Bhilwara, Rajasthan, and its registered office is situated at F-226, 227, G-228, 229, Phase IV, RIICO Industrial Area, Bhilwara – 311001, Rajasthan.

The Company exports its fabrics to various countries, including Ecuador, Peru, South Africa, Yemen, Afghanistan, Mexico and the United Arab Emirates.

2 Basis of preparation

a) Statement of compliance:
These financial statements have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India

b)Functional and presentation currency
These financial statements are presented in Indian Rupees , Which is company functional currency All financial information presented in Rupees'has been rounded off to the nearest Million, except as stated otherwise.

c) Basis of measurement:
The financial statements have been prepared on a historical cost convention on accrual basis, The following item are measured on each reporting date as under

Items	Measurement Basis
Net defined benefit(asset)/liability	Fair value of plan assets less present value of defined benefit obligations

d) Material accounting judgements, estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual result may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Asumptions and Estimation Uncertainties
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the Subsequent period financial statement is include below

- Estimation of current and deferred tax expense and asset/liability.
- Estimated useful life of property, plant and equipment.
- Estimation of defined benefit obligation.
- Measurement and likelihood of occurrence of provisions and contingencies.
- Impairment of trade receivables.

e) Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amount and there is an intention to settle the liability simultaneously.

The legally enforceable right must not be contingent on future event and must be enforceable in the normal course of business and in the event of default ,insolvency or bankruptcy of the company or the counter party.

3 Material accounting policies

3.1 Current and non-current classification
All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:
An asset is classified as current when it satisfies any of the following criteria: a) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle; b) It is held primarily for the purpose of being traded; c) It is expected to be realised within twelve months after the reporting date; or d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Assets Held For Sale:

Current assets are classified as held for sale when their carrying amount is expected to be recovered primarily through a sale rather than through continued use. An asset is classified as held for sale only if it is available for immediate sale in its present condition, subject to terms that are usual and customary for such sales, and the sale is highly probable.
The management must be committed to the sale, and the transaction should be expected to be completed within one year from the date of classification.

Liabilities:
A liability is classified as current when it satisfies any of the following criteria: a) It is expected to be settled in the Company's normal operating cycle; b) It is held primarily for the purpose of being traded; c) It is due to be settled within twelve months after the reporting date; or d) The Company does not have an unconditional right to defer settlement of the liability for at

least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other assets/liabilities are classified as non-current. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in Cash or cash equivalents, the Company has ascertained its normal operating cycle as 12 months for the purpose of Current/Non-current classification of assets and liabilities.

3.2 Property, Plant & Equipments

Recognition and initial measurement
Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.
All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)
Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Depreciation on property, plant and equipment has been provided using straight line method using rates determined based on management's assessment of useful economic lives of the asset.

Followings are the estimated useful lives of various category of assets used which are aligned with useful lives defined in schedule II of Companies Act,2013 :

Asset Class	Minimum useful life (in	Maximum useful life (in years)
Building	21	30
Plant and Machinery	21	30
Furniture & Fixture	1	10
Vehicles	7	8
Office Equipment	1	5
Computer	1	3
Electrical Equipment	1	10
Solar	21	25

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition:
An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

The title deeds of Immovable Properties owned by the company and included in Property, Plant, Equipment and Intangible assets are held in the name of the company.

The company has not revalued any of its Property, Plant and Equipment and Intangible Assets during the year.

Capital work-in-progress (CWIP)
Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in progress.

3.3 Intangible Asset

Intangible assets are stated at cost less any accumulated amortisation and accumulated impairment losses, if any. The Company capitalises identifiable costs relating to development of internally generated software and these are stated net off accumulated amortization.
Intangible assets under development comprise costs relating to development of software that are not yet ready for their intended use as at the balance sheet date.
Computer softwares, amortised under straight line method over the estimated useful life of 5 years.

3.4 Investment property
Investment property is property held to earn rentals and/or for capital appreciation, rather than for use in the production or supply of goods or services, for administrative purposes, or for sale in the ordinary course
Investment properties comprises of land and building are measured initially at cost, including transaction costs.
Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

3.5 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.6 Provisions, Contingent Liabilities And Contingent Assets

Provisions:

The Company sets up a provision when there is a present legal or constructive obligation as a result of a past event and it will probably require an outflow of resources to settle the obligation and a reliable estimate can be made. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and 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. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Contingent Liabilities and Contingent Assets

Contingent liabilities are disclosed when a possible obligation arises from past events, or a present obligation exists but an outflow of resources is not probable or cannot be reliably estimated, and are reviewed at each reporting date.

Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

3.7 Income tax

Current tax:

Current tax comprises the expected tax payable or receivable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried

forward tax losses and tax credits.

Deferred tax is not recognised for: - Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction; - Temporary differences related to investment in subsidiary to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets-unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

3.8 Employee Benefits

Defined Benefit Obligation

Post-employment benefits (Gratuity):

The liability recognised in balance sheet in respect of gratuity (unfunded) is the present value of defined benefit obligation at the end of reporting period less fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using projected unit credit method. Remeasurement actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement if changes in equity and in the balance sheet.

Defined Contribution Plan:

Company pays contributions to provident fund, employee pension scheme and employee state insurance as per statutes/amounts as advised by the Authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plan and the contributions are recognised as employee benefit expense when they are due.

Short-Term-Benefit

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of reporting period in which the employees rendered the related services are recognised in respect of employee's service up to the end of reporting period and are Measured at the amount expected to be paid when the liabilities are settled.These liabilities are presented as current employee benefit obligations in the balance sheet.

3.9 Fair value measurement

Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities

The Company has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the controller.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised in a fair value hierarchy based on the inputs used in the valuation techniques as under:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted price included in Level 1 that are observable for the assets or Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).
When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.10 Financial Instruments

a) Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.
All other financial assets are recognised at fair value on initial recognition except trade receivables which is initially measured at Transaction Price. Financial assets are subsequently classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Derecognition
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of financial assets
The Company recognises loss allowances for expected credit losses on: -
Financial assets measured at amortised cost; At each reporting date, the Company assesses whether financial assets carried at amortised cost has impaired and provisions are made for impairment accordingly. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses: - Debt securities that are determined to have low credit risk at the reporting date; and -Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.
12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probabilityweighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

b) **Financial liabilities**
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR Method)

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition.
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting Financial Instruments
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

3.11 Cash and cash equivalents

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

3.12 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the transaction price, net of variable consideration, including discounts, rebates, credits, price incentives and similar adjustments, allocated to the related performance obligation.

Revenue From Operation

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration the Company is entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of discounts, rebates, credits, price incentives or similar terms.

A. Sale of goods

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

Rendering of services

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

Other Income

a) Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

b) Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

3.13 Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.
Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.14 Cash flow statement

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities.
Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:
(i) Changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
(ii) Non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
(iii) All other items for which the cash effects are investing or financing cash flows. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

3.15 Foreign currency transactions

(i) The functional currency and presentation currency of the Company is Indian Rupee.

(ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date.

At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise except for:

a). Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

b). Exchange differences on transactions entered into in order to hedge certain foreign currency risks.

3.16 Borrowing Cost

Borrowing costs include interest expense calculated using the effective interest method (EIR), finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, which are attributable to the acquisition, construction or production of a qualifying asset are capitalised/ inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

3.17 Leases:

As a Lessee:
The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset.

Initial Measurement

Lease Liability: At the commencement date, a Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate. Right-of-use assets: initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent Measurement

Lease Liability: Company measure the lease liability by (a) increasing the carrying amount to to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications. Right-of-use assets: subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Impairment
Right of use assets are evaluated for recoverability whenever events or changes in circumstances Indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short Term Lease Or Low Value Lease
Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. Low value lease is for which the underlying asset is of low value. If the Company elected to apply short term lease/Low Value Lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit

As Lessor

The Company, as a lessor, classifies leases as either finance leases or operating leases at the inception of the lease.

(a) Operating Lease:
Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases.

Lease income from operating leases is recognized in the Statement of Profit and Loss on a straightline basis over the lease term unless the receipts are structured to increase in line with expected general inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as lease income.

Assets subject to operating leases are presented under Property, Plant and Equipment/Investment Property, as applicable.

(b) Finance Lease:
Leases transferring substantially all risks and rewards incidental to ownership are classified as finance leases.
At the commencement date, the Company recognizes assets held under finance lease as a receivable at an amount equal to the net investment in the lease.

Finance income is recognized over the lease term using the effective interest rate method to reflect a constant periodic rate of return on the net investment in the lease.

3.18 Government grants

Grants from government are recognised at their fair Value where there is reasonable that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit and loss account over the period necessary to match them with the and present within other income .

Government grants relating to the purchase of property,plant and equipment are include in non current liabilities as deferred income and are credited to profit or loss on a straight line basis over the expected lives of the related assets and presented within other income.

3.19 Accounting Policies, Changes in Accounting Estimates and Errors

The Company applies its accounting policies consistently to all periods presented unless a change is required by an Indian Accounting Standard or results in the financial statements providing more reliable and relevant information. Changes in accounting estimates are recognised prospectively in the period of change and future periods, where applicable. Prior period errors are corrected retrospectively by restating comparative information or the opening balances of assets, liabilities and equity, as required by Ind AS 8.

3.20 Events after the Reporting Period

Events occurring after the reporting period and before the date on which the financial statements are approved by the Board of Directors are evaluated to determine whether they require adjustment or disclosure in the financial statements.

3.21 Inventories.

Raw Material is Measured at cost.

Inventories are stated at the lower of cost and net realizable value. The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and related production overheads. Cost of raw material comprises of Cost of purchases and also include all other costs incurred in bringing the inventories to their present location and condition and are net of rebates and discounts.

Cost is determined using the weighted average cost basis. However, the same cost basis is applied to all inventories of a particular class. Inventories of stores and spare parts are valued at weighted average cost basis after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below cost if the finished products in which they will be used are expected to sell at or above the cost.

3.22 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Company's Board has identified the CODM who is responsible for financial decision making and assessing performance. The Company has a single operating segment as the operating results of the Company are reviewed on an overall basis by the CODM.

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4 Property, Plant and Equipment (PPE)

	Land	Building	Plant and Machinery	Furniture & Fixture	Computer	Vehicles	Office Equipments	Electricity Installation	Solar	Total
Gross Carrying Value										
Balance as at April 1, 2023	**416.96**	**130.71**	**251.69**	**1.67**	**0.57**	**0.40**	**0.95**	**2.79**	**43.63**	**849.36**
Additions during the year	-	197.32	606.89	0.17	0.45	-	0.61	-	55.99	**861.43**
Disposals during the year	-	-	-	-	-	-	-	-	-	**-**
Balance as at March 31, 2024	**416.96**	**328.03**	**858.58**	**1.84**	**1.02**	**0.40**	**1.56**	**2.79**	**99.62**	**1,710.79**
Balance as at April 1, 2024	**416.96**	**328.03**	**858.58**	**1.84**	**1.02**	**0.40**	**1.56**	**2.79**	**99.62**	**1,710.79**
Additions during the year	-	43.67	235.54	0.64	0.46	1.90	1.08	-	3.01	**286.30**
Disposals during the year	-	-	-	-	-	-	-	-	-	**-**
Balance as at March 31, 2025	**416.96**	**371.70**	**1,094.12**	**2.48**	**1.48**	**2.30**	**2.63**	**2.79**	**102.63**	**1,997.09**
Balance as at 1st April 2025	**416.96**	**371.70**	**1,094.12**	**2.48**	**1.48**	**2.30**	**2.63**	**2.79**	**102.63**	**1,997.09**
Additions during the year	-	8.15	18.02	1.38	0.26	9.96	0.42	0.72	-	**38.91**
Disposals during the year	-	-	-	-	-	-	-		-	**-**
Balance as at March 31, 2026	**416.96**	**379.85**	**1,112.14**	**3.86**	**1.74**	**12.26**	**3.06**	**3.50**	**102.63**	**2,036.01**
Balance as at 1st April 2026	**416.96**	**379.85**	**1,112.14**	**3.86**	**1.74**	**12.26**	**3.06**	**3.50**	**102.63**	**2,036.01**
Additions during the year	-	0.82	1.15	0.40	0.05	2.50	0.39	-	-	**5.30**
Disposals during the year	-	-	-	-	-	-	-	-	-	**-**
Balance as on June 30, 2026	**416.96**	**380.67**	**1,113.29**	**4.25**	**1.79**	**14.76**	**3.44**	**3.50**	**102.63**	**2,041.30**
Accumulated Depreciation										
Balance as at April 1, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge for the year	-	5.04	87.40	0.30	0.32	0.11	0.38	0.42	1.75	**95.73**
Balance as at March 31, 2024	**-**	**5.04**	**87.40**	**0.30**	**0.32**	**0.11**	**0.38**	**0.42**	**1.75**	**95.73**
Balance as at April 1, 2024	**-**	**5.04**	**87.40**	**0.30**	**0.32**	**0.11**	**0.38**	**0.42**	**1.75**	**95.73**
Depreciation charge for the year	-	11.71	44.40	0.33	0.35	0.11	0.42	0.49	3.88	**61.69**
Balance as at March 31, 2025	**-**	**16.75**	**131.80**	**0.63**	**0.67**	**0.22**	**0.80**	**0.91**	**5.63**	**157.42**
Balance as at 1st April 2025	**-**	**16.75**	**131.80**	**0.63**	**0.67**	**0.22**	**0.80**	**0.91**	**5.63**	**157.42**
Depreciation charge for the year	-	12.68	48.77	0.42	0.40	0.79	0.50	0.51	3.99	**68.06**
Balance as at March 31, 2026	**-**	**29.43**	**180.57**	**1.06**	**1.07**	**1.01**	**1.30**	**1.43**	**9.62**	**225.48**
Balance as at 1st April 2026	**-**	**29.43**	**180.57**	**1.06**	**1.07**	**1.01**	**1.30**	**1.43**	**9.62**	**225.48**
Depreciation charge for the year	-	3.42	7.83	0.13	0.10	0.43	0.14	0.14	1.00	**13.20**
Balance as on June 30, 2026	**-**	**32.85**	**188.40**	**1.19**	**1.17**	**1.44**	**1.44**	**1.57**	**10.62**	**238.68**
Net carrying value										
As at March 31, 2024	**416.96**	**322.99**	**771.17**	**1.54**	**0.70**	**0.29**	**1.17**	**2.37**	**97.87**	**1,615.05**
As at March 31, 2025	**416.96**	**354.95**	**962.32**	**1.85**	**0.81**	**2.08**	**1.84**	**1.87**	**97.00**	**1,839.67**
As at March 31, 2026	**416.96**	**350.42**	**931.57**	**2.80**	**0.67**	**11.25**	**1.75**	**2.08**	**93.01**	**1,810.52**
As on June 30, 2026	**416.96**	**347.82**	**924.89**	**3.07**	**0.62**	**13.31**	**2.00**	**1.94**	**92.02**	**1,802.62**

Note
The Company has applied the deemed cost exemption, as permitted under Ind AS, in respect of Property, Plant and Equipment (PPE) for the purpose of restatement. Accordingly, the carrying amounts of these assets, as recognized under the previous GAAP—being the accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014—have been considered as their deemed cost as at the date of transition. No retrospective adjustments have been made to the previously recognized carrying values of PPE.

5 Right of use assets

Reconciliation of carrying amount	**Building**	**Total**
Cost or deemed cost (gross carrying amount)		
Balance as at April 1, 2023	-	-
Add: Additions during the year	-	-
Balance as at March 31, 2024	-	-
Balance as at April 1, 2024	-	-
Add: Additions during the year	-	-
Balance as at March 31, 2025	-	-
Balance as at April 1, 2025	-	-
Add: Additions during the year	2.28	**2.28**
Balance as at March 31, 2026	**2.28**	**2.28**
Balance as at 1st April 2026	**2.28**	**2.28**
Add: Additions during the year		-
Balance as on June 30, 2026	**2.28**	**2.28**
Accumulated depreciation		
Balance as at April 1, 2023	-	-
Depreciation expense for the year	-	-
Balance as at March 31, 2024	-	-
Balance as at April 1, 2024	-	-
Depreciation expense for the year	-	-
Balance as at March 31, 2025	-	-
Balance as at April 1, 2025	-	-
Depreciation expense for the year	0.48	**0.48**
Balance as at March 31, 2026	**0.48**	**0.48**
Balance as at 1st April 2026	**0.48**	**0.48**
Depreciation expense for the year	0.29	**0.29**
Balance as on June 30, 2026	**0.76**	**0.76**
Carrying amounts		
As at March 31, 2024	-	-
As at March 31, 2025	-	-
As at March 31, 2026	**1.81**	**1.81**
As on June 30, 2026	**1.52**	**1.52**

During the year, the Company entered into a lease agreement for office premises for a period of two years. Accordingly, a Right-of-Use (ROU) asset and corresponding lease liability (Refer note 21) have been recognized in accordance with the Company's accounting policy on leases as disclosed in Note 3.17.

6 Intangible Assets

	Computer Software	Total
Gross Carrying Value		
Balance as at April 1, 2023	**-**	**-**
Additions during the year	-	**-**
Disposals during the year	-	**-**
Balance as at March 31, 2024	**-**	**-**
Balance as at April 1, 2024	**-**	**-**
Additions during the year	0.23	**0.23**
Disposals during the year	-	**-**
Balance as at March 31, 2025	**0.23**	**0.23**
Balance as at April 1, 2025	**0.23**	**0.23**
Additions during the year	0.39	**0.39**
Disposals during the year	-	**-**
Balance as at March 31, 2026	**0.62**	**0.62**
Balance as at 1st April 2026	**0.62**	**0.62**
Additions during the year		**-**
Disposals during the year		**-**
Balance as on June 30, 2026	**0.62**	**0.62**
Accumulated Depreciation		
Balance as at April 1, 2024	**-**	**-**
Depreciation charge for the year	0.01	**0.01**
Balance as at March 31, 2025	**0.01**	**0.01**
Balance as at April 1, 2025	**0.01**	**0.01**
Depreciation charge for the year	0.06	**0.06**
Balance as at March 31, 2026	**0.07**	**0.07**
Balance as at 1st April 2026	**0.07**	**0.07**
Depreciation charge for the year	0.06	**0.06**
Balance as on June 30, 2026	**0.12**	**0.12**
Net carrying value		
As at March 31, 2024	**-**	**-**
As at March 31, 2025	**0.21**	**0.21**
As at March 31, 2026	**0.55**	**0.55**
As on June 30, 2026	**0.49**	**0.49**

7 Investment property

Reconciliation of carrying amount	**Land**	**Total**
Cost or deemed cost (gross carrying amount)		
Balance as at April 1, 2023	**50.79**	**50.79**
Add: Additions during the year	-	-
Balance as at March 31, 2024	**50.79**	**50.79**
Balance as at April 1, 2024	**50.79**	**50.79**
Add: Additions during the year	33.61	**33.61**
Balance as at March 31, 2025	**84.41**	**84.41**
Balance as at 1st April 2025	**84.41**	**84.41**
Add: Additions during the year	0.50	**0.50**
Balance as at March 31, 2026	**84.91**	**84.91**
Balance as at 1st April 2026	**84.91**	**84.91**
Add: Additions during the year		-
Balance as on June 30, 2026	**84.91**	**84.91**
Accumulated depreciation		
Balance as at April 1, 2023	-	-
Depreciation expense for the year	-	-
Balance as at March 31, 2024	-	-
Balance as at April 1, 2024	-	-
Depreciation expense for the year	-	-
Balance as at March 31, 2025	-	-
Balance as at 1st April 2025	-	-
Depreciation expense for the year	-	-
Balance as at March 31, 2026	-	-
Balance as at 1st April 2026	-	-
Depreciation expense for the year	-	-
Balance as on June 30, 2026	-	-
Carrying amounts		
As at March 31, 2024	**50.79**	**50.79**
As at March 31, 2025	**84.41**	**84.41**
As at March 31, 2026	**84.91**	**84.91**
As on June 30, 2026	**84.91**	**84.91**
Fair value		
As at March 31, 2024		202.92
As at March 31, 2025		302.01
As at March 31, 2026		302.51
As on June 30, 2026		302.51

The Company's has elected the exemption available under Ind AS 101 – First-time Adoption of Indian Accounting Standards and has continued with the carrying amount of all investment properties as at the date of transition as their deemed cost.

(a) The Company’s investment properties comprise industrial and agricultural land parcels, including industrial land with factory buildings and allied structures, located at Village Danta Nilawari and Village Raisinghpura, Tehsil Banera, District Bhilwara, Rajasthan, which are held primarily for capital appreciation.

(b) As at the reporting date, there are no restrictions on the realisability of the investment properties. Further, the Company has no contractual commitments to purchase, construct, develop or enhance investment properties, nor any material contractual obligations relating to repairs or maintenance.

(c) The Company measures investment properties using the cost model in accordance with Ind AS 40 – Investment Property. For disclosure purposes, the fair value of investment properties has been determined based on a valuation carried out by an independent registered valuer, as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017, who has appropriate qualifications and relevant experience in valuing similar industrial and agricultural properties.

The valuation has been performed using the Land and Building Method and is based on significant inputs including prevailing market rates, comparable market transactions, land use classification, location and accessibility, size and configuration of land parcels, demand and supply dynamics, development potential, and local market enquiries.

(d) The fair value of the investment properties as at the reporting date is Rs. 302.51 (March 31, 2026, March 31, 2025 and March 31, 2024 is Rs. 302.51, Rs. 302.01 and Rs. 202.92). The fair value measurement is categorised within Level 2 of the fair value hierarchy in accordance with Ind AS 113 – Fair Value Measurement, due to the use of significant unobservable inputs.

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4a Capital Work-In-Progress	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Capital work-in-progress				
Capital work-in-progress	173.79	6.63	0.66	76.67
Total	**173.79**	**6.63**	**0.66**	**76.67**

Movement in Capital Work In Progress:	
Opening balance as at April 1, 2023	**60.68**
Add: Additions during the year	15.99
Less: Capitalisation during the year	-
Closing balance as at March 31, 2024	**76.67**
Opening balance as at April 1, 2024	**76.67**
Add: Additions during the year	164.25
Less: Capitalisation during the year	240.26
Closing balance as at March 31, 2025	**0.66**
Opening balance as at April 1, 2025	
Add: Additions during the year	12.75
Less: Capitalisation during the year	6.78
Closing balance as at March 31, 2026	**6.63**
Opening balance as at April 1, 2026	**6.63**
Add: Additions during the year	169.29
Less: Capitalisation during the year	2.12
Closing balance as on June 30, 2026	**173.79**

CWIP Ageing Schedule

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
As at June 30, 2026					
Projects in progress	167.17	0.05	6.58	-	**173.79**
Total	**167.17**	**0.05**	**6.58**	-	**173.79**
As at March 31, 2026					
Projects in progress	0.05	6.58	-	-	**6.63**
Total	**0.05**	**6.58**	-	-	**6.63**
As at March 31, 2025					
Projects in progress	0.66	-	-	-	**0.66**
Total	**0.66**	-	-	-	**0.66**
As at March 31, 2024					
Projects in progress	76.67	-	-	-	**76.67**
Total	**76.67**	-	-	-	**76.67**

Note:
1. There are no projects on hold or temporarily suspended.
2. During the year, the Company incurred various expenditures directly attributable to construction and development activities. Such expenditure has been capitalised under Capital Work-in-Progress (CWIP) to the extent attributable to qualifying projects/assets. Accordingly, the related expenditure, wherever initially recorded under the respective expense heads, is presented net of the amount capitalised.

The nature-wise breakup of additions to CWIP during the year is as follows:

Particulars	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Construction materials including cement, steel, marble, bricks, stone, tiles, pipes, hardware and other building materials	0.38	6.61	32.55	8.64
Vehicles / equipment attributable to projects	0.04	2.12	9.01	1.25
Construction, installation and labour charges including fabrication, welding, plumbing, road work, JCB/crane and other job work	0.07	1.98	30.36	6.03
Electrical, plumbing and sanitary materials	0.25	0.86	9.41	-
Solar project related expenditure and consultancy	162.95	0.44	-	-
Landscaping and site development expenditure	-	0.27	-	-
Other project / transfer related expenditure	5.60	0.18	-	-
Other construction-related project expenses	-	0.17	-	-
Freight and carriage	-	0.06	2.47	0.07
Plant, machinery and mechanical equipment	-	0.06	78.39	-
Professional, legal, consultancy, statutory and other charges	-	-	2.06	-
Total additions during the year	**169.29**	**12.75**	**164.25**	**15.99**

8 Financial Assets	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Investments in Mutual Funds				
(Measured at fair value through Profit and Loss) [FVTPL]				
51,393.59 Units [March 31, 2026 51,393.59 Units, March 31, 2025 51,393.59 Units and March 31, 2024 51,393.59 Units] of Baroda BNP Paribas- Regular Growth of Rs. 10 each	0.82	0.76	0.72	0.66
Total	**0.82**	**0.76**	**0.72**	**0.66**
Aggregate cost of quoted investments	0.51	0.51	0.51	0.51
Aggregate market value of quoted investments	0.82	0.76	0.72	0.66

9 Other financial assets	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Non-current				
Unsecured, considered good, unless otherwise stated				
Security Deposits	12.82	12.82	10.21	8.94
Fixed Deposits with original maturity of more than 12 months (Refer Note 1 & 2)	18.40	18.11	12.60	21.73
Claims recoverable from Government Grants (Refer Note 3)	117.20	117.20	-	-
Total	**148.42**	**148.12**	**22.81**	**30.67**
Current				
Unsecured, considered good, unless otherwise stated				
Claims recoverable from Government Grants (Refer Note 3)	13.02	13.02	-	-
Interest Receivable	0.76	0.62	-	-
Total	**13.78**	**13.64**	**-**	**-**

Note 1: Fixed Deposit with Banks are pledge with BOB against guarantee given in favour of President of India for EPCG licence for Import of Capital Goods. (June 30, 2026 Rs. 0.79; March 31, 2026 Rs. 0.79 ; March 31, 2025 Rs. 0.74 & March 31, 2024 Rs. 4.71)

Note 2: Fixed Deposit with Banks are pledge with Small Industries Development Bank of India (SIDBI) against TL of Rs. 2.50 taken for Solar Power Project. (June 30, 2026 Rs. 15.50; March 31, 2026 Rs. 15.50 ; March 31, 2025 Rs. 14.64 & March 31, 2024 Rs. 13.64)

Note 3: During the year, the Company recognized a subsidy receivable under the Rajasthan Investment Promotion Scheme ("RIPS-2022") in respect of eligible investments made in plant and machinery, based on reasonable assurance that the conditions attached to the scheme will be complied with and the grant will be received. Accordingly, the Company has recognized a Claims recoverable from Government Grants with a corresponding Deferred Governement Grant for the eligible subsidy amount. The deferred government grant is being recognized in the Statement of Profit and Loss on a systematic basis over a period of 13 years, being the period over which the economic benefits of the related assets are expected to be consumed. Amounts received from the Government under the scheme are adjusted against the outstanding Claims recoverable from Government Grants.

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10 Income tax

10a) The major components of income tax expense for the year are as under:

i) Amounts recognised in the Statement of Profit and Loss comprises :

	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Current tax:				
- in respect of the current year	25.51	60.87	18.93	10.72
- in respect of the earlier year		-	(0.33)	-
Total	**25.51**	**60.87**	**18.60**	**10.72**
Deferred tax expense:				
Attributable to -				
- Origination and reversal of temporary differences	2.05	21.97	34.97	5.84
Total	**2.05**	**21.97**	**34.97**	**5.84**
Total Income tax expense	**27.56**	**82.84**	**53.57**	**16.56**

ii) Income tax recognised in Other Comprehensive Income

	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Net loss/(gain) on remeasurements of defined benefit obligations	0.04	0.85	0.01	0.01
Income tax charged to OCI	**0.04**	**0.85**	**0.01**	**0.01**

10b) Reconciliation of effective tax rate

		Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	**A**	107.34	325.10	212.99	68.90
Company's domestic tax rate	**B**	25.17%	25.17%	25.17%	25.17%
Tax expense	**C = A * B**	**27.01**	**81.82**	**53.61**	**17.34**
Tax effect of :					
Additional allowances		-	-	(35.23)	(6.12)
Deferred tax recognised		2.05	21.97	34.97	5.84
Others		(1.50)	(20.95)	0.23	(0.51)
Tax expense as recognised in Statement of Profit and Loss		**27.56**	**82.84**	**53.57**	**16.56**

10c) Deferred Tax Liabilities (Net)

Particulars	As at 1st April 2023	Profit & Loss	OCI	Others	Year ended March 31, 2024
Deferred tax relates to the following:					
Property, Plant & Equipment	22.42	6.01	-	-	28.42
Processing fees	0.06	0.04	-	-	0.09
Fair value of Investment	0.00	0.02	-	-	0.02
Re-measurements of the defined benefit obligations	(0.55)	(0.15)	(0.01)	-	(0.70)
Timing differences on account of disallowances reversing in future periods	(0.21)	(0.08)	-	-	(0.29)
Deferred Tax Liabilities (Net)	**21.71**	**5.84**	**(0.01)**	**-**	**27.55**

Particulars	As at April 1, 2024	Profit & Loss	OCI	Others	As at March 31, 2025
Deferred tax relates to the following:					
Property, Plant & Equipment	28.42	35.11	-	-	63.54
Processing fees	0.09	0.01	-	-	0.10
Fair value of Investment	0.02	0.01	-	-	0.03
Re-measurements of the defined benefit obligations	(0.70)	0.03	(0.01)	-	(0.67)
Timing differences on account of disallowances reversing in future periods	(0.29)	(0.19)	-	-	(0.47)
Deferred Tax Liabilities (Net)	**27.55**	**34.97**	**(0.01)**	**-**	**62.52**

Particulars	As at April 1, 2025	Profit & Loss	OCI	Others	As at March 31, 2026
Deferred tax relates to the following:					
Property, Plant & Equipment	63.54	54.07	-	-	117.61
Processing fees	0.10	0.53	-	-	0.63
Fair value of Investment	0.03	0.01	-	-	0.03
Re-measurements of the defined benefit obligations	(0.67)	(0.13)	(0.85)	-	(1.64)
Timing differences on account of disallowances reversing in future periods	(0.47)	(0.53)	-	-	(1.00)
Government grants recoverable	-	(31.99)			(31.99)
Right of use assets	-	0.44	-	-	0.44
Lease liabilities	-	(0.45)	-	-	(0.45)
Deferred Tax Liabilities (Net)	**62.52**	**21.97**	**(0.85)**	**-**	**83.64**

Particulars	As at April 1, 2026	Profit & Loss	OCI	Others	As on June 30, 2026
Deferred tax relates to the following:					
Property, Plant & Equipment	117.61	2.39	-	-	120.00
Processing fees	0.63	0.15	-	-	0.78
Fair value of Investment	0.03	0.01	-	-	0.04
Re-measurements of the defined benefit obligations	(1.64)	(0.12)	(0.04)	-	(1.80)
Timing differences on account of disallowances reversing in future periods	(1.00)	(0.64)	-	-	(1.64)
Government grants recoverable	(31.99)	0.27	-	-	(31.71)
Right of use assets	0.44	(0.07)	-	-	0.37
Lease liabilities	(0.45)	0.07	-	-	(0.38)
Deferred Tax Liabilities (Net)	**83.64**	**2.05**	**(0.04)**	**-**	**85.65**

10d) Income Tax Assets (Net)	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Advance income-tax (net of provision for taxation) (Including Refund Receivable)	-	-	1.63	-
Total	**-**	**-**	**1.63**	**-**

11 Other Non-Current Assets	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Capital Advances	219.75	243.16	17.10	18.25
Total	**219.75**	**243.16**	**17.10**	**18.25**

The advances represent amounts paid towards capital goods to be procured over a period of time. Based on management's assessment, these advances are expected to be utilized beyond twelve months from the reporting date and, accordingly, have been classified as long-term in nature and presented under the head "Other Non-Current Assets.

12 Inventories	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(Valued at lower of cost and net realisable value, unless otherwise stated)				
Raw Materials	506.16	573.25	416.53	179.50
Work-in-Progress	296.31	192.05	99.90	72.43
Finished Goods**	407.86	335.27	162.88	131.10
Stores & Spares & Packing Material	10.55	8.05	5.49	5.81
Less: Provision for obsolete and slow-moving inventories	(4.08)	(1.10)	-	-
Total	**1,216.80**	**1,107.53**	**684.80**	**388.84**

** Includes Stock in Transit Rs. 2.92 (March 31, 2026 Rs. 4.14, March 31, 2025 Rs. NIL, March 31, 2024 Rs. NIL)

13 Trade receivables	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Unsecured				
Considered good	602.93	544.24	506.18	270.46
Credit impaired	4.15	4.15	1.29	-
	607.08	548.39	507.47	270.46
Less: Allowances for expected credit loss	(4.15)	(4.15)	(1.29)	-
Total	**602.93**	**544.24**	**506.18**	**270.46**

Trade receivables are non-interest bearing and are generally on credit terms of 30 to 150 days.

Ageing of Trade receivables

As on June 30, 2026

		Outstanding for following periods from date of transaction					
Particulars	**Not due**	**Less than 6 months**	**6 months - 1year**	**1 - 2 years**	**2 - 3 years**	**> 3 years**	**Total**
Undisputed trade receivables - Considered Good	-	574.58	12.32	6.58	9.45	(0.00)	602.93
Undisputed trade receivables - Credit impaired	-	-	-	2.39	0.98	0.78	4.15
Disputed trade receivables - Considered Good	-	-	-	-	-	-	-
Disputed trade receivables - Credit impaired	-	-	-	-	-	-	-
Less: Allowances for expected credit loss							(4.15)
Total	**-**	**574.58**	**12.32**	**8.97**	**10.43**	**0.78**	**602.93**

As at March 31, 2026

		Outstanding for following periods from date of transaction					
Particulars	**Not due**	**Less than 6 months**	**6 months - 1year**	**1 - 2 years**	**2 - 3 years**	**> 3 years**	**Total**
Undisputed trade receivables - Considered Good	-	519.82	6.99	16.80	0.63	-	544.24
Undisputed trade receivables - Credit impaired	-	-	-	2.39	0.98	0.78	4.15
Disputed trade receivables - Considered Good	-	-	-	-	-	-	-
Disputed trade receivables - Credit impaired	-	-	-	-	-	-	-
Less: Allowances for expected credit loss							(4.15)
Total	**-**	**519.82**	**6.99**	**19.19**	**1.61**	**0.78**	**544.24**

As at March 31, 2025

		Outstanding for following periods from date of transaction					
Particulars	**Not due**	**Less than 6 months**	**6 months - 1year**	**1 - 2 years**	**2 - 3 years**	**> 3 years**	**Total**
Undisputed trade receivables - Considered Good	-	486.72	13.04	6.05	0.30	0.07	506.18
Undisputed trade receivables - Credit impaired	-	-	0.00	0.15	0.02	1.12	1.29
Disputed trade receivables - Considered Good	-	-	-	-	-	-	-
Disputed trade receivables - Credit impaired	-	-	-	-	-	-	-
Less: Allowances for expected credit loss							(1.29)
Total	**-**	**486.72**	**13.04**	**6.20**	**0.32**	**1.19**	**506.18**

As at March 31, 2024

		Outstanding for following periods from date of transaction					
Particulars	**Not due**	**Less than 6 months**	**6 months - 1year**	**1 - 2 years**	**2 - 3 years**	**> 3 years**	**Total**
Undisputed trade receivables - Considered Good	-	259.96	8.62	0.69	0.20	1.00	270.46
Undisputed trade receivables - Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - Considered Good	-	-	-	-	-	-	-
Disputed trade receivables - Credit impaired	-	-	-	-	-	-	-
Less: Allowances for expected credit loss		-	-	-	-	-	-
Total	**-**	**259.96**	**8.62**	**0.69**	**0.20**	**1.00**	**270.46**

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14 Cash & Cash Equivalents	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Balances with banks				
- in current account	-	-	-	8.25
Cash on hand	0.54	0.13	0.08	3.92
Total	**0.54**	**0.13**	**0.08**	**12.16**

15 Bank balances other than "Cash & Cash Equivalents"	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Fixed deposit with maturity more than 3 months but less than 12 months	38.46	37.91	35.19	32.96
Total	**38.46**	**37.91**	**35.19**	**32.96**

Note 1: Fixed Deposit with Banks are pledged with Small Industries Development Bank of India (SIDBI) against Term Loan taken for Solar Power Project. (June 30, 2026 Rs. 13.97; March 31, 2026 Rs. 13.97 ; March 31, 2025 Rs. 13.14 & March 31, 2024 Rs. 12.35)

Note 2: Fixed Deposit with Banks are pledged with HDFC Bank against Term Loan taken for Machinery. (June 30, 2026 Rs. 23.94; March 31, 2026 Rs. 23.94 ; March 31, 2025 Rs. 22.05 & March 31, 2024 Rs. 20.61)

16 Current financial assets - Loans and advances	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Loan to Staff	0.60	2.00	2.12	0.39
Total	**0.60**	**2.00**	**2.12**	**0.39**

* Includes loan to director as per section 185 and 186 of Companies Act, 2013 amounting to Nil (March 31, 2026 Rs. 1.24; March 31, 2025 Rs. 1.00 & March 31, 2024) in complaince with section 185(3)(a)

17 Other current assets	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Balances with Government Authorities	20.40	17.97	0.60	5.09
GST Receivable	64.18	52.90	59.68	46.14
Advances to Suppliers	26.24	15.28	1.22	17.36
Prepaid Expenses	3.93	4.03	0.60	1.04
Initial public offer related transaction costs *	8.22	5.32	-	-
Advance for CSR Expenditure	2.80	2.80	-	-
Total	**125.76**	**98.31**	**62.10**	**69.64**

* As on June 30, 2026, the Company has incurred an expenditure of Rs. 8.22 (March 31, 2026: Rs. 5.32; March 31, 2025: Nil and March 31, 2024: Nil) towards proposed initial public offer, which has been classified as 'other current assets'). Such amount shall be adjusted against securities premium, in accordance with section 52 of Companies Act, 2013, on successful completion of IPO.

18 Equity Share Capital

(a) Authorised & Issued Share Capital

	As on June 30, 2026		As at March 31, 2026		As at March 31, 2025		As at March 31, 2024	
Authorised Share Capital	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Equity Shares of Rs. 5/- each (March 31, 2026 Rs 5/- each; March 31, 2025 & March 31, 2024 Rs 10/- each)	**9,00,00,000**	**450.00**	**9,00,00,000**	**450.00**	**2,10,10,000**	**210.10**	**2,10,10,000**	**210.10**
Issued, Subscribed & Fully Paid up	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Equity Shares of Rs. 5/- each (March 31, 2026 Rs 5/- each; March 31, 2025 & March 31, 2024 Rs 10/- each)	**8,40,40,000**	**420.20**	**8,40,40,000**	**420.20**	**2,10,10,000**	**210.10**	**2,10,10,000**	**210.10**

(b) Reconciliation of Share Capital

Issued, Subscribed & Fully Paid up	As on June 30, 2026		As at March 31, 2026		As at March 31, 2025		As at March 31, 2024	
Equity Shares of Rs. 5/- each (March 31, 2026 Rs 5/- each; March 31, 2025 & March 31, 2024 Rs 10/- each)	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Opening Balance	**8,40,40,000**	**420.20**	**2,10,10,000**	**210.10**	**2,10,10,000**	**210.10**	**2,10,10,000**	**210.10**
Add : Bonus Shares Issued during the year (Refer Note g)	-	-	2,10,10,000	210.10	-	-	-	-
Add: Share split during the year (Refer Note g)	-	-	4,20,20,000	-	-	-	-	-
Closing Balance	**8,40,40,000**	**420.20**	**8,40,40,000**	**420.20**	**2,10,10,000**	**210.10**	**2,10,10,000**	**210.10**

(c) Terms and rights attached to equity shares

i) The Company has only one class of equity shares.The holders of equity shares are entitled to one vote per share.

ii) In the event of liquidation of the Company,the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) The company declares and pays dividend in Indian Rupees. Any dividend proposed by the Board of Directors is subject to the approval of the sharedholders in the ensuing Annual General Meeting, except in case of interim dividend.

(d) Disclosure of Shares in the company held by each shareholder holding more than 5%

Equity Shares

Name of Shareholder	As on June 30, 2026		As at March 31, 2026		As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Anil Kumar Nuwal	1,34,10,000	15.96%	1,34,10,000	15.96%	48,83,000	23.24%	48,83,000	23.24%
Jugal Kishore Nuwal	1,10,08,000	13.10%	1,10,08,000	13.10%	7,82,000	3.72%	7,82,000	3.72%
Madhu Sudan Nuwal	1,10,08,000	13.10%	1,10,08,000	13.10%	37,91,000	18.04%	37,91,000	18.04%
Sitaram India Limited	3,60,00,000	42.84%	3,60,00,000	42.84%	90,00,000	42.84%	90,00,000	42.84%
Total	**8,40,40,000**	**100.00%**	**8,40,40,000**	**100.00%**	**2,10,10,000**	**100.00%**	**2,10,10,000**	**100.00%**

(e) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company has not alloted any shares pursuant to contracts without being received in cash or it has bought back any shares during the period.

(f) Shares held by promoters at the end of the year and Movement:

Name of Shareholder	No. of Shares as at March 31, 2026	Percentage of Holding on March 31, 2026	No. of Shares as at March 31, 2025	Percentage of Holding on March 31, 2025	No. of Shares as at March 31, 2024	Percentage of Holding on March 31, 2024	% Change during the Year 2026	% Change during the Year 2025
Anil Kumar Nuwal	1,34,10,000	15.96%	48,83,000	23.24%	48,83,000	23.24%	-7.28%	0.00%
Jugal Kishore Nuwal	1,10,08,000	13.10%	7,82,000	3.72%	7,82,000	3.72%	9.38%	0.00%
Madhu Sudan Nuwal	1,10,08,000	13.10%	37,91,000	18.04%	37,91,000	18.04%	-4.95%	0.00%
Sitaram India Limited	3,60,00,000	42.84%	90,00,000	42.84%	90,00,000	42.84%	0.00%	0.00%
Total	**7,14,26,000**	**84.99%**	**1,84,56,000**	**87.84%**	**1,84,56,000**	**87.84%**	**-2.85%**	**0.00%**

Note: There is no change in the Shares held by promoters from 31st March 2026 to 30th June 2026

(g) Pursuant to the resolution passed by the shareholders on March 27, 2026, the Company allotted 2,10,10,000 bonus equity shares of Rs. 10 each in the ratio of 1:1 by capitalization of Retained Earnings amounting to Rs. 210.10 Mns. Further, with effect from March 27, 2026, each equity share of face value Rs. 10 was subdivided into 2 equity shares of face value Rs. 5 each. Consequently, the number of issued, subscribed and paid-up equity shares increased from 4,20,20,000 equity shares of Rs. 10 each to 8,40,40,000 equity shares of Rs. 5 each, without any change in the aggregate paid-up equity share capital of the Company.

19 Other Equity

	Reserves & Surplus		Other Comprehensive Income	Total
	Retained Earnings	Securities Premium		
Balance as at April 1, 2023	**468.99**	**-**	**-**	**468.99**
Profit for the year	52.35	-	-	**52.35**
Other comprehensive income for the year	-	-	(0.02)	**(0.02)**
Balance as at March 31, 2024	**521.33**	**-**	**(0.02)**	**521.32**
Balance as at April 1, 2024	**521.33**	**-**	**(0.02)**	**521.32**
Profit for the year	159.42	-	-	**159.42**
Other comprehensive income for the year	-	-	(0.02)	**(0.02)**
Balance as at March 31, 2025	**680.75**	**-**	**(0.04)**	**680.71**
Balance as at April 1, 2025	**680.75**	**-**	**(0.04)**	**680.71**
Bonus Shares Issued during the year	(210.10)	-	-	**(210.10)**
Profit for the year	242.26	-	-	**242.26**
Other comprehensive income for the year	-	-	(2.52)	**(2.52)**
Balance as at March 31, 2026	**712.91**	**-**	**(2.55)**	**710.36**
Balance as at April 1, 2026	**712.91**	**-**	**(2.55)**	**710.36**
Profit for the year	79.78	-	-	**79.78**
Other comprehensive income for the year	-	-	(0.12)	**(0.12)**
Balance as on June 30, 2026	**792.69**	**-**	**(2.67)**	**790.02**

Nature and purpose of reserves:

Retained earnings
The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the statement of profit and loss to retained earnings.

Other comprehensive income
Other comprehensive income represents re-measurements of the defined benefits plan.

20 Borrowings	**As on June 30, 2026**	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Secured				
Term loan from Banks (Machinery Loan)				
Bank of Baroda {Refer Note a}	33.13	59.62	165.63	259.63
SIDBI Bhilwara {Refer Note c (i)	6.08	7.04	10.88	14.72
HDFC Bank {Refer Note e and f}	788.83	815.91	873.06	667.81
ICICI Bank {Refer Note i}	307.83	156.02	-	-
	1,135.87	**1,038.59**	**1,049.57**	**942.16**
Term Loan from Banks (Working Capital Loan)				
PNB Housing Finance Limited {Refer Note b}	-	-	24.03	26.03
Bank Of Baroda- WCTL under GECL {Refer Note d (i) and (ii)}	112.07	26.03	65.74	110.41
SIDBI Bhilwara {Refer Note c (ii), (iii) and (iv)	39.54	41.12	22.50	26.92
ICICI Bank- WCTL under GECL {Refer Note j}	55.80	-	-	-
	207.41	**67.15**	**112.26**	**163.36**
Loan from Others (Vehicle loan)				
Bank of Baroda {Refer Note g (ii)}		-	-	-
HDFC Bank {Refer Note g (i)}	6.59	6.89	2.61	-
Punjab National Bank	5.79	5.98	-	-
	12.38	**12.87**	**2.61**	**-**
Less: Current Maturity of Long Term Debt	(207.88)	(206.52)	(215.81)	(149.06)
Unsecured				
Loans and advances from related parties {Refer Note h}				
Anil Kumar Nuwal	164.52	119.77	144.31	91.77
Jugal Kishore Nuwal	-	46.46	46.65	28.23
Madhu Sudan Nuwal	28.34	27.38	44.87	40.17
Sitaram India Limited	89.50	92.31	-	-
	282.36	**285.92**	**235.83**	**160.18**
Total	**1,430.15**	**1,198.00**	**1,184.47**	**1,116.64**

Particulars of Borrowings

Notes and Terms & Condition of Loans:-

Particulars	Principal repayment terms	Rate of Interest
a. The company had availed a **term loan** of Rs. 584.93 from **Bank of Baroda**, against which Rs. 33.13 remains outstanding as on the balance sheet date (March 31, 2026: Rs. 59.62 March 31, 2025: Rs. 165.63; March 31, 2024: Rs. 259.63). The current year's portion of Rs. 33.13 (March 31, 2026: Rs. 59.62; March 31, 2025: Rs. 106.00; March 31, 2024: Rs. 94.0; 0) has been classified under "Current Borrowings" as the current maturity of long-term borrowings. The loan is secured by way of pari-passu charge over the entire fixed assets (present and future) of the company, including equitable mortgage of factory land and building situated at Gram Danta Nilwari, Patwar Area – Balasaria, Tehsil Banera, District Bhilwara, comprising Araji Nos. 955, 966/3, 967/3, 954, 966/2, 967/2, 954/1, 955/1, 954/1, 966/1, 967/1, 966, 953, 950, 948, 949, 947, and 951, admeasuring 37 Bigha 1 Biswa and owned by the company. It is further secured by first charge on all movable assets (excluding book debts), including machinery, spares, tools, and accessories, subject to prior charge in favour of the company's bankers for working capital facilities. The loan is also personally guaranteed by all three directors of the company, namely Shri Anil Kumar Nuwal, Shri Madhusudan Nuwal, and Shri Jugal Kishore Nuwal.The loan is currently a floating interest rate of 8.10% per annum as per the sanction terms.	Repayable in 32 monthly instalments commencing from July 2017.	8.10% p.a.
b. Term loans from PNB Housing Finance Limited amounting to Rs. 28.18 comprise two loans, with a total outstanding of Nil (March 31, 2026: Nil; March 31, 2025: Rs. 24.03; March 31, 2024: Rs. 26.03), including a current maturity of Nil (March 31, 2026: Nil; March 31, 2025: Rs. 2.27; March 31, 2024: Rs. 2.03). These loans are secured against residential property situated at B-18 and B-19, Bapu Nagar, Bhilwara, belonging to directors or their family members. The loan bear interest at 11.75% and 11.55% The loan is repaid during the year	Repayable in 180 and 120 respectively, with monthly installments having commenced from May 2018 and February 2019	11.75% and 11.55% p.a.
c(i). A **term loan** of Rs. 24.96 was taken from **SIDBI**, with Rs. 6.08 (March 31, 2026: Rs. 7.04; March 31, 2025: Rs. 10.88; March 31, 2024: Rs. 14.72), and a current maturity of Rs. 3.84 (March 31, 2026: Rs. 3.84; March 31, 2025: Rs. 3.84; March 31, 2024: Rs. 3.84). The loan is secured by first charge over a rooftop solar PV plant of 475 KWP capacity and its related machinery situated at the company's factory premises, as well as a lien marked on FDRs worth Rs. 105.00. It bears interest at 9.35% p.a.	Repayable in 78 monthly installments, with the first installment starting after a six-month moratorium commenced from August 2021	9.35%p.a.
c(ii). A **Working Capital Term Loan under SIDBI TWARIT 2.0** (ECLGS) of Rs. 7.49 shows an outstanding of Rs. 2.81 (March 31, 2026: Rs. 3.28; March 31, 2025: Rs. 5.15 ; March 31, 2024: Rs. 7.02), with a current maturity of Rs. 1.87 (March 31, 2026: Rs. 1.87; March 31, 2025: Rs. 1.87; March 31, 2024: Rs. 1.87). It is secured by the same assets as mentioned in C(iii). It bears interest at 8.75% p.a.	Repayable in 48 monthly installments after a 24-month moratorium commenced from January 2024.	8.75 % p.a.
c(iii). The company also availed a Working Capital Term Loan from SIDBI of Rs. 20.37, with an outstanding balance of Rs. 11.85 (March 31, 2026: Rs. 12.96; March 31, 2025: Rs. 17.41; March 31, 2024: Rs. 20.00), including a current maturity of Rs. 4.44 (March 31, 2026: 4.44; March 31, 2025: 4.44; March 31, 2024: 2.59). It carries an interest rate of 9.16% p.a. The loan is secured by a first charge on plant, machinery, and other assets acquired under the project. Collateral includes mortgage over a 5400 sq. ft. residential property at B-28, Bapu Nagar, Bhilwara in the names of family members of the directors, as well as FDRs of Rs. 12.20 and extension of charge on previously acquired project machinery.	Repayable in 54 monthly installments after a 6 month moratorium commenced from September 2024.	9.16% p.a.
c(iv). The company also availed a Working Capital Term Loan from SIDBI of Rs. 24.90, with an outstanding balance of Rs. 24.90 (March 31, 2026 Rs. 24.90; March 31, 2025 & March 31, 2024: Nil), including a current maturity of Rs. 4.61 (March 31, 2026 Rs. 4.44; March 31, 2025 & March 31, 2024 Nil). It carries an interest rate of 8.40% p.a. The loan is secured by a first charge on plant, machinery, and other assets acquired under the project. Collateral includes mortgage over a 5400 sq. ft. residential property at B-28, Bapu Nagar, Bhilwara in the names of family members of the directors, as well as FDRs of Rs. 13.83 and extension of charge on previously acquired project machinery.	Repayable in 54 monthly installments after a 6 month moratorium commenced from October 2026.	8.40% p.a.

d(i). Under **Bank of Baroda GECL**, the company availed a working capital term loan of Rs. 119.40, with an outstanding of Nil (March 31, 2026: Nil; March 31, 2025: Rs. 24.88; March 31, 2024: Rs.54.73), fully shown as current maturity. The loan is secured by pari-passu charge over all fixed assets, current assets including book debts, and factory land and building. The loan bears interest at 9.15%.	Repayable in 48 monthly installments commenced from February 2022.	9.15% p.a.
d(ii). Another working capital term loan under **Bank of Baroda BGECLS 2.0 Extension** of Rs. 59.50 shows an outstanding of Rs. 22.31 (March 31, 2026: Rs. 26.03; March 31, 2025: Rs. 40.91; March 31, 2024: Rs. 55.78), including a current maturity of Rs. 14.88. The loan bears interest at 9.15% and is secured.	Repayable in 48 monthly installments commencing from February 2024.	9.15% p.a.
e. The Company has availed a term loan (BBG-WC Term Loan) from **HDFC Bank Limited**, sanctioned at Rs. 850.00 and disbursed to the extent of Rs. 844.86, under the renewal sanction letter dated December 29, 2025. The outstanding balance is Rs. 773.79 (March 31, 2026: Rs. 798.15; March 31, 2025: Rs. 844.86; March 31, 2024: Rs. 667.81), including a current maturity of Rs. 148.10 (March 31, 2026: Rs. 98.00; March 31, 2025: Rs. 47.00; March 31, 2024: Nil), which is classified under "Current Borrowings" as current maturities of long-term borrowings. The loan carries a floating rate of interest linked to the Bank's external benchmark (Repo) reference rate, currently 5.25% p.a., plus spread, giving an effective rate of 8.00% p.a. The reference rate is reset every three months. The loan is secured as follows: (i) Primary security: hypothecation of book debts, plant and machinery, and stock of the Company; (ii) Collateral security: equitable mortgage of (a) the factory land and building at Araji Nos. 947, 948, 949, 950, 951, 953, 954, 954/1, 955, 955/1, 966, 966/1, 966/2, 966/3, 967/1, 967/2 and 967/3, Patwar Area Balesariya, Tehsil Banera, on NH-79 (Bhilwara–Ajmer Road), Village Danta Nilawari, Opp. Daksh Petroleum, District Bhilwara, Rajasthan – 311403; and (b) the industrial land at Araji Nos. 952 and 952/1, Gram Danta Nilwari, Patwar Area Balasaria, Tehsil Banera, District Bhilwara, measuring 3 Bigha 16 Biswa. Both properties are owned by the Company; and (iii) personal guarantees of the directors, Shri Anil Kumar Nuwal, Shri Madhusudan Nuwal and Shri Jugal Kishore Nuwal.	Repayable in 28 quarterly installments commencing from October 2025.	8.00% p.a
f. The Company has availed a second term loan (BBG-WC Term Loan) from **HDFC Bank Limited**, sanctioned at Rs. 32.50 and disbursed to the extent of Rs. 32.30. The outstanding balance is Rs. 15.21 (March 31, 2026: Rs. 17.94; March 31, 2025: Rs. 28.32), including a current maturity of Rs. 11.55 (March 31, 2026: Rs. 11.30; March 31, 2025: Rs. 10.19). The loan carries a floating rate of interest linked to the Bank's external benchmark (Repo) reference rate, currently 5.25% p.a., plus spread, giving an effective rate of 8.00% p.a. It is secured in the same manner as the term loan in note (e) above. This includes equitable mortgage of the Company's factory and industrial land measuring 40 Bigha 17 Biswa in aggregate, and personal guarantees of all three directors.	Repayable in 36 monthly installments starting from November 2024	8.00% p.a
g (i). The company has **vehicle loans** from HDFC Bank with a total outstanding of Rs. 6.59 (March 31, 2026: Rs. 6.89; March 31, 2025: Rs. 2.61; March 31, 2024: Nil), including current maturity of Rs. 1.48 (March 31, 2026: Rs. 0.98; March 31, 2025: Rs. 0.45; March 31, 2024: Nil) . These loans are secured by way of hypothecation of respective vehicles and bear interest at 9.05% and 7.81% p.a. One car loan was fully satisfied on October 16, 2023.	Repayable in 59 monthly installments	9.05% and 7.81% p.a
h. The company has also obtained unsecured loans from promoters. These loans carry interest at variable rates and do not have fixed repayment terms. Interest on these loans has been paid up to June 30, 2024. However, no interest has been paid thereafter, in compliance with the condition imposed by the bank to convert these unsecured loans into interest-free loans as a prerequisite for extending further credit facilities. Necessary approval has also been obtained from the respective lenders for treating these loans as non–interest bearing.		
i. The company had availed a term loan of Rs. 450.00 from ICICI Bank, against which Rs. 310.00 remains outstanding as on the balance sheet date (March 31, 2026 Rs. 156.02; March 31, 2025 and March 31, 2024: Nil). The current year's portion of Rs. 35.86 (March 31, 2026 Rs. 40.74; March 31, 2025 and March 31, 2024: Nil) has been classified under "Current Borrowings" as the current maturity of long-term borrowings. The loan is secured by way of pari-passu charge over the entire fixed assets (present and future) of the company, including equitable mortgage of factory land and building situated at Gram Danta Nilwari, Patwar Area – Balasaria, Tehsil Banera, District Bhilwara, comprising Araji Nos. 955, 966/3, 967/3, 954, 966/2, 967/2, 954/1, 955/1, 954/1, 966/1, 967/1, 966, 952/1,953, 950, 948, 949, 947, and 951, admeasuring 37 Bigha 1 Biswa and owned by the company. It is further secured by first charge on all movable assets (excluding book debts), including machinery, spares, tools, and accessories, subject to prior charge in favour of the company's bankers for working capital facilities. The loan is also personally guaranteed by all three directors of the company, namely Shri Anil Kumar Nuwal, Shri Madhusudan Nuwal, and Shri Jugal Kishore Nuwal. The loan is currently carries a floating interest rate of 7.75% per annum, as per the sanction terms.	Repayable in 120 monthly instalments commencing from August, 2026.	7.75% p.a.
j. The company had availed a term loan of Rs. 56.40 from ICICI Bank, against which Rs. 56.400 remains outstanding as on the balance sheet date (March 31, 2026; March 31, 2025 and March 31, 2024: Nil). The current year's portion of Nil (March 31, 2026; March 31, 2025 and March 31, 2024: Nil) has been classified under "Current Borrowings" as the current maturity of long-term borrowings. The loan is secured by way of pari-passu charge over the entire fixed assets (present and future) of the company, including equitable mortgage of factory land and building situated at Gram Danta Nilwari, Patwar Area – Balasaria, Tehsil Banera, District Bhilwara, comprising Araji Nos. 955, 966/3, 967/3, 954, 966/2, 967/2, 954/1, 955/1, 954/1, 966/1, 967/1, 966, 952/1,953, 950, 948, 949, 947, and 951, admeasuring 37 Bigha 1 Biswa and owned by the company. It is further secured by first charge on all movable assets (excluding book debts), including machinery, spares, tools, and accessories, subject to prior charge in favour of the company's bankers for working capital facilities. The loan is also personally guaranteed by all three directors of the company, namely Shri Anil Kumar Nuwal, Shri Madhusudan Nuwal, and Shri Jugal Kishore Nuwal. The loan is currently carries a floating interest rate of 8.75% per annum, as per the sanction terms.	Repayable in 48 monthly instalments commencing from June, 2027 after a 12 month moratorium.	8.75% p.a.

21 Lease Liabilities

	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Opening Lease Liabilities	**1.78**	-	-	-
Addition during the year	-	2.23	-	-
Finance Cost accrued during the period	0.03	0.05	-	-
Payment of Lease Liabilities	(0.30)	(0.50)	-	-
Closing Lease Liabilities	**1.52**	**1.78**	-	-

Maturity profile of Lease Liabilities

Maturity profile – contractual undiscounted cash flows	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Less than one year	1.20	1.20	-	-
One to five years	0.40	0.70	-	-
More than five years		-	-	-
Total Undiscounted Lease Liabilities	**1.60**	**1.90**	-	-

Lease Liabilities included in the Statement of Financial Position	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Current	1.12	1.10	-	-
Non-Current	0.39	0.68	-	-

Amounts recognised in the statement of cash flows	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Total cash outflow for leases	0.30	0.50	-	-

Amounts recognised in the statement of Profit and Loss	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Finance Cost during the period	0.03	0.05	-	-

22 Other financial liabilities (Non Current)

	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Liabilities for Capital Goods	16.59	10.70	15.93	72.72
Total	**16.59**	**10.70**	**15.93**	**72.72**

The creditors listed pertain to capital goods purchased. These liabilities are to be paid or settled using long-term sources. Consequently, based on management's opinion, they are classified as long-term liabilities and are shown under the heading of Long-term Liabilities.

23 Other non-current liabilities

	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Deferred Governement Grant (Refer Note 3.18)	121.67	122.75	-	-
Total	**121.67**	**122.75**	-	-

The grant will be received over 10 years and recognised as income over 30 years in accordance with applicable Ind As.

24 Provisions (Non-current)

	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits (Refer Note 42)				
Provision for gratuity	4.40	3.87	1.99	2.41
Total	**4.40**	**3.87**	**1.99**	**2.41**

25 Current Borrowings	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Secured				
Loans from Banks				
Working Capital Loan from Bank of Baroda	429.85	449.09	107.59	138.96
Working Capital Loan from HDFC	127.18	99.08	395.83	100.00
Working Capital Loan From ICICI Bank	239.76	275.12	-	-
Working Capital Loan From Punjab National Bank	4.39	4.40	-	-
Unsecured				
Loan from NBFC's				
Nitin Finance And Investment Private Limited	10.00	10.00	20.00	20.00
Loan from Others				
Devgiri Synthetics Private Limited	-	-	-	3.00
Jitendra Synthetics Private Limited	10.00	10.45	10.00	-
Sukh Sagar Sythetics Private Limited	-	-	2.53	-
Super Gold Suiting Private Limited	-	20.00	-	-
Astha mangal Project Pvt.ltd.	-	-	0.24	0.24
Atharva Trademark Pvt. Ltd.	-	-	1.25	1.25
Faiyaz Sultitrade Pvt. Ltd.	-	-	1.77	1.77
Sahastra Homes Private Limited	-	-	1.24	1.24
Sea matrix enterprises	-	-	0.74	0.74
Current maturities of long-term borrowings (Secured)	207.88	206.52	215.81	149.06
Total	**1,029.05**	**1,074.67**	**757.00**	**416.25**

Working Capital Facilities from Bank of Baroda. The company has availed Working Capital Facilities from Bank of Baroda amounting to Rs. 450 (March 31, 2026: Rs. 450; March 31, 2025: Rs. 150; March 31, 2024 Rs. 150), which are secured by a pari-passu charge by way of hypothecation over stock of raw materials, stock in process, finished fabrics, stores and spares, packing materials, book debts, and other current assets of the company. The facility is personally guaranteed by all three directors namely Shri Anil Kumar Nuwal, Shri Madhusudan Nuwal, and Shri Jugal Kishore Nuwal and is repayable on demand. The interest rate applicable on this facility is 8.10% per annum.

Working Capital Facilities from HDFC The Company has availed a Cash Credit facility from HDFC Bank Limited with a sanctioned limit of Rs. 150.00 (March 31, 2026: Rs. 150.00; March 31, 2025: Rs. 400.00; March 31, 2024: Rs. 100.00), against which Rs. 127.18 is outstanding (March 31, 2026: Rs. 99.08). Drawing power is computed after a 25% margin on stock up to 180 days old and on book debts up to 120 days old. The facility is secured by hypothecation of stock, book debts and other current assets, by collateral security as described in Note 20(e), and by personal guarantees of all three directors, Shri Anil Kumar Nuwal, Shri Madhusudan Nuwal and Shri Jugal Kishore Nuwal. It is repayable on demand, valid up to October 15, 2026, subject to annual renewal, and carries interest at 7.75% p.a. linked to the 3-month Repo Rate.

Working Capital Facilities from ICICI Bank The company has also availed Working Capital Facilities from ICICI Bank, sanctioned and disbursed to the extent of Rs. 300 (March 31, 2026: Rs. 300; March 31, 2025 and March 31, 2024 Nil). The facility is secured by a pari-passu charge similar to that of Bank of Baroda, involving hypothecation over stocks, book debts, and other current assets, and is personally guaranteed by all three directors namely Shri Anil Kumar Nuwal, Shri Madhusudan Nuwal, and Shri Jugal Kishore Nuwal. This facility is also repayable on demand and carries an interest rate of 7.95% per annum.

Working Capital Facilities from PNB The company has also availed Working Capital Facilities from Punjab national Bank, sanctioned and disbursed to the extent of Rs. 4.50 (March 31, 2026: Rs. 4.50; March 31, 2025 and March 31, 2024 Nil). The facility is secured by a pari-passu charge similar to that of Bank of Baroda, involving hypothecation over stocks, book debts, and other current assets, and is personally guaranteed by all three directors namely Shri Anil Kumar Nuwal, Shri Madhusudan Nuwal, and Shri Jugal Kishore Nuwal. This facility is also repayable on demand and carries an interest rate of 7.60% per annum.

Unsecured Loan from NBFC's: The Company has availed an unsecured loan from Nitin Finance And Investment Private Limited amounting to Rs. 10.00 (March 31, 2025: Rs. 10.00; March 31, 2025: Rs. 20.00; March 31, 2024: Rs. 20.00). The loan carries interest at the rate of 12% per annum on the outstanding loan amount, with such interest being payable on demand. The principal amount is repayable on demand. The Company may prepay the loan, either in full or in part, without any prepayment penalty. The loan is unsecured and no charge or security has been created over the assets of the Company.

Unsecured Loan from Others: The Company has availed an unsecured loan from other partis. The loan carries interest at the rate of 12% per annum on the outstanding loan amount, with such interest being payable on demand by the lender. The principal amount is also repayable on demand. The Company may prepay the loan, either in full or in part, without any prepayment penalty. The loan is unsecured and no charge or security has been created over the assets of the Company.

26 Trade Payables	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(A) total outstanding dues of micro enterprises and small enterprises; and	84.21	33.61	45.96	29.69
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	337.62	343.66	245.67	146.70
Total	**421.83**	**377.27**	**291.63**	**176.40**

Notes:

a) Trade payables are non-interest bearing.

b) For explanations on the Company's liquidity risk management processes, refer to Note 44).

c) Details of Dues to Micro enterprises & small enterprises under MSMED Act , 2006	84.21	33.61	45.96	29.69
- The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year				
- Principal amount due to micro and small enterprises	-	-	-	-
- Interest due on above	-	-	-	-
- The amount of interest paid by the buyer in terms of section 16 of MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the Appointed day during the year) but without adding the interest Specified under the MSMED Act 2006.	-	-	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-

d) The Balance outstanding with trade payable either debit or credit are subject to confirmation and reconcilation.

Ageing of Trade payables

As on June 30, 2026

			Outstanding for following periods from date of transaction				
Particulars	**Unbilled**	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	-	82.71	1.50	-	-	**84.21**
(ii) Others	-	-	325.72	9.76	1.96	0.18	**337.62**
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	-	**408.43**	**11.26**	**1.96**	**0.18**	**421.83**

As at March 31, 2026

			Outstanding for following periods from date of transaction				
Particulars	**Unbilled**	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	-	33.40	0.22	-	-	**33.61**
(ii) Others	-	-	341.60	1.76	0.06	0.24	**343.66**
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	-	**375.00**	**1.97**	**0.06**	**0.24**	**377.27**

As at March 31, 2025

			Outstanding for following periods from date of transaction				
Particulars	**Unbilled**	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	-	45.61	0.35	0.00	-	**45.96**
(ii) Others	-	-	242.36	2.65	0.10	0.56	**245.67**
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	-	**287.96**	**3.00**	**0.10**	**0.56**	**291.63**

As at March 31, 2024

			Outstanding for following periods from date of transaction				
Particulars	**Unbilled**	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	-	28.98	0.71	-	-	**29.69**
(ii) Others	-	-	138.29	4.35	4.06	-	**146.70**
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	-	**167.27**	**5.06**	**4.06**	**-**	**176.40**

27 Other financial liabilities (Current)	**As on June 30, 2026**	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Interest accrued but not due on Term Loan	7.27	5.47	6.44	1.06
Total	**7.27**	**5.47**	**6.44**	**1.06**

28 Other current liabilities	**As on June 30, 2026**	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Statutory Liabilities*	1.86	7.94	3.08	3.65
Deferred Governement Grant (Refer Note 3.18)	4.34	4.34	-	-
Advance Received from Customer	18.16	19.55	27.50	3.35
Unspent CSR (Refer Note 48)	2.21	2.79	0.58	
Total	**26.57**	**34.61**	**31.16**	**6.99**

*Statutory liabilities comprise statutory dues such as TDS, ESI, GST, and PF payable to the respective government authorities.

29 Provision (Current)	**As on June 30, 2026**	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Provision for employee benefits (Refer Note 42)				
Provision for gratuity	2.61	2.67	0.64	0.36
Others				
Electricity charges payable	8.39	9.33	4.81	5.74
Salaries Payable	10.99	10.53	8.91	5.23
Bonus Payable	1.96	1.59	1.26	0.94
Audit fee payable	0.30	1.20	0.10	0.07
Provision for expenses	4.56	1.82	0.01	-
Total	**28.82**	**27.12**	**15.73**	**12.34**

30 Current Tax Liabilities (Net)	**As on June 30, 2026**	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Provision for taxation (net of Advance income-tax)	47.48	29.78	-	2.78
Total	**47.48**	**29.78**	**-**	**2.78**

SITARAM DENIMS INDIA LIMITED
CIN:U17100RJ2011PLC034052
Schedules forming part of the financial statements
(Rs in Million, unless stated otherwise)

31 Revenue from Operations	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Sales of Products-Domestic	637.47	2,020.55	1,899.22	743.32
Sales of Products-Export	16.02	73.32	14.02	161.09
Sales of Services (Job Work)	97.58	329.97	175.19	212.42
Total	**751.07**	**2,423.84**	**2,088.43**	**1,116.82**

32 Other Income	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Interest Income *	1.67	5.37	4.59	5.47
Income from Government Grants	1.08	3.13	-	-
RODTEP & Duty Drawback on export	0.13	3.31	6.23	5.19
Foreign exchange Gain / (Loss)	0.27	2.08	-	-
Unwinding of discount on security deposit paid	0.01	0.01	-	-
Gains/(Loss) on Investments Measured at FVTPL	0.06	0.05	0.06	0.15
Other income	0.00	0.00	0.66	0.28
Sundry balance Written Back	0.03	1.18	0.04	5.29
Total	**3.25**	**15.12**	**11.58**	**16.38**

* Interest income includes income related to Fixed Deposit

33 Cost of Material Consumed	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock	573.25	416.53	179.50	133.71
Purchase of Yarn and Fabric	486.63	1,685.47	1,332.04	692.85
Less: - Closing Stock	506.16	573.25	416.53	179.50
Total	**553.73**	**1,528.75**	**1,095.01**	**647.06**

34 Change in Inventories	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the Year	**526.22**	**262.78**	**203.53**	**94.36**
Work in Progress	192.05	99.90	72.43	53.85
Finish Goods	334.17	162.88	131.10	40.52
Inventories at the end of the Year	**700.10**	**526.22**	**262.78**	**203.53**
Work in Progress	296.31	192.05	99.90	72.43
Finish Goods	403.79	334.17	162.88	131.10
Total	**(173.88)**	**(263.44)**	**(59.25)**	**(109.16)**

35 Employee Benefits Expenses	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, Wages and Bonus	27.85	94.19	77.44	56.96
Contribution to Provident & Other Funds	1.61	6.31	6.95	3.69
Gratuity Contribution & Provisions (Refer Note 42)	0.46	1.21	0.92	0.76
Staff Welfare Expenses	0.26	0.78	0.25	-
Directors Remuneration	4.83	14.61	15.30	12.90
Total	**35.01**	**117.10**	**100.86**	**74.31**

36 Finance Cost	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Interest				
Interest on Term Loan	17.57	79.86	94.74	42.49
Less:- Interest Subsidy received from RIPS	(0.14)	(25.04)	-	(17.17)
Interest on Working capital loan	15.78	55.27	37.05	11.06
Interest to NBFC's	1.14	1.50	2.40	1.40
Interest on Unsecured Loan	2.73	4.90	7.22	14.67
Other Interest *	2.69	7.78	12.48	1.30
Finance Cost of Lease Liability	0.03	0.05	-	-
Other borrowing cost				
Bank Charges	0.14	0.99	1.03	0.78
Processing Fees	0.24	0.91	0.78	0.22
Total	**40.18**	**126.22**	**155.69**	**54.74**

* Other Interest primarily comprises interest paid on general/miscellaneous borrowings, interest on bill discounting facilities availed and other miscellaneous interest expenses.

37 Depreciation & Amortization Expense	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation expense on Property, Plant & Equipment	13.20	68.06	61.69	95.73
Depreciation of Right of Use Assets	0.29	0.48	-	-
Amortization expense on Intangible Assets	0.06	0.06	0.01	-
Total	**13.54**	**68.59**	**61.70**	**95.73**

38 Other Expenses	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Direct Production Overheads				
Power & Fuel, Oil & Lubricants	49.92	171.08	128.03	90.88
Processing Charges Paid	62.73	209.42	230.97	115.80
Purchases consumables item	20.23	65.92	39.46	-
Stores & Spares Consumed	3.25	9.84	8.21	13.93
Repairs & Maintenance- Other Than Building	0.02	0.60	0.73	0.17
Repairs & Maintenance- Plant & Machinery	0.32	0.92	0.14	0.10
Other Manufacturing Exp.	1.24	0.07	0.12	0.70
Job Weaving Charges	25.06	31.33	64.27	45.23
Yarn Doubling & Printing Charges	0.16	1.44	17.13	15.19
Freight	-	0.00	0.17	-
Administrative Expenses				
Auditors Remuneration (Refer "a")	0.30	1.20	0.10	0.10
Rent	0.06	0.10	-	
Legal & Professional Fees	0.14	1.07	1.75	2.32
Travelling Expenses-Foreign	-	-	-	0.75
Printing & Stationery	0.02	0.06	0.19	0.15
Office & Miscellaneous Expenses	0.18	1.67	1.67	0.17
Repairs & Maintenance- Vehicles	0.05	0.16	0.07	0.10
Software Charges	-	0.05	0.10	0.07
Insurance Charges	0.14	3.11	4.62	3.90
Telephone Expenses	0.02	0.06	0.10	0.06
Lodging & Boarding expenses	0.32	0.52	1.55	0.14
Rates & Taxes	0.72	1.02	0.91	0.57
Depository Expenses	0.02	0.23	-	0.18
CSR Expenses (Refer Note 48)	1.00	2.21	1.05	0.63
Preoperative Expenses		-	-	-
Selling & Distribution Expenses				
Agency Commission	2.18	7.89	7.15	3.19
Export Sale Commission	0.12	0.86	0.32	0.95
Sales Promotion and Advertisement Expenses	-	2.17	0.03	0.03
Conference Meeting Exp	-	-	-	0.05
Sample Charges	0.17	0.26	0.36	0.05
Lodging & unloading expenses	0.47	1.11	0.34	0.20
Rebate & discount expenses	4.74	8.38	7.49	0.15
Freight & Cartage Expenses -Domestic	1.00	4.01	3.54	1.53
Freight & Cartage Expenses-Export	0.03	0.42	0.11	0.40
Packing Material Consumed	2.68	2.93	4.56	0.07
Packing Expenses	-	-	0.02	-
Travelling Expenses-Domestic	0.69	2.65	2.70	1.72
Exchange Fluctuation (net)	0.31	1.02	3.75	2.12
Royalty	0.13	-	-	-
Provision For Doubtful Debts	-	2.86	1.29	-
Total	**178.40**	**536.64**	**533.01**	**301.61**

a) Payments to auditors	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
As auditor				
Statutory audit fee	0.25	1.15	0.05	0.05
Tax audit fee	0.05	0.05	0.05	0.05
Total	**0.30**	**1.20**	**0.10**	**0.10**

39 Earning per share

	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Total profit for the year	79.78	242.26	159.42	52.35
Weighted average number of equity shares of Rs. 5/- each (Nos) *	8,40,40,000	8,40,40,000	8,40,40,000	8,40,40,000
EPS - Basic and Diluted (per share in Rs.)	**0.95**	**2.88**	**1.90**	**0.62**

* The weighted average number of equity shares for the current and comparative periods has been adjusted for the bonus issue and share split as required by Ind AS 33.

40 Contingent liabilities & Capital Commitment

Contingent liabilities	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
In respect of capital goods Purchase at the Zero rate of duty under the Export Promotion Capital Goods Scheme, the company has executed Bond in favour of the President of India for export obligation which is required to be met at different dates before November 11, 2030. In the event of non-fulfillment of the export obligation, the company will be liable to pay customs duties and penalties, as applicable. Unfulfilled Export Obligation as on Balance Sheet Date is approx USD 8.95 (March 31, 2026 USD 9.90, March 31, 2025 USD 10.60) Duty Saved on unfulfilled portion of export obligation is approx Rs. 129.50 (March 31, 2026 Rs. 140.30, March 31, 2025 Rs. 153.48, March 31, 2024 Rs. 159.72). In the event of non fulfilment of export obligation this amount including Interest and Penalties is payable by the company. At present we are not in position to calculate interest and penalties therefor, this amount is excluding of interest and penalties if any.	129.50	140.30	153.48	159.72

Capital Commitment

Commitment for capital expenditure is Rs. 168.68 (March 31, 2026 Rs.41.14, March 31, 2025 Rs.36.90), advance paid is Rs. 219.75 (March 31, 2026 Rs. 243.16, March 31, 2025 Rs. 17.10 & March 31, 2024 Rs. 18.25).

41 Related Party Transactions

In accordance with the requirement of IndAS 24 on Related Parties notified under the Companies (Indian Accounting Standards) Rules, 2015, the name of related parties where control exists and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the Management are:

a) List of related parties and nature of relationship where control exists:

Key Managerial Personnel and their relatives
Anil Kumar Nuwal (Director)
Madhu Sudan Nuwal (Director)
Anil Kumar Kohli (Director)
Jugal Kishore Nuwal (Director) (Resigned w.e.f. 13th Mar 2026)
Harshit Nuwal (CFO) (Resigned w.e.f. 19th Feb 2026)
Nitesh Mundra (CFO) (effective 19th Feb 2026)
Shruti Joshi (Company Secretary) (effective 19th Feb 2026)
Devika Maheshwari (Company Secretary) (resigned W.e.f 19th Feb 2026)
Sangeeta Nuwal (Director's Relative)
Mamta Nuwal (Director's Relative)
Madhu Nuwal (Director's Relative)
Jagdish Prasad Nuwal (Director's Relative)
Chetnya Nuwal (Director's Relative)

Other Related Parties
Sitaram India Limited

Independent Directors
Kamlesh Kumar Choudhary
Prerna Jain
Mahesh Tejraj Inani

b) Transactions with the related parties:-

Transaction Type / Party	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Remuneration				
Anil Kumar Nuwal	2.40	7.80	5.10	2.70
Madhu sudan Nuwal	2.10	5.93	5.10	5.10
Jugal Kishore Nuwal	-	-	5.10	5.10
Anil Kumar Kohli	0.33	1.24	-	-
Harshit Nuwal	-	4.80	-	-
Nitesh Mundra	0.27	0.52	-	-
Shruti Joshi	0.16	0.12	-	-
Devika Maheshwari	-	0.15	-	-
Priya Lakhotiya	-	-	0.18	0.12
Sangeeta Nuwal	-	-	4.50	3.60
Mamta Nuwal	-	-	4.50	3.60
Madhu Nuwal	-	-	4.50	3.60
Jagdish Prasad Nuwal	-	-	2.10	3.60
Chetanya Nuwal	-	-	2.10	-
Interest Payment				
Sitaram India Limited	1.81	2.01	-	-
Anil Kumar Nuwal	-	-	1.94	2.93
Madhu sudan Nuwal	-	-	0.84	1.60
Jugal Kishore Nuwal	-	-	0.60	1.71
Repayment of Loans				
Anil Kumar Nuwal	1.95	67.01	72.11	23.04
Madhu sudan Nuwal	0.40	8.41	23.92	27.44
Jugal Kishore Nuwal	-	3.59	11.89	22.66
Sitaram India Limited	31.50	38.50	-	-
Loan taken				
Anil Kumar Nuwal	6.42	42.47	124.65	110.24
Madhu sudan Nuwal	0.49	25.90	28.62	65.31
Jugal Kishore Nuwal	-	3.40	30.30	50.78
Sitaram India Limited	30.50	129.00	-	-
Revenue from Operations				
Anil Kumar Nuwal	0.01	0.02	-	-
Madhu sudan Nuwal	-	0.00	-	-
Jugal Kishore Nuwal	-	0.01	-	-
Harshit Nuwal	-	0.00	-	-
Sitaram India Limited	0.18	124.40	186.66	63.76
Other Income				
Sitaram India Limited	-	-	0.06	19.83
Anil Kumar Kohli	-	0.12	-	-
Purchase and job processing charges				
Sitaram India Limited (Purchase)	25.94	227.38	59.04	81.74
Sitaram India Limited (Job charges)	25.06	31.33	64.27	45.21
Rent Expense				
Sitaram India Limited	0.36	0.60	-	-
Purchase of Investment Property (Land)				
Anil Kumar Nuwal	-	-	28.62	-

Following were the balances outstanding with related parties in the ordinary course of Business at the end of Following Periods

Related Party	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Borrowing Payable				
Anil Kumar Nuwal	164.52	119.77	144.31	91.77
Madhu sudan Nuwal	28.34	62.36	44.87	40.17
Jugal Kishore Nuwal	-	46.46	46.65	28.23
Sitaram India Limited	89.50	9.05	-	-
Payable / (Advance to suppliers)				
Sitaram India Limited	-	(0.40)	28.74	(24.38)
Receivable / (Advance from customers)				
Sitaram India Limited	-	-	97.79	-
Madhu sudan Nuwal	-	0.00	-	-
Jugal Kishore Nuwal	-	0.00	-	-

42 Employee benefits

a) Description of the type of the plan

Defined Benefit Plan - Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

Post-Employment Benefits plan typically expose the Company to actuarial risks such as: Salary increase, Discount rate, Morality and Disability and withdrawals

a) Salary Increases :– Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
b) Discount Rate :– Reduction in discount rate in subsequent valuations can increase the plan's liability.
c) Mortality & disability :– Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
d) Withdrawals :– Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Particulars	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Employer's Contribution to Provident fund (EPF)	1.38	4.46	5.61	2.76
Employer's Contribution to Employee state Insurance fund (ESIC)	0.23	1.85	1.33	0.93
Total	**1.61**	**6.31**	**6.95**	**3.69**

b) The following tables set out the status of the gratuity plan, unavailed leave and amounts recognized in the Company's financial statements.

i) Change in benefit obligations	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Present value of obligation as at beginning of the year	6.53	2.63	2.77	2.18
Interest Cost	0.10	0.15	0.18	0.15
Current Service Cost	0.36	1.06	0.74	0.61
Benefits paid	(0.14)	(0.68)	(1.09)	(0.20)
Actuarial (Gain)/Loss on obligation- During the year	0.16	3.36	0.03	0.02
Present value of obligation as at the end of the year	**7.01**	**6.53**	**2.63**	**2.77**
ii) Fair Value of Plan Assets	-	-	-	-
iii) Net Assets/(Liability) (ii-i)	**(7.01)**	**(6.53)**	**(2.63)**	**(2.77)**

iv) Amount recognised in Statement of Profit and Loss	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Service cost	0.36	1.06	0.74	0.61
Net Interest cost	0.10	0.15	0.18	0.15
Actuarial (gain) /loss for the year	-	-	-	-
Expense recognized in the Income Statement	**0.46**	**1.21**	**0.92**	**0.76**

v) Amount recognised in Other Comprehensive Income (OCI)	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial (Gain)/Loss for the year on Projected Benefit Obligation	0.16	3.36	0.03	0.02
Expense recognized in the Income Statement	**0.16**	**3.36**	**0.03**	**0.02**

vi) Principal Actuarial Assumptions	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
i) Discount rate (p.a.)	6.95%	7.35%	6.65%	6.95%
ii) Future salary increase (p.a.)	4.50%	4.50%	4.50%	4.50%

vii) Demographic Assumptions	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
i) Retirement age	58 Years	58 Years	58 Years	58 Years
ii) Mortality rates inclusive of provision for disability	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
iii) Withdrawal Rate	6%	6%	6%	6%

viii) Expected contributions for the next annual reporting period	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Expected expense for the next annual reporting period	2.25	1.82	1.22	1.18

ix) Sensitivity Analysis of the Defined Benefit Obligation	Period ended June 30, 2026	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024
Impact of the change in discount rate				
Present value of obligation as at the end of the period	**7.01**	**6.53**	**2.63**	**2.77**
Impact due to increase of 0.50%	(0.14)	(0.11)	(0.09)	(0.10)
Impact due to decrease of 0.50%	0.15	0.12	0.10	0.11
Impact of the change in salary increase				
Present value of obligation as at the end of the period	**7.01**	**6.53**	**2.63**	**2.77**
Impact due to increase of 0.50%	0.13	0.10	0.10	0.11
Impact due to decrease of 0.50%	(0.12)	(0.10)	(0.09)	(0.11)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.
Sensitivities as to rate of inflation, rate of increase of pensions in payment & life expectancy are not applicable being a lump sum benefit on retirement.

x) Maturity Profile of Defined Benefit Obligation	As on June 30, 2026	As at March 31, 2026
Year 1	2.61	2.67
Year 2	2.28	1.98
Year 3	0.13	0.36
Year 4	0.18	0.15
Year 5	0.34	0.24
Year 6 to 10	1.26	1.07

43 Financial instruments

Fair value measurements

Following table shows the carrying amounts and fair values of financial assets and financial liabilities:

	As on June 30, 2026		As at March 31, 2026		As at March 31, 2025		As at March 31, 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets								
Investments	0.82	-	0.76	-	0.72	-	0.66	-
Trade Receivables	-	602.93	-	544.24	-	506.18	-	270.46
Cash and Cash Equivalents	-	0.54	-	0.13	-	0.08	-	12.16
Bank balances other than Cash and Cash Equivalents	-	38.46	-	37.91	-	35.19	-	32.96
Loans and advances	-	0.60	-	2.00	-	2.12	-	0.39
Others	-	162.20	-	161.77	-	22.81	-	30.67
	0.82	**804.74**	**0.76**	**746.05**	**0.72**	**566.38**	**0.66**	**346.65**
Current	**-**	**656.32**	**-**	**597.93**	**-**	**543.56**	**-**	**315.98**
Non-Current	**0.82**	**148.42**	**0.76**	**148.12**	**0.72**	**22.81**	**0.66**	**30.67**
Financial Liabilities								
Borrowings	-	2,459.20	-	2,272.67	-	1,941.47	-	1,532.89
Lease Liabilities	-	1.52	-	1.78	-	-	-	-
Trade Payables	-	421.83	-	377.27	-	291.63	-	176.40
Other Financial Liabilities	-	23.86	-	16.17	-	22.36	-	73.79
	-	**2,906.40**	**-**	**2,667.89**	**-**	**2,255.46**	**-**	**1,783.07**
Current	**-**	**1,459.27**	**-**	**1,458.51**	**-**	**1,055.06**	**-**	**593.71**
Non-Current	**-**	**1,447.13**	**-**	**1,209.38**	**-**	**1,200.39**	**-**	**1,189.37**

Fair Value hierarchy

The following tables shows the levels in the fair value hierarchy of financial assets and financial liabilities

	Fair value Measurement		
	Level 1	Level 2	Level 3
As on June 30, 2026			
Financial Assets			
Investment	0.82	-	-
Trade Receivables	-	-	602.93
Cash and Cash Equivalents	-	-	0.54
Bank balances other than Cash and Cash Equivalents	-	-	38.46
Loans and advances	-	-	0.60
Others	-	-	162.20
Total	**0.82**	**-**	**804.74**
Financial Liabilities			
Borrowings	-	-	2,459.20
Lease Liabilities	-	-	1.52
Trade Payables	-	-	421.83
Other Financial Liabilities	-	-	23.86
Total	**-**	**-**	**2,906.40**
As at March 31, 2026			
Financial Assets			
Investment	0.76	-	-
Trade Receivables	-	-	544.24
Cash and Cash Equivalents	-	-	0.13
Bank balances other than Cash and Cash Equivalents	-	-	37.91
Loans and advances	-	-	2.00
Others	-	-	161.77
Total	**0.76**	**-**	**746.05**
Financial Liabilities			
Borrowings	-	-	2,272.67
Lease Liabilities	-	-	1.78
Trade Payables	-	-	377.27
Other Financial Liabilities	-	-	16.17
Total	**-**	**-**	**2,667.89**
As at March 31, 2025			
Financial Assets			
Investment	0.72	-	-
Trade Receivables	-	-	506.18
Cash and Cash Equivalents	-	-	0.08
Bank balances other than Cash and Cash Equivalents	-	-	35.19
Loans and advances	-	-	2.12
Others	-	-	22.81
Total	**0.72**	**-**	**566.38**
Financial Liabilities			
Borrowings	-	-	1,941.47
Trade Payables	-	-	291.63
Other Financial Liabilities	-	-	22.36
Total	**-**	**-**	**2,255.46**
As at March 31, 2024			
Financial Assets			
Investment	0.66	-	-
Trade Receivables	-	-	270.46
Cash and Cash Equivalents	-	-	12.16
Bank balances other than Cash and Cash Equivalents	-	-	32.96
Loans and advances	-	-	0.39
Others	-	-	30.67
Total	**0.66**	**-**	**346.65**
Financial Liabilities			
Borrowings	-	-	1,532.89
Trade Payables	-	-	176.40
Other Financial Liabilities	-	-	73.79
Total	**-**	**-**	**1,783.07**

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.
The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their short-term nature.
The fair values of borrowings are based on discounted cash flows using a borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

44 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, security deposits, trade and other payables, etc. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivable, security deposit, cash and cash equivalents, etc. that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and periodically reviewing the same. The management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

(a) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and Equity price risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has borrowings, therefore Company is exposed to such risk.

The exposure of borrowing to interest rate changes at the end of the reporting periods are as follows:

Particulars	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025
Fixed Rate Borrowings :			
Vehicle Loans from Banks	12.38	12.87	2.61
Variable Rate Borrowings :			
Term Loans from Banks	1,346.40	1,108.24	1,162.05

Fixed rate borrowings are carried at amortized cost. They are, therefore, not subject to interest rate risk as defined in Ind-AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.
Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025
Interest rate - Increase by 50 basis points	6.73	5.54	5.81
Interest rate - Decrease by 50 basis points	(6.73)	(5.54)	(5.81)

(ii) Foreign Currency Risk

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. So, the Company is not exposed to foreign currency risk.

(iii) Equity Price Risk

The Company's investment in shares are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the price risk through diversification and by placing limits on individual and total instruments. Reports on the portfolio are submitted to the management on a regular basis.

(b) *Credit Risk*

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Trade receivables	602.93	544.24	506.18	270.46
Other financial assets	149.02	150.13	24.93	31.06

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.
Credit risk arises mainly from loans, trade receivables and financial assets. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis. None of the trade receivables are credit impaired as on reporting date.

On adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the expected credit loss for trade receivables is not significant.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitors credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.
Receivable from one customers of the Company's trade receivable is Rs. 93.49 (March 31, 2026 Rs. 111.10; March 31, 2025 Rs. 86.34 & March 31, 2024 Rs. 142.00) which is more than 10 percent of the Company's total trade receivables as at June 30, 2026.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities, including estimated interest payments as on June 30, 2026:

		Contractual Cash Flows			
	Carrying amount	0-1 year	1-5 years	>5 years	Total
Borrowings	2,459.20	1,029.05	585.29	844.86	2,459.20
Trade Payables	421.83	421.83	-	-	421.83
Lease liabilities	1.52	1.12	0.39		1.52
Other Financial Liabilities	23.86	-	23.86	-	23.86
Total	**2,906.40**	**1,452.00**	**609.54**	**844.86**	**2,906.40**

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2026:

		Contractual Cash Flows			
	Carrying amount	0-1 year	1-5 years	>5 years	Total
Borrowings	2,272.67	1,074.67	353.14	844.86	2,272.67
Trade Payables	377.27	377.27	-	-	377.27
Lease liabilities	1.78	1.10	0.68		1.78
Other Financial Liabilities	16.17	-	16.17	-	16.17
Total	**2,667.89**	**1,453.04**	**369.99**	**844.86**	**2,667.89**

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2025:

		Contractual Cash Flows			
	Carrying amount	0-1 year	1-5 years	>5 years	Total
Borrowings	1,941.47	757.00	(2,485.97)	3,670.44	1,941.47
Trade Payables	291.63	291.63	-	-	291.63
Other Financial Liabilities	22.36	6.44	15.93	-	22.36
Total	**2,255.46**	**1,055.06**	**(2,470.04)**	**3,670.44**	**2,255.46**

The following are the contractual maturities of the financial liabilities, including estimated interest payments as at March 31, 2024:

		Contractual Cash Flows			
	Carrying amount	0-1 year	1-5 years	>5 years	Total
Borrowings	1,532.89	416.25	(3,783.56)	4,900.20	1,532.89
Trade Payables	176.40	176.40	-	-	176.40
Other Financial Liabilities	73.79	1.06	72.72	-	73.79
Total	**1,783.07**	**593.71**	**(3,710.83)**	**4,900.20**	**1,783.07**

45 Capital management

The Company objective while managing capital is to safeguard its ability to continue as a going concern, maintain an optimal and efficient capital structure and reduce the cost of capital.

The management assesses the capital requirements in order to maintain an efficient overall financing structure. It manages the capital structure and makes adjustments to it in the light of changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. Company is not subject to externally imposed capital requirements.

The Company has complied with debt covenants as per the terms of the borrowing facility arrangements. The Company manages its capital requirements by overseeing the gearing ratio.

Company's Gearing ratio

	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Total Borrowings (A)	2,459.20	2,272.67	1,941.47	1,532.89
Less: Cash and Cash Equivalents (B)	39.00	38.04	35.26	45.13
Net Debt (C= A-B)	2,420.20	2,234.63	1,906.20	1,487.76
Total Equity (D)	1,210.22	1,130.56	890.81	731.42
Gearing Ratio (C/D)	**2.00**	**1.98**	**2.14**	**2.03**

46 Other statutory information

(i) Title deeds of Immovable Property: According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are in the name of Company.
(ii) During the period under review, no revaluation Property, Plant and Equipment has been made.
(iii) Disclosures of Loans and advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person which are repayable on demand: - NIL
(iv) In the Balance Sheet for the period 30th June, 2026, the company reports a sum of Rs. 173.79 (March 31,2026 Rs 6.63; March 31,2025 Rs 0.66; March 31,2024 Rs. 76.67) under Capital Work-in-Progress (CWIP). This amount represents the expenditures incurred for ongoing projects that are not yet completed and thus have not been transferred to fixed assets. The CWIP includes costs related to construction, machinery under installation, and other capital projects in progress as of the balance sheet date. These projects, once completed, will be capitalized and reflected in the appropriate asset categories.

(v) Intangible assets under development: As per Fixed Assets Schedule
(vi) Details of Benami Property held: Not applicable
(vii) The Company has raised amount from banks or financial institutions on the basis of security of current assets.
(viii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
(ix) Relationship with Struck off Companies: Not applicable
(x) Registration of charges or satisfaction with Registrar of Companies: Complied with wherevere applicable.
(xi) Compliance with number of layers of companies: Not applicable
(xii) Compliance with approved Scheme(s) of Arrangements: Not applicable
(xiii) Utilization of Borrowed funds and share premium: Borrowerd funds are utilized for the purpose for which the funds has been granted
(xiv) Undisclosed income: Based on the information provided to us and our examination of the Company's records, there were no transactions during the year that have not been recorded in the books of accounts.
(xv) The company has not entered into any such transaction involving cryptocurrency or virtual currency during the periods presented
(xvi) **Audit Trail (Edit Log) :-**
The Company has used accounting software for maintaining its books of account which includes a feature of recording an audit trail (edit log) of each and every transaction. The audit trail feature captures details of all changes made to the books of account, including the date of such changes and the identity of the user making the changes.
The audit trail facility has been enabled and operated throughout the periods presented for all transactions recorded in the accounting software.
Based on the management's assessment and representations, the Company has not come across any instance of the audit trail feature being tampered with or disabled during the periods presented.
Further, as these are Restated Financial Statements, the Company confirms that the underlying books of account for all the periods presented were maintained using accounting software having the audit trail feature enabled, in compliance with applicable provisions of the Companies Act, 2013.

47 Financial ratios

Particulars	Numerator	Denominator	As on June 30, 2026	As at March 31, 2026	As at March 31, 2025	% Variance
Current Ratio (in times)	Current Assets	Current Liabilities	1.28	1.16	1.17	(0.63)%
Debt-Equity Ratio (in times)	Total Borrowings	Total Shareholder Equity	2.03	2.01	2.18	(7.76)%
*Debt Service Coverage Ratio (in times)	EBIT	Debt Service	3.67	3.58	2.37	50.99%
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	7%	24%	20%	21.96%
**Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	0.33	1.41	1.93	(26.82)%
Trade Payables Turnover Ratio	Purchases	Average Trade Payables	1.43	5.72	6.79	(15.76)%
Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	1.31	4.61	5.38	(14.19)%
Net capital Turnover Ratio	Revenue from operations	Average Working Capital	2.18	10.96	12.03	(8.89)%
***Net Profit Ratio	Net Profit	Revenue from operations	11%	10%	8%	30.94%
Return on Capital Employed	Earning before interest and taxes	Capital Employed	4%	13%	13%	1.63%
Return on Investment	Earning before interest and taxes	Average Total Assets	12%	13%	6%	106.90%

Explanation of change in ratio more than 25% June 30,2026

*Debt Service Coverage Ratio increased due to improvement in operating profitability and cash flows during the year, resulting in enhanced debt servicing capacity.The Group has complied with debt covenants as per the terms of the borrowing facility arrangements.

**The inventory turnover ratio decreased during the year as compared to the previous year primarily due to an increase in average inventory levels.

***The Net Profit Ratio increased due to higher profitability resulting from increased revenue and improved cost efficiencies during the year.

48 Corporate Social Responsibility (CSR) Expenditure

As per Section 135 of the Companies Act, 2013, the Company needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate social Responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

The details of Corporate Social Responsibility ('CSR') as prescribed under section 135 of the Companies Act, 2013 are as follows:

	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Gross amount required to be spent by the Company during the year	2.21	1.05	0.63
Surplus arising out of CSR Project	-	-	-
Set Off Available from Previous Years	-	-	-
Total CSR Obligation for the year	**2.21**	**1.05**	**0.63**
Amount approved by the Board to be spent during the year	2.21	1.05	0.63
Amount Spent during the Year	2.80	0.48	0.62
Set Off available for succeeding years	2.80	-	-
(Excess Spent) / Amount Unspent during the year *	**2.79**	**0.58**	**0.01**

* For Unspent CSR of previous year Relating to FY-2024-25 and 2023-24 amounting to 0.59 the company has been deposited on May 21,2026
The fund allocated are utilized through the year on the activities which are specified in Schedule VII and in complied with Section 135 of the Companies Act, 2013

49 Segment Information

Operating Segment

(a) Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various indicators of business segment/s in which the Company operates. The Company is primarily engaged in the business of fabric manufacturing which the management and CODM recognise as the sole business segment Hence disclosure of segment-wise information is not required and accordingly not provided.

The other applicable information applicable where there is only one segment as required in accordance with IND AS 108 – Operating Segments, are as under:

(b) The Company does not have the information in respect of the revenues from external customers for each product and service, or each group of similar products and services, and the cost to develop such system will be highly excessive. Accordingly such information is not disclosed as allowed by para 32 of IND AS 108. Revenue from Sale of Services (Job Work) has been included within the geographical revenue disclosure below in accordance with paragraph 33(a) of Ind AS 108, which requires disclosure of total revenue from external customers by geography without exemption, notwithstanding that product/service-wise disclosure has not been provided under paragraph 32 above.

Revenue	**Period ended June 30, 2026**	**Year ended March 31, 2026**	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Domestic	735.05	2,350.51	2,074.41	955.73
Export	16.02	73.32	14.02	161.09
Total	**751.07**	**2,423.84**	**2,088.43**	**1,116.82**

Revenues from external customers attributed to an individual foreign country are not material. The revenue from the foreign countries are attributed from the countries wherein the actual exports are made.

(c) **Segment Results, Assets and Liabilities**
The Group uses shared resources across its operating segments. Accordingly, segment assets and liabilities are not separately identifiable and are not reported to the CODM. Further, segment-wise information relating to profit or loss is not presented as such information is not separately reviewed by the CODM for decision-making purposes.

50 Note on First Time Adoption of Ind AS:

The accounting policies set out in the note here have been applied in preparing the financial statements for the year ended March 31, 2026, the comparative information presented in these financial statements for the year ended March 31, 2025 and March 31, 2024 and in the preparation of an opening Ind AS balance sheet at April 01, 2023 [the Company's date of transition].

In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following notes.

Exemptions and exceptions availed:

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind AS.

Optional exemptions

a Deemed cost

Ind AS 101 permits a first-time adopter to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date. Ind AS 101 also permits a first-time adopter to elect to continue with the carrying value for all of 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 (Indian GAAP), and use that as its deemed cost as at the date of transition, after making necessary adjustments for de-commissioning liabilities.
Accordingly, the Company has elected to measure land at its fair value as at the date of transition to Ind AS and has used such fair value as the deemed cost of land as at that date. As a result of this election the carrying value of land increased by (Rs.351.49 Land taken deemed cost at fair value) on the date of transition to ind as . For all other items of property, plant and equipment, the Company has elected to continue with the carrying values as recognised in the financial statements as at the date of transition, measured as per the previous GAAP, and has used the same as their deemed cost as at the date of transition to Ind AS.

Mandatory exceptions

b Estimates

An entity's estimates in accordance with Ind AS at the date of transition shall be consistent with estimates made for the same date in accordance with Indian GAAP [after adjustments to reflect any difference in accounting policies], unless there is objective evidence that those estimates were in error.

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.
- Discounted value of long term provisions.

Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Note on Transition to Ind AS - Reconciliations:
The following reconciliations provide the explanations and quantification of the differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Equity as at March 31, 2024
II. A. Reconciliation of Equity as at March 31, 2025
B. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2024 & March 31, 2025

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

SITARAM DENIMS INDIA LIMITED
CIN:U17100RJ2011PLC034052
Schedules forming part of the financial statements
(Rs in Million, unless stated otherwise)

I. A. Reconciliation of Equity as at March 31, 2024

Sr. No.	Particulars	Foot Note	As at March 31, 2024 (Date of transition)		
			Restated I GAAP	Adjustment	IND AS
I.	**ASSETS**				
	Non-Current Assets				
	(a) Property, Plant and Equipment		1,261.20	353.85	1,615.05
	(b) Capital work-in-progress		76.67	-	76.67
	(c) Investment Property	a	-	50.79	50.79
	(d) Financial Assets			-	-
	(i) Non- Current investment	a & d	51.31	(51.31)	-
	(ii) Investment	a	-	0.66	0.66
	(iii) Others	a	18.35	12.31	30.67
	(e) Income Tax Assets (net)	a	-	-	-
	(f) Other Non-Current Assets	a	32.36	(14.11)	18.25
	Total Non-Current Assets		**1,439.89**	**352.21**	**1,792.10**
	Current Assets				
	(a) Inventories		388.84	-	388.84
	(b) Financial Assets			-	-
	(ii) Trade Receivables		270.46	-	270.46
	(iii) Cash and Cash Equivalents	a	48.51	(36.34)	12.16
	(iv) Bank balances other than (iii) above		-	32.96	32.96
	(v) Loans and advances		0.39	-	0.39
	(c) Other Current Assets	a	66.57	3.07	69.64
	Total Current Assets		**774.77**	**(0.31)**	**774.46**
	Total ASSETS		**2,214.66**	**351.90**	**2,566.57**
II.	**EQUITY AND LIABILITIES**				
	EQUITY				
	(a) Equity Share Capital		210.10	-	210.10
	(b) Other Equity	a, b, c & d	170.28	351.03	521.32
	Total EQUITY		**380.38**	**351.03**	**731.42**
	LIABILITIES				
	Non-Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	c	1,145.07	(28.43)	1,116.64
	(ii) Other financial liabilities		72.72	0.00	72.72
	(b) Deferred tax liabilities (net)	b	27.83	(0.28)	27.55
	(c) Provisions		-	2.41	2.41
	Total Non-Current Liabilities		**1,245.63**	**(26.30)**	**1,219.33**
	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	a	238.96	177.29	416.25
	(ii) Trade Payables			-	
	(A) total outstanding dues of micro enterprises and small enterprises; and	a	-	29.69	29.69
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	a	176.40	(29.69)	146.70
	(iii) Other Financial Liabilities	a	-	1.06	1.06
	(b) Other Current Liabilities	a	163.35	(156.36)	6.99
	(c) Provisions	a	9.95	2.39	12.34
	(d) Current Tax Liabilities (Net)	a	-	2.78	2.78
	Total Current Liabilities		**588.66**	**27.16**	**615.82**
	Total EQUITY AND LIABILITIES		**2,214.66**	**351.90**	**2,566.57**

SITARAM DENIMS INDIA LIMITED
CIN:U17100RJ2011PLC034052
Schedules forming part of the financial statements
(Rs in Million, unless stated otherwise)

II. A. Reconciliation of Equity as at March 31, 2025

Sr. No.	Particulars	Foot Note	As at March 31, 2025 (Date of transition)		
			Restated I GAAP	Adjustment	IND AS
I.	**ASSETS**				
	Non-Current Assets				
	(a) Property, Plant and Equipment		1,486.30	353.36	1,839.67
	(b) Capital work-in-progress		0.66	(0.00)	0.66
	(c) Intangible Assets		0.21	-	0.21
	(d) Investment Property	a	-	84.41	84.41
	(e) Financial Assets				
	(i) Non- Current investment	a & d	84.92	(84.92)	-
	(ii) Investment	a & d	-	0.72	0.72
	(ii) Others	a	15.38	7.43	22.81
	(f) Income Tax Assets (net)	a	-	1.63	1.63
	(g) Other Non-Current Assets	a	32.49	(15.39)	17.10
	Total Non-Current Assets		**1,619.97**	**347.24**	**1,967.21**
	Current Assets				
	(a) Inventories		684.80	-	684.80
	(b) Financial Assets				
	(ii) Trade Receivables		506.18	-	506.18
	(iii) Cash and Cash Equivalents	a	32.48	(32.40)	0.08
	(iv) Bank balances other than (iii) above		-	35.19	35.19
	(v) Loans and advances		2.12	-	2.12
	(c) Other Current Assets	a	59.23	2.87	62.10
	Total Current Assets		**1,284.80**	**5.65**	**1,290.46**
	Total ASSETS		**2,904.78**	**352.89**	**3,257.67**
II.	**EQUITY AND LIABILITIES**				
	EQUITY				
	(a) Equity Share Capital		210.10	-	210.10
	(b) Other Equity	a, b, c & d	329.32	351.39	680.71
	Total EQUITY		**539.42**	**351.39**	**890.81**
	LIABILITIES				
	Non-Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	c	1,217.22	(32.75)	1,184.47
	(ii) Other financial liabilities	a	17.92	(1.99)	15.93
	(b) Deferred tax liabilities (net)	b	61.37	1.15	62.52
	(c) Provisions	a	-	1.99	1.99
	Total Non-Current Liabilities		**1,296.51**	**(31.60)**	**1,264.90**
	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	a	508.65	248.35	757.00
	(ii) Trade Payables				
	(A) total outstanding dues of micro enterprises and small enterprises; and	a	129.06	(83.10)	45.96
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	a	162.57	83.10	245.67
	(iii) Other Financial Liabilities	a	-	6.44	6.44
	(b) Other Current Liabilities	a	263.11	(231.96)	31.16
	(c) Provisions	a	5.45	10.28	15.73
	(d) Current Tax Liabilities (Net)		-	-	-
	Total Current Liabilities		**1,068.85**	**33.11**	**1,101.96**
	Total EQUITY AND LIABILITIES		**2,904.78**	**352.89**	**3,257.67**

B. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2024

Sr. No.	Particulars	Foot Note	Year ended March 31, 2024		
			Restated I GAAP	Adjustment	IND AS
I	**INCOME**				
	Revenue From Operations		1,116.82	(0.00)	1,116.82
	Other Income	d	11.74	4.64	16.38
	Total INCOME		**1,128.55**	**4.64**	**1,133.20**
II	**EXPENSES**				
	Cost of Material Consumed	a	458.92	188.14	647.06
	Purchase of Stock in Trade		203.33	(203.33)	-
	Change in Inventories		(109.16)	-	(109.16)
	Employee Benefit Expenses	e	73.75	0.57	74.31
	Finance Costs	c	53.75	1.00	54.74
	Depreciation & Amortization Expense		95.31	0.42	95.73
	Other Expenses	a	287.38	14.23	301.61
	Total EXPENSES		**1,063.27**	**1.02**	**1,064.29**
	Profit before tax		**65.28**	**3.62**	**68.90**
	Tax Expense				
	Current Tax		10.72	-	10.72
	Deferred Tax	b, c & d	6.12	(0.28)	5.84
	Total Tax Expense		**16.83**	**(0.28)**	**16.56**
	Profit for the period		**48.45**	**3.90**	**52.35**
	Other Comprehensive Income				
	A) Items that will not be reclassified to profit or loss				
	Re-measurement gain on defined benefit plans	e	-	(0.02)	(0.02)
	Income tax relating to re-measurement gain on defined benefit plans	b	-	0.01	0.01
	B) Items that will be reclassified to profit or loss				
	B (i) Items that will be reclassified to profit or loss				-
	(ii) Income tax relating to items that will be reclassified to profit or loss				-
	Total Other Comprehensive Income		**-**	**(0.02)**	**(0.02)**
	Total Comprehensive Income		**48.45**	**3.88**	**52.33**

B. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2025

Sr. No.	Particulars	Foot Note	Year ended March 31, 2025		
			Restated I GAAP	Adjustment	IND AS
I	**INCOME**				
	Revenue From Operations		2,088.43	0.00	2,088.43
	Other Income	d	13.35	(1.77)	11.58
	Total INCOME		**2,101.78**	**(1.77)**	**2,100.01**
II	**EXPENSES**				
	Cost of Material Consumed	a	1,067.31	27.71	1,095.01
	Purchase of Stock in Trade		52.27	(52.27)	-
	Change in Inventories		(59.25)	-	(59.25)
	Employee Benefit Expenses	e	103.66	(2.80)	100.86
	Finance Costs	c	153.88	1.81	155.69
	Depreciation & Amortization Expense		61.21	0.49	61.70
	Other Expenses	a	511.53	21.48	533.01
	Total EXPENSES		**1,890.60**	**(3.58)**	**1,887.02**
	Profit before tax		**211.18**	**1.81**	**212.99**
	Tax Expense				
	Current Tax		18.60	-	18.60
	Deferred Tax	b, c & d	33.54	1.43	34.97
	Total Tax Expense		**52.14**	**1.43**	**53.57**
	Profit for the period		**159.04**	**0.37**	**159.42**
	Other Comprehensive Income				
	A) Items that will not be reclassified to profit or loss				
	Re-measurement gain on defined benefit plans	e	-	(0.03)	(0.03)
	Income tax relating to re-measurement gain on defined benefit plans	b	-	0.01	0.01
	Total Other Comprehensive Income		**-**	**(0.02)**	**(0.02)**
	Total Comprehensive Income		**159.04**	**0.35**	**159.40**

Foot Note to the Reconciliations

a Reclassification as per requirement of Ind AS

Reclassification have been done in respective heads as per requirement of Indian Accounting Standards (Ind AS).

b Deferred Tax

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach {against profit and loss approach in the Indian GAAP) for computation of deferred taxes has resulted in charge to Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss account for the subsequent periods.

c Long Term Borrowings (Financial Liability at Amortised Cost)

Loan processing fees / transaction cost: Under Indian GAAP, Long term borrwings are stated at transaction value. The Processing fees incurred at the time of incurrence recognised in P&L or capitalised in accordance with respective standard. Under Ind AS Such Borrowings are measured at Amortised Cost using Effective interest rate method (EIR). Processing fees are considered for calculating effective interest rate. The impact for the periods till transition date recognised in Retained earnings and subsequent to the date of transition is reflected in the Statement of Profit and Loss.

d Investments in Mutual funds

The same are measured at FVTPL. As on transition date i.e April 1, 2023 the same are adjusted to retained earnings , subsequent gain /loss are charged to profit and loss account.

e Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

f Estimates

The estimates at March 31, 2024 and March 31, 2025 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions on March 31, 2024, the date of transition to Ind AS and as of March 31, 2025.

51 Other Matters

a) Change in Estimate of Useful Life of Plant and Machinery

During the financial year March 31, 2025, the Company, based on a technical evaluation by a Chartered Engineer, revised the estimated useful life of its Plant and Machinery for depreciation purposes. Previously, depreciation was being charged on the Straight Line Method (SLM) considering triple shift usage, which effectively reduced the useful life of the assets. In view of the updated technical assessment and current operating conditions, the Company has decided to adopt a uniform useful life of 30 years without adjustment for triple shift operations, for both existing and newly acquired machinery. This change in estimate has been applied prospectively in accordance with the provisions of Ind AS 8 (as applicable). As a result of this change, the depreciation charge for the current financial year is lower compared to the earlier basis. The exact impact of this change on current year's depreciation expense is approximately Rs. 133.20. There is no retrospective impact on the financial statements of prior years.

52 Previous year's figures have been regrouped / reclassed, where necessary, to confirm to current year's classification. This does not impact recognition and measurement principles followed for preparation of financial statements.

As per our Report of even date annexed
For A Bakliwal & Co.
Firm Registration No. 148416W
Chartered Accountants

Sd/-

Bharat Jain
Partner
(M.No.- 440315)
Place : Mumbai
Date : 24/10/2026
UDIN : 26440315CWKZRQ8355

For & on Behalf of the Board

Sd/-	**Sd/-**
Anil Kumar Nuwal	**Madhu Sudan Nuwal**
(Chairman & Managing Director)	(Whole time Director)
DIN: 00096471	DIN: 00212341
Sd/-	**Sd/-**
Nitesh Mundra	**Shruti Joshi**
Chief financial officer	Company Secretary

OTHER FINANCIAL INFORMATION

The Restated Financial Information of our Company for the three-month period ended June 30, 2026 and as of for each Fiscals 2026, 2025 and 2024, together with all the annexures, schedules and notes thereto ("**Financial Information**") are available at www.sitaramdenims.com/investors.html. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations.

The Financial Information do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) the Red Herring Prospectus; or (iii) a Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Financial Information should not be considered as part of information that any investor should consider in order to subscribe for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLMs, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Financial Information, or the opinions expressed therein.

The details of accounting ratios derived from Restated Financial Information required to be disclosed under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are set forth below:

(₹ in million except per share data or unless otherwise stated)

Particulars	For the Fiscals			
	June 30, 2026*	2026	2025	2024
Basic & Diluted EPS (₹)[1][2][3]	0.95	2.88	1.90	0.62
RoNW (%) [4]	6.81	23.72	19.65	7.42
NAV per share (₹) [5]	14.40	13.45	10.60	8.70
EBITDA (₹ in Million) [6]	157.81	504.79	418.80	203.00

**Not annualized*

Notes:

1. *Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) read with the requirements of SEBI ICDR Regulations.*
2. *Basic EPS/Earnings per share (₹) = Profit after tax as restated divided by Weighted average number of equity shares outstanding during the financial year after giving the effect of the sub-division of Equity Shares*
3. *Diluted EPS/Earnings per share (₹) = Profit after tax as restated divided by Weighted average number of potential equity shares outstanding during the financial year after giving the effect of the sub-division of Equity Shares.*
4. *Return on Net Worth (%) = Profit for the year divided by Average Net Worth. Average Net Worth is calculated as the average of the Net Worth at the end of relevant year and beginning of the relevant year.*
5. *Net Asset Value per share (in ₹) = Net worth at the end of the year divided by weighted average number of Equity Shares. Weighted average number of Equity Shares represents the shares used for computing Basic EPS/Diluted EPS.*
6. *EBITDA is calculated as profit before tax minus Other Income plus Finance Costs and Depreciation & amortisation expense*

For a reconciliation of non-GAAP measures, see "***Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures***" on page 403.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for the period ended June 30, 2026, and for the Fiscals 2026, 2025 and 2024, read with the SEBI ICDR Regulations and as reported in Restated Financial Information, please see *"**Restated Financial Information – Note** 41- **Related party transaction**"* on page 352.

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CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at June 30, 2026, derived from our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with ***"Risk Factors"***, ***"Restated Financial Information"*** *and* ***"Management Discussion and Analysis of Financial Position and Results of Operations"***, on pages 28, 322 and 374 respectively.

(amount in ₹ million)

Particulars	Pre-Offer as at June 30, 2026	As Adjusted for the Offer[(5)(6)]
Borrowings:		
Current borrowings (A)	821.18	**[●]**
Non-Current borrowings (B)*	1,638.02	**[●]**
Total Borrowings (C = A + B)	**2,459.20**	**[●]**
Shareholders' fund (Net worth)		
Share capital (D)	420.20	[●]
Other Equity** (E)	790.02	[●]
Total shareholder's' fund (Net worth) (F = D + E)	**1,210.22**	**[●]**
Non-Current borrowings (including current maturity) / shareholder's' fund (Net worth) ratio (B / F)	**135.35%**	**[●]**
Total borrowings / shareholders' fund (Net worth) ratio (C / F)	**203.03%**	**[●]**

**Current maturities of long-term borrowings are amounting to ₹ 207.88 million*
***It exclude Revaluation reserve and capital reserves*

Notes:
1. The above statement has been prepared for the purpose of disclosing in the Draft Red Herring Prospectus to be filed in connection with the Offer, in accordance with the requirements prescribed under Schedule VI of the SEBI ICDR Regulations.
2. The above statement has been computed on the basis of the Restated Financial Information for the year ended March 31, 2026.
3. These terms shall carry the meaning as per Schedule III of the Companies Act, 2013, as amended.
4. "Other equity" shall carry the meaning as per Schedule III of the Companies Act 2013 (as amended) excluding Revaluation Reserve.
5. Will be finalized upon determination of the offer Price.
6. As adjusted to reflect the number of Equity Shares issued pursuant to the Offer.

FINANCIAL INDEBTEDNESS

The Company has availed certain credit facilities in the ordinary course of business, for, inter alia, capital expenditure, working capital requirements and other business requirements. The details of the Company's aggregate indebtedness as on the Cut-off Date (September 30, 2026) are provided below:

(₹ in Million)

Category of Borrowings	Amount Sanctioned	Amount Outstanding as on September 30, 2026
Fund Based		
Secured		
Working capital facilities	1,162.69	1,071.89
Term loan	1,424.59	1,203.63
Unsecured	-	274.73
Total Fund Based Borrowings (A)	**2,587.23**	**2,550.25**
Non-Fund Based		
Secured	Nil	Nil
Unsecured	Nil	Nil
Total Non-Fund Based Borrowings (B)	**Nil**	**Nil**
Total (A+B)	**2,587.23**	**2,550.25**

Key terms of our Secured Borrowings are disclosed below:

Principal terms of the borrowings availed by our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under various financing documentation executed by our Company in relation to our indebtedness.

1. **Interest:** The interest rate for the secured working capital and term loan facilities ranges from 7.60% per annum to 9.16% per annum (floating/fixed, as applicable), linked in most cases to the respective lender's external benchmark rate. Interest on unsecured loans ranges from 9% per annum to 12% per annum.

2. **Penal interest:** The terms of certain of the Company's borrowings prescribe penal charges/additional interest for non-compliance with certain obligations, inter alia, delay or default in repayment of principal instalment, interest, charges or other monies due on the facility, over-drawings beyond sanctioned limits, and non-compliance with the terms of sanction, at rates specified in the respective sanction letters. The default interest rate under our facility documents for fund-based borrowings is typically 2% per annum or such other rate as may be notified by the lender.

3. **Validity/Tenor:** The tenor of the term loan facilities ranges from approximately 28 to 180 monthly/quarterly instalments (2.5 to 15 years), including the two fresh facilities sanctioned in June 2026 (5 years each, inclusive of a 1-year moratorium on principal). The tenor of the working capital/cash credit and overdraft facilities is repayable on demand and renewable at the discretion of the respective banks.

4. **Pre-payment penalty:** Facilities availed by our Company typically have pre-payment provisions which allow for pre-payment of the outstanding loan amount, subject to a pre-payment penalty which typically ranges up to 2%, by serving a prior written notice to the relevant lender or on receiving prior approval from the relevant lender, and in certain cases, subject to such pre-payment penalties as may be decided mutually at the time of such prepayment, or as set out in the facility agreements.

5. **Security:** In terms of the borrowings availed by the Company, security is created, inter alia, by way of (i) pari-passu first charge by way of equitable mortgage over the Company's factory land and building

situated at Gram Danta Nilwari, Patwar Area-Balasaria, Tehsil Banera, District Bhilwara, Rajasthan; (ii) pari-passu first charge/hypothecation over the entire movable fixed assets (present and future), including plant and machinery; (iii) hypothecation of stock-in-trade, book debts, receivables and other current assets (for working capital facilities); (iv) hypothecation of specific vehicles (for vehicle loans); (v) collateral security by way of mortgage of specified residential properties belonging to the Directors/their family members and lien on fixed deposit receipts; and (vi) personal guarantees of the Company's Directors, Anil Kumar Nuwal, Madhu Sudan Nuwal and Jugal Kishore Nuwal.

6. **Repayment:** The term loan facilities availed by the Company are typically repayable in structured Equated Monthly/Quarterly Instalments over the respective tenors, generally after an initial moratorium period in the case of working capital term loans under ECLGS/GECL/BECLGS schemes. The working capital/cash credit and overdraft facilities availed from Bank of Baroda, HDFC Bank, ICICI Bank and Punjab National Bank are repayable on demand.

7. **Key covenants:** In terms of the Company's borrowing arrangements, it is required to comply with various financial and restrictive covenants, and to obtain prior consent from the respective lender and/or provide intimation before, inter alia:
   (a) making any substantial change in the general nature of business of the Company;
   (b) making any substantial change in the constitution, shareholding pattern or management of the Company;
   (c) entering into any scheme of merger, amalgamation, compromise or reconstruction, reconstitution or dissolution;
   (d) creating any further charge or encumbrance over the secured assets, or effecting any change in the composition of the Board, without prior lender consent;
   (e) standing as surety or guarantor for any third-party liability or obligation.

8. **Events of Default:** In terms of the borrowing arrangements entered into by the Company, the occurrence of any of the following, inter alia, constitutes an event of default:
   (a) default in the payment of any instalment of principal, interest, or other financial obligations on the due dates;
   (b) utilisation of the loan or any part thereof for purposes other than those sanctioned by the lender, or diversion/siphoning of funds;
   (c) creation of any encumbrance (other than as per the respective loan agreement/facility documents) over the hypothecated/mortgaged assets, or sale/disposal of such assets by the Company;
   (d) discontinuation of business carried on by the Company;
   (e) misrepresentation, breach of financial/other covenants, or non-creation/non-perfection of security within stipulated timelines;
   (f) initiation of insolvency, liquidation, dissolution, or reorganisation proceedings against the Company, or inability to pay debts as they mature, or appointment of a receiver, trustee or similar officer over its assets;
   (g) a moratorium being declared in respect of any financial indebtedness of the Company;
   (h) any Director of the Company receiving a wilful defaulter's notice from any bank or financial institution;
   (i) the happening of any substantial change in the constitution or management of the Company without the previous written consent of the lender;
   (j) the Company being generally unable to pay its debts as they fall due and/or commencing negotiations with any of its creditors with a view to general readjustment or rescheduling, in light of financial difficulties or in contemplation of default;
   (k) cross-default under any other facility availed by the Company; and
   (l) any other circumstance which, in the sole discretion of the lender, jeopardises the lender's interest.

9. **Consequences of occurrence of Events of Default:** In terms of the Company's borrowing arrangements, upon occurrence of an event of default, the lenders are, inter alia, entitled to:
   (a) recall the facility at any time at its discretion, without assigning any reason, upon which the Company shall be liable to pay arrears of instalments, instalments for the remaining period, penal charges and any other sums due;

(b) levy penal/additional interest and disclose/publish the Company's and Directors' names as defaulters; and

(c) initiate recovery proceedings under applicable law, including the SARFAESI Act, 2002, where applicable, as per the terms of the respective sanction letters/loan agreements.

This is an indicative list of the terms and conditions of the outstanding facilities and there may be additional terms, the breach of which may amount to an event of default under the Company's various borrowing arrangements, and the same may lead to consequences other than those stated above, as set out in the respective sanction letters/loan agreements.

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Schedule of Secured Borrowings as at September 30, 2026

(amount in ₹ million unless stated otherwise)

Sr. No.	Name of Lender	Amount Sanctioned	Amount Outstanding	Purpose	Tenure/ Maturity	Assets Charged as Security	Details of Guarantee
1	Bank of Baroda	58.49	6.63	Term Loan - factory expansion	32 monthly instalments from Jul-2017	Pari-passu first charge/equitable mortgage of factory land & building, Gram Danta Nilwari, Bhilwara; first charge on all movable fixed assets; collateral mortgage of specified residential properties of the Directors/their family members	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
2	SIDBI	24.96	5.12	Term Loan - Rooftop Solar PV (475 KWP)	EMIs from Aug-2021, after 6-month moratorium	First charge on rooftop solar PV plant & machinery; lien on FDRs of Rs. 105.00 Mn	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
3	SIDBI	7.49	2.34	Working Capital Term Loan - TWARIT 2.0/ECLGS Extension	Monthly instalments from Jan-2024, after 24-month moratorium	First charge on plant, machinery & other project assets (shared with rows 4-5)	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
4	SIDBI	20.00	10.74	Working Capital Term Loan - Privileged Customer Scheme (Gold)	Monthly instalments from Apr-2025	First charge on plant, machinery & project assets; collateral mortgage of residential property, B-28, Bapu Nagar, Bhilwara (family members of Directors); FDRs	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
5	SIDBI	24.90	24.44	Working Capital Term Loan - Privileged Customer Scheme (Platinum), fresh, disbursed 25-Mar-2026	Moratorium not yet expired as at Cut-off Date	First charge on plant, machinery & project assets; collateral mortgage of B-28, Bapu Nagar property; FDRs	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
6	Bank of Baroda	59.50	18.59	Working Capital Term Loan under BGECLS 2.0 Extension	48 monthly instalments from Feb-2024	Pari-passu charge over all fixed assets, current assets (incl. book debts) and factory land & building	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
7	HDFC Bank Ltd	850.00	749.44	Term Loan (Contract Ref. C73LN06243420001)	28 quarterly instalments, Oct-2025 to Jul-2032	Pari-passu charge over fixed assets, land & machinery (excl. book debts)	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
8	HDFC Bank Ltd	32.50	12.38	Term Loan (GST) (A/c 800183098)	36 monthly instalments from Nov-2024	Pari-passu charge as above, incl. mortgage over 40 Bigha 17 Biswa land	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors

Sr. No.	Name of Lender	Amount Sanctioned	Amount Outstanding	Purpose	Tenure/ Maturity	Assets Charged as Security	Details of Guarantee
9	HDFC Bank Ltd	2.65	1.92	Vehicle Loan (A/c 801169693)	59 monthly instalments	Hypothecation of the specific vehicle	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
10	HDFC Bank Ltd	2.70	2.24	Vehicle Loan (A/c 802256639)	59 monthly instalments	Hypothecation of the specific vehicle	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
11	HDFC Bank Ltd	2.25	2.09	Vehicle Loan (A/c 803226255)	59 monthly instalments	Hypothecation of the specific vehicle	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
12	Punjab National Bank	3.20	2.86	Vehicle Loan - Toyota Innova Hycross (A/c 005200NG00012021; Sanction Ref. 9128000008751 dated 08-Oct-2025)	84 monthly instalments (EMI Rs. 49,637) from Nov-2025; rate 7.85% p.a. floating (RLLR-linked)	Hypothecation of the specific vehicle	Personal guarantee of Shri Jugal Kishore Nuwal, Director (sole guarantor per sanction letter)
13	Punjab National Bank	3.13	2.75	Vehicle Loan - Mahindra XEV9E (A/c 005200EV00000338; Sanction Ref. 9128000008865 dated 18-Oct-2025)	84 monthly instalments (EMI Rs. 48,396) from Nov-2025; rate 7.80% p.a. floating (RLLR-linked)	Hypothecation of the specific vehicle	Personal guarantee of Shri Jugal Kishore Nuwal, Director (sole guarantor per sanction letter)
14	ICICI Bank Ltd	450.00	418.20	Term Loan - Solar power project (A/c ...5813 & ...7775 and …7537, one combined facility)	120 monthly instalments from Aug-2026	Pari-passu first charge/equitable mortgage of factory land & building; first charge on all movable assets (excl. book debts)	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
15	Bank of Baroda	89.90	89.90	NEW FACILITY - Additional Working Capital Term Loan under BECLGS 5.0 (Sanction Letter Ref. BOB/DBBLWD/ADV/2026-27/25 dated 06-Jun-2026), A/c 923...165	5 years incl. 1-year moratorium; 48 EMIs thereafter	No additional collateral; pari-passu with HDFC Bank & ICICI Bank on stock, book debts, plant & machinery, and factory land & building; NCGTC guarantee (100% MSME cover, in favour of the Bank, not the Company)	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors

Sr. No.	Name of Lender	Amount Sanctioned	Amount Outstanding	Purpose	Tenure/ Maturity	Assets Charged as Security	Details of Guarantee
16	ICICI Bank Ltd	56.40	56.40	NEW FACILITY - Working Capital Term Loan under ECLGS 5.0 (Sanction Letter Ref. ECLGS:602235700 dated 27-Jun-2026), A/c 666355015148	5 years incl. 1-year moratorium; 48 EMIs thereafter	Second charge on existing ICICI Bank securities and assets created from this facility; NCGTC guarantee (in favour of the Bank, not the Company)	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
17	Bank of Baroda	450.00	445.38	Cash Credit (A/c 25790500002848)	Repayable on demand	Pari-passu hypothecation of stock, book debts & other current assets	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
18	HDFC Bank Ltd	150.00	121.04	Cash Credit - MSME Flexi Prime (A/c ...7316)	Repayable on demand	Pari-passu hypothecation of stocks, book debts & other current assets	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
19	ICICI Bank Ltd	300.00	298.68	Cash Credit (A/c ...0354); residual limit within the Rs. 300.00 Mn combined CC/WCDL facility	Repayable on demand; facility valid till 12-Mar-2027 (Renewal CAL Ref. MCGBHICAL428256 dated 13-Mar-2026); rate Repo (5.25%) + Spread 2.70% = 7.95% p.a., reset every 3 months	Pari-passu hypothecation of stocks, book debts & other current assets	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors
20	Punjab National Bank	4.50	4.38	Overdraft (A/c 0052009300278709)	Repayable on demand	Pari-passu hypothecation of stocks, book debts & other current assets	Personal guarantee of Shri Anil Kumar Nuwal, Shri Madhu sudan Nuwal and Shri Jugal Kishore Nuwal, Directors

Our unsecured borrowings

Unsecured loans availed from our Directors and Sitaram India Limited, one of our Promoters, are interest bearing at rates which may vary from time to time depending upon prevailing market conditions and mutual agreement between the parties, provided that the rate of interest shall not exceed 9% per annum. The unsecured loans from Jitendra Synthetics Private Limited and Nitin Finance and Investment Private Limited carry interest at 12% per annum, are repayable on demand and may be prepaid without penalty. The details of our unsecured borrowings as on the Cut-off Date are set out below:

(₹ in million)

Sr. No.	Name of the lender	Amount outstanding as on September 30, 2026
I.	**Loans from Directors**	**188.73**
1.	Anil Kumar Nuwal	160.48
2.	Madhu Sudan Nuwal	28.25
II.	**Loans from companies**	**76.00**
3.	Sitaram India Limited	66.00
4.	Jitendra Synthetics Private Limited	10.00
III.	**Loans from NBFCs**	**10.00**
5.	Nitin Finance and Investment Private Limited	10.00
	Total unsecured borrowings (I+II+III)	**274.73**

Details of corporate guarantees provided by the Company

Our Company as on September 30, 2026, has not provided any corporate guarantee for the repayment of any loan or other financial facility availed by any other entity.

As certified by M/s A Bakliwal & Co, Chartered Accountants, by way of their certificate dated November 03, 2026 bearing UDIN: 26440315CSVJIQ6434.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with our "**Restated Financial Information**" beginning on page 322.*

*Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "**Forward-Looking Statements**" on page 26 for a discussion of the risks and uncertainties related to those statements and also the sections "**Risk Factors**", "**Industry Overview**", "**Restated Financial Information**" and "**Our Business**" on pages 28, 190, 322 and 239, respectively, as well as financial information and other information contained in this Draft Red Herring Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*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 Restated financial information for the Fiscals 2025, 2024 and 2023, included herein is based on or derived from our Restated Financial Information included in this Draft Red Herring Prospectus. For details, please see "**Restated Financial Information**" beginning on page 322. The Restated Financial Information is based on our audited financial statements and is restated in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations. Our audited financial statements are prepared in accordance with Indian Accounting Standards, which differs in certain material respects with IFRS and U.S. GAAP. For details, see "**Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which investors may be more familiar with and which may be material to investors' assessments of our financial condition**" on page 87.*

*Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled 'Textile research report' dated October 30, 2026, prepared and issued by CARE Analytics and Advisory Private Limited **(the "**CareEdge Report**")** , commissioned by and paid for by our Company. The Textile research report has been prepared and issued for the purpose of understanding the industry exclusively in connection with the Offer.*

Unless the context otherwise requires, in this section, all references to "we", "us", "the Company", "our Company" or "our" refers to Sitaram Denims India Limited on a standalone basis.

OVERVIEW

We are engaged in the manufacture and supply of branded and unbranded woven fabrics, primarily catering to the different categories of apparel segment. Our principal product categories comprise cotton-spandex fabrics, rigid cotton fabrics, denim fabrics, polyester-viscose ("**PV**") fabrics and certain other blended fabrics.
We sell our products in both grey and finished fabric forms. Finished fabrics are produced by subjecting woven grey fabrics manufactured through our manufacturing platform to identified downstream processing, including dyeing and finishing, through third-party processing units prior to sale. Finished fabrics are sold principally on an unbranded basis and also under the "Sitaram" brand. In addition to our own-account fabric sales, we undertake job-work weaving and sizing activities for third-party customers in accordance with their product and technical specifications.

We manufacture primarily on a make-to-stock basis including specifications relating to, among others, fibre composition, fabric construction, weight, width, design, finish and other technical parameters. This enables us to undertake production planning and determine our product mix having regard to prevailing demand and customer-specific requirements.

Our manufacturing operations are located in District Bhilwara, Rajasthan, which forms part of an established textile manufacturing ecosystem comprising spinning mills, yarn suppliers, weaving units, processing units and ancillary textile service providers. Our location supports both our raw-material procurement, downstream processing requirements and dealer distribution network.

We commenced commercial production at our Owned Facility in Fiscal 2018 with 120 automatic shuttleless Airjet looms, together with associated preparatory machinery. Subsequently, during Fiscals 2024 and 2025, we expanded our manufacturing infrastructure and capacity through the addition of 84 shuttleless Airjet looms, one sizing machine and related preparatory machinery. As of the date of this Draft Red Herring Prospectus, our Manufacturing Facility is equipped with 204 shuttleless Airjet looms, together with machinery and systems for in-house sizing, warp tying, cone winding, automatic drawing, direct beaming (Warping), humidification, compressed-air system, fabric inspection and other production-support activities.

For details in relation to our business overview, competitive strengths, business strategies and business operations, please see "***Our Business***" beginning on page 239.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

A number of factors affect our financial condition and results of operation, of which, the following are particularly significant:

Availability and cost of raw materials and dependence on our suppliers

Our manufacturing operations require us to have access to adequate number of raw materials at commercially acceptable prices. We procure certain key raw materials, including polyester yarn, cotton yarn and texturised yarn, primarily on a purchase order basis and currently do not have long-term supply arrangements with the relevant suppliers. Accordingly, our profitability and operational performance are dependent, to a significant extent, on the availability and cost of such raw materials. The table below presents our raw material purchase costs for Three month period ended June 30, 2026 and for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

(Amount in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Purchase of Raw Material during the year (A)	486.63	1,685.47	1,332.04	692.85
Contribution of Top 10 Suppliers (B)	338.52	1,249.52	1,016.76	525.52
% of Top 10 Suppliers [C = (B/A)]	69.56	74.13	76.33	75.85

The absence of long-term supply agreements may expose us to fluctuations in the prices and availability of raw materials. Such fluctuations may arise due to changes in commodity prices, foreign exchange rates, climatic and environmental conditions, production and logistics costs, domestic and international governmental policies, and regulatory or trade restrictions. In addition, our inability to accurately anticipate changes in market conditions could result in procurement of quantities that may not adequately correspond with our manufacturing requirements.

Our operations also depend on maintaining consistent and reliable relationships with our suppliers. Any loss of suppliers, interruption or delay in the supply of raw materials, or inability to procure required quantities could disrupt our manufacturing activities and affect our ability to manufacture and deliver products to customers within the expected timelines. Further, restrictions on imports of raw materials or increases in freight and shipment costs could increase our procurement costs and adversely affect our business, financial condition and results of operations.

The cost and availability of raw materials, particularly polyester yarn, cotton yarn, and texturised yarn have a significant bearing on our business operations, financial performance and profitability. The table below sets forth our raw material purchase costs as a percentage of our total expenses for Three month period ended June 30, 2026 and for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

(in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Total expenses	Amount	% of Total expenses	Amount	% of Total expenses	Amount	% of Total expenses
Purchase of Raw Material	486.63	75.21	1,685.47	79.73	1,332.04	70.59	692.85	65.10

The prices of raw materials may fluctuate due to factors beyond our control, including changes in global demand and supply, economic and political conditions, transportation, natural disasters, competitive conditions, import duties, fuel prices, power tariffs and foreign exchange rates. Any significant movement in commodity prices may consequently affect our raw material costs. We generally pass on variations in raw material costs to our customers. However, the pass-through of such cost increases may be affected by the time lag between the procurement of raw materials and the corresponding revision of prices charged to our customers.

Operating efficiency

In addition to raw material costs, our ability to control operating expenses and improve operational efficiency is important to sustaining our competitiveness and profitability. The table below sets forth our EBITDA for Three month period ended June 30, 2026 and for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

(in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
EBITDA*	157.81	21.01%	504.79	20.83	418.80	20.05	203.00	18.18

**EBITDA comprise of Profit before tax minus Other Income plus Finance Costs, Depreciation and amortization expense*

Our financial performance is, therefore, dependent on our ability to improve productivity, maintain operational efficiency and effectively manage our operating expenses.

Production Interruptions and Machinery Breakdown

Our manufacturing operations depend on the efficient functioning of our manufacturing facility, comprising 204 shuttleless Airjet looms and supporting infrastructure for yarn testing, warping, sizing, automated drawing, direct-beaming, warp tying, cone winding, weaving, real-time fabric inspection, grading and batching. Our sizing and direct-beaming systems, automated drawing and warp-tying, cone winding systems, and material-handling equipment support production efficiency, fabric quality, material utilisation and operational continuity. Our production capacity and capacity utilisation depend on the availability and efficient functioning of manufacturing facility. Any breakdown or malfunction of machinery, failure of automated systems, delay in maintenance, disruption in power supply or inability to achieve the anticipated operational efficiencies may disrupt production, increase costs, affect product quality and delay order fulfilment, which may adversely affect our business, financial condition and results of operations.

Set out below are details of our installed capacity, production and capacity utilisation at our Manufacturing Facility for the periods indicated:

Particulars	Unit	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Installed weaving capacity[(1)]	million metres	25.20	25.20	19.20	13.20
Actual fabric production	million metres	7.04	24.46	15.27	11.11

Particulars	Unit	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Weaving capacity utilisation	%	27.94*	97.06	79.54	84.17
Installed sizing capacity[(2)]	million kg	6.00	6.00	3.00	NA
Actual sizing volume	million kg	1.88	5.88	3.06	NA
Sizing capacity utilisation	%	31.33*	98.00%	102.10%	NA

**Not annualized*

Notes:

(1) The annual installed capacity for weaving is calculated based on the applicable technical installed capacity, time-apportioned for the relevant period. Weaving capacity varies depending on the number of picks and construction of the fabric being manufactured. For the purpose of calculating installed capacity and utilization, we have considered an average of 80 picks.

(2) The annual installed capacity for sizing varies depending on yarn count and beam length. For calculating sizing installed capacity, we have considered 30s yarn and a beam length of 40,000 metres. Our sizing machine was installed during Fiscal 2025 and, accordingly, sizing capacity utilisation is not available for Fiscal 2024.

Note: *As certified by R.K. Maheshwari, Independent Chartered Engineer Certificate dated October 27, 2026.*

Further, our manufacturing processes involve multiple interconnected stages, and any disruption at one stage may affect subsequent production activities. Any failure of the sizing system to ensure uniform application of sizing material, direct-beaming equipment to manage thread sheets and rectify end breaks, automated drawing systems to facilitate timely loom preparation, warp-tying systems to support style changeovers, or cone winding systems to facilitate the reuse of residual yarn may affect production efficiency and material utilisation. Similarly, any failure of real-time fabric inspection, automated batching, ultrasonic cleaning or material-handling equipment, including hoists used for moving sized beams and fabric rolls, may affect quality control, maintenance and the movement of materials across the facility. Any such failure or adverse operational development may result in increased wastage, production delays, higher operating costs and an adverse impact on our business, financial condition and results of operations.

Employee Benefit Expense

Employee benefit expenses represent a material component of our cost structure and are impacted by the size and composition of our workforce. As on **September** 30, 2026, we **had 415 permanent employees** . The employee benefit expenses incurred by us during Three-month period ended June 30, 2026 and for Fiscal 2026, Fiscal 2025 and Fiscal 2024 are set out in the table below.

(in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Total expenses	Amount	% of Total expenses	Amount	% of Total expenses	Amount	% of Total expenses
Employee Benefit Expenses	35.01	5.41%	117.10	5.54	100.86	5.34	74.31	6.98

We seek to manage employee benefit expenses as a percentage of our total expense by improving operational efficiency, including through the adoption of number of automated and advanced machinery in our manufacturing processes. These measures are intended to improve productivity and 377optimize our workforce requirements. Since our employees are based in India, any increase in prevailing wage levels or changes in applicable labour laws and regulations may increase our employee-related costs. Such increase in employee benefit expenses may adversely affect our business, financial condition and results of operations.

Availability of funds for capital expenditure

Our operations require continued investment in plant, machinery and other equipment to support capacity enhancement and strengthen our manufacturing capabilities. The following table sets forth our capital expenditure during the relevant reporting periods together with the corresponding gross block for such periods:

(Amount in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Gross Block at the Beginning of the Year (A)	2,036.01	1,997.09	1,710.79	849.36
Capital Expenditure on Property, Plant and Equipment (B)	5.30	38.91	286.30	861.43
Capital Expenditure as a % of Opening Gross Block [C = (B/A)]	0.26	1.95	16.74	101.42
Capital Expenditure on Plant and Machinery (D)	1.15	18.02	235.54	606.89
Plant and Machinery Expenditure as a % of Capital Expenditure [E = (D/B)]	21.67	46.30	82.27	70.45

During Three month period ended June 30, 2026, Fiscal 2026, Fiscal 2025 and Fiscal 2024, we incurred ₹1.15 million, ₹18.02 million, ₹235.54 million and ₹606.89 million capital expenditure towards Plant and Machinery in our existing manufacturing facilities.

For further details regarding our manufacturing facilities, production capabilities and expansion strategy, see ***"Our Business – Our Manufacturing facility***" and "***Our Business – Our Strategies***" on pages 254 and 251, respectively. We intend to finance our expansion and operational requirements through a combination of internal accruals, Net proceeds and debt financing.

We propose to utilise ₹413.73 million from the Net Proceeds of the Issue towards capital expenditure. The quantum and timing of our future capital expenditure may vary from our current estimates due to factors such as delays in project execution, cost overruns, unforeseen expenditure, changes in regulatory requirements and economic conditions, technological developments and changes in market conditions and opportunities in the sectors in which we operate.

Working Capital Intensity

Our Company require us to maintain adequate levels of working capital to meet our raw material procurement, manufacturing process and other operating requirements. We are required to procure raw materials such as polyester yarn, cotton yarn, texturised yarn and fabrics in advance of production and maintain adequate inventory to ensure continuity of our manufacturing operations. Accordingly, fluctuations in raw material prices, inventory holding requirements and the time taken to convert inventory into finished products may impact our working capital requirements. The table below sets forth our Net Working Capital Days for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

(Amount in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net Working Capital Days[#]	712	200	165	184

**Not annualized*

[#]Net Working capital Days is calculated as Net Working Capital divided by Revenue from operations multiply by 365. Net working capital which is difference of Current assets excluding cash and cash equivalent and Current Liabilities excluding short term borrowings

Our working capital is also influenced by the credit period extended to our customers and the timing of collection of trade receivables. Any increase in the credit period offered to customers, delays in collection of receivables or increase in inventory levels may result in higher funds being deployed in working capital. Further, any increase in our production volumes or expansion of our manufacturing capacity may require us to maintain higher levels of raw materials, work-in-progress and finished goods, thereby increasing our working capital requirements.

We seek to manage our working capital through efficient inventory management, timely procurement of raw materials and monitoring of receivables and payables. However, our ability to effectively manage working capital may be affected by changes in raw material prices, demand for our products, customer payment cycles, production requirements and other factors beyond our control. Any significant increase in working capital requirements may require additional financing and could adversely affect our cash flows, financial condition and results of operations.

Government Incentives

Our operations may benefit from various incentives and other benefits available to the textile sector under schemes and policies introduced by the Central Government and the Government of Rajasthan. The Rajasthan Investment Promotion Scheme, 2022 ("RIPS 2022") and the Rajasthan Investment Promotion Scheme, 2024 ("RIPS 2024") provide various incentives to eligible enterprises. Our Company avails capital subsidy under RIPS 2022 and interest rate subsidy under RIPS 2024, which support our capital investments and help reduce our borrowing costs, respectively, subject to the applicable terms and conditions of the respective schemes.

The availability and quantum of such benefits are subject to applicable eligibility criteria, approvals and compliance with the terms and conditions of the relevant schemes. Any change, withdrawal or discontinuation of such incentives, or our inability to satisfy the applicable conditions, may adversely affect the benefits available to us and our financial performance.

The following table sets forth the government incentives and benefits received by us during the last three Fiscals:

(Amount in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Government incentives and benefits received	1.35	31.48	6.23	22.37

Note:

Government incentives and benefits received comprise income from government grants towards capital subsidy under RIPS 2022, benefits under the Remission of Duties and Taxes on Exported Products ("RoDTEP") scheme, which provides remission of eligible duties, taxes and levies incurred in the production and distribution of exported products, and Duty Drawback on exports, as well as interest subsidy received under RIPS 2024.

Customer Concernetrations and Dependence on Customer Relationship

We primarily cater to business-to-business (B2B) customers across the textile value chain, including textile and apparel manufacturers, wholesalers and other participants in the textile industry, either directly or through brokers and agents. We also cater to international markets through direct exports and sales to merchant exporters. Our customer base expanded from 147 revenue-generating customers in Fiscal 2024 to 232 in Fiscal 2025 to 316 in Fiscal 2026 and 204 for three month period ended June 30, 2026. Our ability to engage with customers through own-account fabric sales, job-work weaving and sizing arrangements, finished-fabric sales and sales of sized yarn enables us to address varying procurement, manufacturing and product requirements across the textile value chain.

We have established long-standing relationships with a number of our customers, with 64 customers having been associated with us for more than three years as of each of the respective Fiscals. Revenue generated from these customers amounted to ₹1,741.18 million, ₹1,632.02 million and ₹811.24 million in Fiscals 2026, 2025 and 2024, respectively, representing 71.84%, 78.15% and 72.64% of our revenue from operations during the respective periods. This demonstrates the continuity of a significant portion of our customer relationships alongside the expansion of our overall customer base.

Our revenue from operations is concentrated among certain customers. Our largest customer contributed 16.21%, 23.05%, 18.55% and 10.31% of our revenue from operations for three month period ended June 30, 2026 and for Fiscals 2026, 2025 and 2024, respectively, while our top five customers contributed 44.74%, 44.37%, 52.03% and 41.68%, respectively. Our top ten customers accounted for 59.04%, 57.76%, 64.54% and 63.31% of our revenue from operations for three month period ended June 30, 2026 and for Fiscals 2026, 2025 and 2024, respectively. While our expanding customer base and long-standing customer relationships support our business operations, Efficient and timely delivery of our products is important for meeting customer requirements, maintaining customer relationships and supporting our business operations. Any disruption in our distribution arrangements, delays in delivery or inability to ensure timely fulfilment of customer orders may affect our ability to meet customer expectations and contractual commitments, which could result in loss of sales opportunities and adversely affect our business, results of operations and financial condition.

Borrowing Requirements and Finance Costs

Our manufacturing and business operations require us to maintain adequate funding for working capital, capital expenditure and other business requirements. We utilise borrowings to meet a portion of these requirements, which results in finance costs. Our finance costs are primarily affected by the level of borrowings, utilisation of working capital facilities, applicable interest rates and the terms of our financing arrangements.

The following table sets forth our total borrowings and finance costs for three month period ended June 30, 2026 and for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

(Amount in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total Borrowings	2,459.20	2,272.67	1,941.47	1,532.89
Debt-to-Equity Ratio (x)[#]	2.03	2.01	2.18	2.10
Finance Cost	40.18*	126.22	155.69	54.74

**Not annualized*
[#]Debt to equity ratio is calculated as the Total borrowings (current and non-current) divided by Total equity

Any increase in our borrowing requirements or applicable interest rates may result in higher finance costs and may adversely affect our profitability and cash flows. Further, our ability to secure financing on commercially acceptable terms and efficiently manage our borrowings and working capital requirements is important to our financial performance.

Competition

We operate in a competitive textile industry and face competition from various small and established players. Competition is primarily based on factors such as product quality, pricing, product range, manufacturing capabilities, delivery timelines and customer relationships.

We also compete with larger and more established players that may have greater manufacturing capacity, financial resources, established customer relationships and broader product offerings. Increased competition or our inability to compete effectively on pricing, quality and delivery requirements may adversely affect our business, financial condition and results of operations.

While we believe that our main competitors based on comparable size and existing operational capabilities are Borana Weaves Ltd, Sonaselection India Ltd and Swaraj Suiting Ltd (Source: CareEdge Report), we may also face competition from other larger and more established players.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Current and non-current classification (Ind AS 1)

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

Assets

An asset is classified as current when it satisfies any of the following criteria: (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; (b) it is held primarily for the purpose of being traded; (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Assets held for sale

Current assets are classified as held for sale when their carrying amount is expected to be recovered primarily through sale rather than through continued use. An asset is classified as held for sale only if it is available for immediate sale in its present condition, subject to terms that are usual and customary for such sales, and the sale is highly probable. Management must be committed to the sale, and the transaction is expected to be completed within one year from the date of classification. As at each reporting date presented, the Company does not have any assets classified as "held for sale".

Liabilities

A liability is classified as current when it satisfies any of the following criteria: (a) it is expected to be settled in the Company's normal operating cycle; (b) it is held primarily for the purpose of being traded; (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other assets/liabilities are classified as non-current. Based on the nature of its products and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its normal operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

Property, plant and equipment (Ind AS 16)

Recognition and initial measurement

Property, plant and equipment are stated at cost of acquisition. The cost comprises the purchase price, borrowing costs where the capitalisation criteria are met, and any cost directly attributable to bringing the asset to its working condition for its intended use. Trade discounts and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount, or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Subsequent measurement, depreciation and useful lives

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation is provided on the straight-line method at rates determined based on Management's assessment of the useful economic life of the asset. The estimated useful lives of the various classes of assets, which are aligned with the useful lives specified in Schedule II to the Companies Act, 2013, are as under:

Asset class	Useful life (years)
Building	30
Plant and Machinery	30
Furniture and Fixtures	10
Vehicles	8
Office Equipment	5
Computers	3
Electrical Equipment	10
Solar (power) equipment	25

The residual values, useful lives and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Derecognition

An item of property, plant and equipment, and any significant part initially recognized, is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition (being the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Statement of Profit and Loss on derecognition. The title deeds of immovable properties comprised in property, plant and equipment and intangible assets are held in the name of the Company. The Company has not revalued any of its property, plant and equipment or intangible assets during any of the periods presented.

Capital work-in-progress

The cost of property, plant and equipment not ready for its intended use as at the reporting date is disclosed as capital work-in-progress.

Intangible assets (Ind AS 38)

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. The Company capitalises identifiable costs relating to the development of internally generated software, stated net of accumulated amortisation. Intangible assets under development comprise costs relating to development of software not yet ready for its intended use as at the balance sheet date. Computer software is amortized on the straight-line method over an estimated useful life of 5 years.

Investment property (Ind AS 40)

Investment property is property held to earn rentals and/or for capital appreciation, rather than for use in the production or supply of goods or services, for administrative purposes, or for sale in the ordinary course of business. Investment property, comprising land and buildings, is measured initially at cost, including transaction costs. Although the Company measures investment property using the cost model, the fair value of investment property is disclosed in the notes to the Restated Standalone Financial Information.

Impairment of non-financial assets (Ind AS 36)

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For impairment testing, assets are grouped into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGUs"). The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on estimated future cash flows discounted to present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount, net of depreciation/amortisation, that would have been determined had no impairment loss been recognized.

Provisions, contingent liabilities and contingent assets (Ind AS 37)

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the effect of the time value of money is material, provisions are determined by discounting expected future cash flows at a pre-tax rate reflecting current market assessments of the time value of money and the risks specific to the liability; the unwinding of the discount is recognized as a finance cost. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities and contingent assets

A contingent liability is disclosed where a possible obligation arises from past events, or a present obligation exists but an outflow of resources is not probable or cannot be reliably estimated; contingent liabilities are reviewed at each reporting date and are disclosed in the notes but not recognized. Contingent assets are neither recognized nor disclosed in the Restated Standalone Financial Information.

Income tax (Ind AS 12)

Current tax

Current tax comprises the expected tax payable or receivable on taxable income for the year, and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received, after considering any uncertainty in relation to income taxes. It is measured using tax rates and tax laws enacted or substantively enacted by the reporting date. Current tax assets and liabilities are offset only where there is a legally enforceable right to set off the recognized amounts and it is intended to realise the asset and settle the liability on a net basis, or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding tax bases, and in respect of carried-forward tax losses and tax credits. Deferred tax is not recognized for: (i) temporary differences arising on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and (ii) temporary differences relating to investments in subsidiaries to the extent the Company controls the timing of the reversal of the temporary difference and it is probable it will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent it is probable that future taxable profits will be available against which the temporary difference can be utilized. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Accordingly, in the case of a recent history of losses, the Company recognizes a deferred tax asset only to the extent it has sufficient taxable temporary differences, or there is convincing other evidence that sufficient taxable profit will be available against which such asset can be realized. Unrecognized and recognized deferred tax assets are reviewed at each reporting date and are recognized/reduced to the extent it has become probable/no longer probable, respectively, that the related tax benefit will be realized.

Employee benefits (Ind AS 19)

Defined benefit obligation — Gratuity (unfunded)

The liability recognized in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period, less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the Projected Unit Credit Method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in

which they occur, directly in Other Comprehensive Income, and are included in retained earnings through the Statement of Changes in Equity and the Balance Sheet; they are not reclassified to the Statement of Profit and Loss.

Defined contribution plans

The Company pays contributions to provident fund, employee pension scheme and employee state insurance as per the applicable statutes/rates prescribed by the authorities. The Company has no further obligation once the contributions have been paid. Contributions are accounted for as a defined contribution plan and recognized as an employee benefit expense when due.

Short-term employee benefits

Liabilities for salaries, including non-monetary benefits, that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service, are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. These liabilities are presented as current employee benefit obligations in the Balance Sheet.

Fair value measurement (Ind AS 113)

The Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values, including a team with overall responsibility for overseeing significant fair value measurements, including Level 3 fair values. Where third-party information such as broker quotes or pricing services is used, the team assesses the evidence obtained to support the conclusion that such valuations meet the requirements of Ind AS, including the level of the fair value hierarchy in which they should be classified.
Fair values are categorised into a fair value hierarchy based on the inputs used in the valuation technique, as under:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure fair value fall into different levels of the hierarchy, the fair value measurement is categorised in its entirety in the same level as the lowest-level input that is significant to the entire measurement. Transfers between levels of the fair value hierarchy are recognized at the end of the reporting period during which the change occurred.

Financial instruments (Ind AS 107 and Ind AS 109)

(a) **Financial assets**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets, other than trade receivables (which are initially measured at transaction price), are recognized at fair value on initial recognition. Financial assets are subsequently classified as measured at: (i) amortized cost; (ii) fair value through profit or loss ("FVTPL"); or (iii) fair value through other comprehensive income ("FVTOCI"). Financial assets are not reclassified subsequent to initial recognition, except where the Company changes its business model for managing financial assets.

A financial asset is derecognized when the contractual rights to its cash flows expire, or the Company transfers the contractual rights to receive the cash flows from the asset.
Impairment of financial assets: the Company recognizes loss allowances for expected credit losses (“ECL”) on financial assets measured at amortized cost. At each reporting date, the Company assesses whether such financial assets are impaired; a financial asset is ‘credit-impaired’ when one or more events with a detrimental impact on estimated future cash flows have occurred. Loss allowances are measured at an amount equal to lifetime ECL, except for debt securities determined to have low credit risk at the

reporting date, and other debt securities and bank balances for which credit risk has not increased significantly since initial recognition, which are measured at 12-month ECL. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL.

Twelve-month ECL is the portion of lifetime ECL that results from default events possible within twelve months after the reporting date (or a shorter period if the expected life of the instrument is less than twelve months). In assessing a significant increase in credit risk and in estimating ECL, the Company considers reasonable and supportable information, including forward-looking information, based on its historical experience and informed credit assessment. Expected credit losses are a probability-weighted estimate of credit losses, measured as the present value of all cash shortfalls. Loss allowances for financial assets measured at amortized cost are presented as a deduction from the gross carrying amount of the asset. The gross carrying amount of a financial asset is written off, in whole or in part, to the extent there is no realistic prospect of recovery — generally where the Company determines the debtor does not have assets or sources of income sufficient to generate cash flows to repay the amount subject to write-off.

(b) **Financial liabilities**

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument, and are initially measured at amortized cost unless designated at fair value through profit or loss on initial recognition. Financial liabilities are subsequently measured at amortized cost using the effective interest rate ("EIR") method, other than those carried at fair value through profit or loss, changes in the fair value of which are recognized in the Statement of Profit and Loss. A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the Balance Sheet, only where there is a legally enforceable right to offset the recognized amounts and an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on a future event and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Cash and cash equivalents

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances subject to restrictions on repatriation. Short-term and liquid investments subject to more than an insignificant risk of change in value are not included as part of cash and cash equivalents.

Revenue recognition (Ind AS 115)

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the transaction price, net of variable consideration including discounts, rebates, credits, price incentives and similar adjustments, allocated to the related performance obligation.

(a) **Sale of goods**

Control is generally transferred upon shipment of goods to the customer, or when the goods are made available to the customer, provided title has transferred and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped. Consideration is generally due upon satisfaction of the performance obligation, and a receivable is recognized when it becomes unconditional. Where discounts, rebates, credits, price incentives or similar terms apply, consideration is determined based on its most likely amount, assessed at each reporting period.

(b) **Rendering of services**

Revenue from rendering of services is recognized over time, measuring progress towards complete satisfaction of the performance obligation at each reporting period, at the amount of consideration the Company expects to be entitled to in exchange for the distinct goods or services transferred, excluding amounts collected on behalf of third parties (e.g., taxes and duties collected on behalf of the government).

(c) **Other operational revenue**

Other operational revenue represents income earned from activities incidental to the business and is recognized when the right to receive it is established as per the terms of the contract.

Other income

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate. Other items of income are recognized as and when the right to receive them arises, it is probable that economic benefits will flow to the Company, and the amount can be measured reliably.

Earnings per share (Ind AS 33)

Basic earnings per equity share is computed by dividing net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per equity share is computed by dividing net profit or loss attributable to equity shareholders by the weighted average number of equity shares used for basic EPS, adjusted for the weighted average number of equity shares that could be issued on conversion of all dilutive potential equity shares.

Statement of cash flows (Ind AS 7)

The Statement of Cash Flows is prepared by segregating cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using the indirect method, adjusting profit before tax (excluding exceptional items) for the effects of: (i) changes during the period in inventories, operating receivables and payables, and other items of a non-cash nature; (ii) non-cash items such as depreciation, provisions and unrealized foreign currency gains and losses; and (iii) all other items for which the cash effects are investing or financing cash flows. Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items not available for general use as at the Balance Sheet date.

Foreign currency transactions (Ind AS 21)

The functional and presentation currency of the Company is the Indian Rupee. Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate; non-monetary items measured at historical cost in a foreign currency are not retranslated. Exchange differences arising on settlement or on translation of monetary items at the closing rate are recognized in profit or loss in the period in which they arise, except for: (a) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets to the extent regarded as an adjustment to interest costs on those borrowings; and (b) exchange differences on transactions entered into to hedge certain foreign currency risks.

Borrowing costs (Ind AS 23)

Borrowing costs include interest expense calculated using the EIR method, finance charges in respect of assets acquired on finance lease, and exchange differences on foreign currency borrowings to the extent regarded as an adjustment to interest costs. Borrowing costs, net of any investment income from temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized in profit or loss in the period incurred. The EIR is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the financial instrument (or a shorter period, where

appropriate) to the gross carrying amount of the financial asset or the amortized cost of the financial liability, considering all contractual terms but not expected credit losses.

Leases (Ind AS 116)

As a lessee

The Company, as lessee, recognizes a right-of-use ("ROU") asset and a corresponding lease liability for its leasing arrangements where the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, the lease liability is measured at the present value of lease payments not yet paid, discounted using the incremental borrowing rate. The ROU asset is initially recognized at cost, comprising the initial lease liability, adjusted for lease payments made at or before the commencement date and initial direct costs, less lease incentives. The lease liability is subsequently increased to reflect interest and reduced for lease payments made, and remeasured on any reassessment or modification of the lease. The ROU asset is subsequently measured at cost less accumulated depreciation and impairment losses, and is depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. ROU assets are tested for impairment whenever indicators of impairment exist, on an individual asset basis or, where the asset does not generate independent cash flows, at the CGU level.

For short-term leases (lease term of twelve months or less, and not containing a purchase option) and leases of low-value assets, the Company recognizes lease payments as an expense on a straight-line basis, or another systematic basis more representative of the pattern of benefit, over the lease term.

As a lessor

The Company classifies leases, at inception, as either finance leases or operating leases. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership are classified as operating leases; lease income is recognized on a straight-line basis over the lease term unless receipts are structured to increase in line with expected general inflation, and initial direct costs are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as lease income. Assets subject to operating leases are presented under property, plant and equipment/investment property, as applicable. Leases transferring substantially all risks and rewards incidental to ownership are classified as finance leases; at commencement, the Company recognizes assets held under a finance lease as a receivable equal to the net investment in the lease, with finance income recognized over the lease term using the effective interest rate method.

Government grants (Ind AS 20)

Government grants are recognized at fair value where there is reasonable assurance that the grant will be received and the Company will comply with the attached conditions. Grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the related costs, and are presented within other income. Grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected useful lives of the related assets, presented within other income.

Accounting policies, changes in accounting estimates and errors (Ind AS 8)

The Company applies its accounting policies consistently to all periods presented unless a change is required by an Ind AS, or results in the financial statements providing more reliable and relevant information. Changes in accounting estimates are recognized prospectively in the period of change and future periods, where applicable. Material prior period errors are corrected retrospectively by restating comparative information or the opening balances of assets, liabilities and equity, as required by Ind AS 8.

Events after the reporting period (Ind AS 10)

Events occurring after the reporting period and before the date on which the Restated Standalone Financial Information are approved by the Board of Directors are evaluated to determine whether they are adjusting or non-adjusting events, and whether they require adjustment to, or disclosure in, the Restated Standalone Financial Information.

Inventories (Ind AS 2)

Inventories are stated at the lower of cost and net realisable value. The cost of finished goods and work-in-progress includes raw materials, direct labour, other direct costs and related production overheads. The cost of raw materials comprises the cost of purchase and other costs incurred in bringing the inventories to their present location and condition, net of rebates and discounts. Cost is determined on a weighted average cost basis, applied consistently to all inventories of a particular class. Stores and spares are valued at weighted average cost, after providing for obsolescence and other anticipated losses, wherever considered necessary. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Materials and other supplies held for use in production are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

Segment reporting (Ind AS 108)

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM").

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

TOTAL INCOME

Our total income comprises Revenue from Operations and Other income.

Revenue from Operations

Our revenue from operations primarily comprises manufacturing income from the sale of fabrics in the domestic and export markets, including cotton-spandex fabrics, rigid cotton fabrics, denim fabrics, PV fabrics and other blended fabrics. These fabrics are sold in both grey and finished forms. Cotton-spandex fabrics accounted for the majority of our sales during the last three Fiscals and the stub period ended June 30, 2026.

In addition to manufacturing income, we generate activity income from job-work services, including weaving and sizing, as well as from the sale of sized yarn. We also generate other operating income, which primarily comprises income from the sale of yarn, waste and stores and spares.

Other Income

Other Income primarily comprises interest income earned on fixed deposits, benefits received under the Remission of Duties and Taxes on Exported Products (“RoDTEP”) scheme and duty drawback on exports, Income from government grants, Foreign exchange gains, Write-back of sundry balances, and Gains on investments measured at fair value through profit or loss.

Expenses

Our expenses primarily comprise Cost of material consumed and Change in Inventories. In addition, our expenses include Employee benefits expense, Depreciation and amortisation expense, Finance costs and Other expenses.

Cost of material consumed

Our Cost of materials consumed represents the cost of materials consumed during the year and is determined based on purchases adjusted for changes in the opening and closing inventories of raw materials. The materials primarily comprise polyester yarn, cotton yarn, texturized yarn and fabrics, which are used as key inputs in the manufacturing of our products.

Changes in inventories

Change in inventories of finished goods and work-in-progress represents net increase or decrease in unsold production during the period/year.

Employee Benefit Expenses

Employee Benefit expenses primarily comprise of salaries, wages and bonus, director's remuneration, contribution to provident fund and other welfare funds, Gratuity Expenses and staff welfare expenses.

Finance Cost

Finance costs primarily comprise interest expenses on various credit facilities, including term loans availed for business purposes and vehicle purchases, working capital facilities, and unsecured loans, as well as other borrowing-related costs, including bank charges and processing fees.

Depreciation and amortization expenses

Depreciation and amortisation expenses comprise depreciation on property, plant and equipment and right-of-use assets, and amortisation of intangible assets.

Other Expenses

Other expenses primarily comprise Direct production related overheads, Administrative expenses and Selling and Distribution expense

Tax Expense

Tax Expense represent the tax payable on the taxable income of the year based on the applicable income tax rate adjusted by income tax payable for earlier years and deferred tax charges.

RESULTS OF OPERATIONS BASED ON RESTATED FINANCIAL STATEMENTS

The following tables set forth our selected restated financial information from our restated statement of profit and loss for Three month period ended June 30, 2026 and for Fiscal 2026, Fiscals 2025, and Fiscal 2024, the components of which are also expressed as a percentage of restated total income for such periods:

(Amount in ₹ million, unless stated otherwise)

Particulars	Three month period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	In ₹ million	As a % of total income	In ₹ million	As a % of total income	In ₹ million	As a % of total income	In ₹ million	As a % of total income
INCOME								
Revenues from Operations	751.07	99.57%	2,423.84	99.38%	2,088.43	99.45%	1,116.82	98.55%
Other Income	3.25	0.43%	15.12	0.62%	11.58	0.55%	16.38	1.45%
Total Income	754.32	100.00%	**2,438.96**	**100.00%**	**2,100.01**	**100.00%**	**1,133.20**	**100.00%**
EXPENSES								
Cost of Material Consumed	553.73	73.41%	1,528.75	62.68%	1,095.01	52.14%	647.06	57.10%
Change in Inventories	(173.88)	-23.05%	(263.44)	-10.80%	(59.25)	-2.82%	(109.16)	-9.63%
Employee Benefit Expenses	35.01	4.64%	117.10	4.80%	100.86	4.80%	74.31	6.56%
Finance Costs	40.18	5.33%	126.22	5.18%	155.69	7.41%	54.74	4.83%
Depreciation & Amortization Expense	13.54	1.80%	68.59	2.81%	61.70	2.94%	95.73	8.45%
Other Expenses	178.40	23.65%	536.64	22.00%	533.01	25.38%	301.61	26.62%
Total expenses	646.98	85.77%	**2,113.86**	**86.67%**	**1,887.02**	**89.86%**	**1,064.29**	**93.92%**
Profit before tax	107.34	14.23%	**325.10**	**13.33%**	**212.99**	**10.14%**	**68.90**	**6.08%**
TAX EXPENSE								
Current tax	25.51	3.38%	60.87	2.50%	18.60	0.89%	10.72	0.95%
Deferred tax	2.05	0.27%	21.97	0.90%	34.97	1.67%	5.84	0.52%
Total tax expense	27.56	3.65%	**82.84**	**3.40%**	**53.57**	**2.55%**	**16.56**	**1.46%**
Profit for the year	**79.78**	10.58%	**242.26**	**9.93%**	**159.42**	**7.59%**	**52.35**	**4.62%**

Three month period ended June 30, 2026

Total Income

Total income for the three month period ended June 30, 2026, stood at ₹754.32 million, The Total income during the period was primarily driven by revenue from operations and Other income

Revenue from operations

For the three-month period ended June 30, 2026, revenue from operations amounted to ₹751.07 million, accounting for 99.57% of total income. It is primarily driven by cotton-spandex fabrics, which contributed ₹380.18 million, or 50.62%, followed by polyester-viscose fabrics at ₹190.25 million, or 25.33%, and job work income at ₹96.83 million, or 12.89%.

Other income

Other income for the three-month period ended June 30, 2026 was ₹3.25 million, accounting for 0.43% of total income. Other income primarily comprised interest income earned on lien marked fixed deposits, Income from government grant and foreign exchange gain/(loss) contributing ₹3.03 million accounting for 93.15% of Other income.

Expenses

Total expenses for the three-month period ended June 30, 2026 amounted to ₹646.98 million, representing 85.77% of total income which comprised of Cost of Material Consumed of ₹553.73 million, Change in Inventories of ₹(173.88) million, Employee benefits expenses of ₹35.01 million, Depreciation and amortization expenses of ₹13.54 million, Finance cost of ₹40.18 million, and Other expenses of ₹178.40 million. The details and rationale for such changes are set out below.

Cost of material consumed

Cost of material consumed for the three-month period ended June 30, 2026 amounted to ₹553.73 million, representing 73.41% of our total income. These expenses primarily comprised procurement of polyester viscose yarn, cotton yarn, textured yarn and polyester yarn used for weaving, as well as grey fabric and cotton fabric used for processing.

Changes in inventories

Changes in inventories decrease by ₹173.88 million during three-month period ended June 30, 2026. This decrease was primarily attributable to higher inventory levels maintained as at June 30, 2026, including increased stocks of work-in-progress and finished goods.

Employee benefits expenses

Employee benefits expenses for the three-month period ended June 30, 2026 amounted to ₹35.01 million, representing 4.64% of our total income. The expense was primarily attributable to salaries & wages of ₹27.85 million, director remuneration of ₹4.83 million, contribution to provident fund and other funds of ₹1.61 million,

Finance costs

Finance costs for the three-month period ended June 30, 2026 amounted to ₹40.18 million, representing 5.33% of our total income. These costs primarily comprised interest expenses of ₹33.35 million on working capital loans and term loans, including term loans obtained for capital expenditure. The remaining finance costs comprised interest on unsecured loans, finance costs on lease liabilities, interest on general and miscellaneous borrowings, including bill discounting facilities and Other borrowing costs incurred in connection with arrangement of borrowings, such as processing fees and bank charges.

Depreciation and Amortization

Depreiction and amortization expense for the three-month period ended June 30, 2026 amounted to ₹13.54 million, representing 1.80% of Total Income. The expense related to depreciation on property, plant and equipment and amortization on right of use assets and Intangible assets during the period.

Other expenses

Other expenses for the three-month period ended June 30, 2026 amounted to ₹178.40 million, representing 23.65% of our total income, and primarily comprised power and fuel accounting ₹49.92 million, processing charges paid amounting to ₹62.73 million, purchase of consumable items amounting to ₹20.23 million and Job Weaving Charges amounting to ₹25.06 million.

Profit before Tax

Profit before tax for the three-month period ended June 30, 2026 amounted to ₹107.34 million, representing a profit before tax margin of 14.23% of total income.

Tax Expense

Total tax expenses for the three-months period ended June 30, 2026 amounted to ₹27.56 million, representing a 3.65% of total income primarily driven by current tax expense of ₹25.51 million.

Profit for the period

As a result of the foregoing, profit for the period for the three-month period ended June 30, 2026 amounted to ₹79.78 million, representing a Net profit margin of 10.58% of total income.

FISCAL 2026 COMPARED TO FISCAL 2025

Total Income

Total income increased by ₹338.95 million or 16.14% from ₹2,100.01 million in Fiscal 2025 to ₹2,438.96 million in Fiscal 2026 for the reasons set out below.

Revenue from operations

Our revenue from operations increased by ₹335.40 million, or 16.06%, from ₹2,088.43 million in Fiscal 2025 to ₹2,423.84 million in Fiscal 2026. This increase was primarily attributable to an increase of ₹252.95 million in revenue from the sale of PV fabrics, from ₹113.02 million in Fiscal 2025 to ₹365.97 million in Fiscal 2026. In addition, job-work weaving income increased by ₹99.67 million to ₹243.18 million in Fiscal 2026, while job-work sizing income increased by ₹55.11 million to ₹86.79 million in Fiscal 2026. These increases were partly offset by a decrease of ₹41.70 million in revenue from the sale of cotton-spandex fabrics during Fiscal 2026.

Other income

Other income increased by ₹3.54 million, or 30.61%, from ₹11.58 million in Fiscal 2025 to ₹15.12 million in Fiscal 2026. The increase was primarily attributable to an increase in income from Government Grants, foreign exchange gain/(loss), and sundry balances written back, which increased by ₹3.13 million, ₹2.08 million, and ₹1.13 million, respectively. This increase was partially offset by a decrease of ₹2.92 million in Remission of Duties and Taxes and Duty Drawback on exports during Fiscal 2026.

Expenses

Total expenses increased by ₹226.84 million, or 12.02%, from ₹1,887.02 million in Fiscal 2025 to ₹2,113.86 million in Fiscal 2026, in line with the growth in total income during the period, while the Company continued to exercise control over its operating expenses. The details and rationale for such changes are set out below.

Cost of material consumed

Our cost of materials consumed increased by ₹433.74 million, or 39.61%, from ₹1,095.01 million in Fiscal 2025 to ₹1,528.75 million in Fiscal 2026. The increase was primarily attributable to higher procurement costs of key raw materials, including polyester viscose yarn, cotton yarn, textured yarn and polyester yarn used for weaving, as well as grey fabric and cotton fabric used for processing. The procurement cost of these raw materials increased by ₹353.43 million, or 26.53%, during Fiscal 2026, partly due to higher raw material prices amid geopolitical tensions during early calendar year 2026 and broadly in line with the 16.06% growth in revenue from operations during the same period

Changes in inventories

Changes in inventories decrease by ₹204.19 million during Fiscal 2026 from ₹(59.25) million in Fiscal 2025 to ₹(263.44) million in Fiscal 2026. This increase was primarily attributable to higher inventory levels maintained during Fiscal 2026, including increased stocks of work-in-progress and finished inventories.

Employee benefits expenses

Employee benefits expenses increased by ₹16.25 million, or 16.11%, from ₹100.86 million in Fiscal 2025 to ₹117.10 million in Fiscal 2026. The increase was primarily attributable to higher salaries, wages and bonus expenses, which increased by ₹16.75 million during Fiscal 2026. This increase was mainly due to the increase in employee headcount from 315 as at March 31, 2025 to 393 as at March 31, 2026

Finance costs

Finance costs decreased by ₹29.47 million, or 18.93%, from ₹155.69 million in Fiscal 2025 to ₹126.22 million in Fiscal 2026. The decrease was primarily attributable to (i) interest subsidy of ₹25.04 million received under the Rajasthan Investment Promotion Scheme ("RIPS") in Fiscal 2026 in respect of term loans availed by the Company, as against nil in Fiscal 2025, and (ii) a reduction of ₹14.87 million in interest expense on term loans, primarily due to a decrease in term loan borrowings following the quarterly instalment repayments made during Fiscal 2026.

The decrease was partially offset by an increase of ₹18.23 million in interest expense on working capital loans, which increased to ₹55.27 million in Fiscal 2026, primarily due to an increase in secured current working capital borrowings from banks

Depreciation and Amortization

Depreciation and amortisation expenses increased by ₹6.89 million, or 11.17%, from ₹61.70 million in Fiscal 2025 to ₹68.59 million in Fiscal 2026, primarily due to an increase of ₹6.37 million in depreciation on Property, Plant and Equipment. The increase in depreciation is in line with the accounting estimates and useful life of assets.

Other expenses

Other expenses increased marginally by ₹3.63 million, or 0.68%, from ₹533.01 million in Fiscal 2025 to ₹536.64 million in Fiscal 2026. The increase was primarily attributable to higher Power & Fuel expenses and Purchases of consumable items, which increased by ₹43.05 million, and ₹26.46 million respectively, during Fiscal 2026. This increase was partially offset by a decrease in Processing Charges Paid by ₹21.56 million on account of change in product mix, Job Weaving Charges by ₹32.94 million and Yarn Doubling & Printing Charges by ₹15.69 million on account of procurement of in-house sizing machines for captive use, during Fiscal 2026.

Profit before Tax

Profit before tax increased by ₹112.11 million from ₹212.99 million in Fiscal 2025 to ₹325.10 million in Fiscal 2026. The increase was partially attributable to growth in revenue from operations relative to the increase in total expenses and other costs as discussed above. Revenue from operations increased by 16.06% during Fiscal 2026, compared to a 12.02% increase in total expenses, resulting in an improvement in profitability during Fiscal 2026.

Tax Expense

Our tax expense increased by ₹29.27 million, from ₹53.57 million in Fiscal 2025 to ₹82.84 million in Fiscal 2026. The increase was primarily attributable to an increase in current tax expense of ₹42.27 million, from ₹18.60 million in Fiscal 2025, partially offset by a decrease in deferred tax expense of ₹13.01 million during Fiscal 2026. The effective tax rate for Fiscal 2025 and Fiscal 2024 was within the range of applicable corporate tax rates during the respective periods.

Profit for the Year

For the various reasons listed above, we reported a profit for the year of ₹242.26 million in Fiscal 2026 as compared to profit for the year of ₹159.42 million in Fiscal 2025.

FISCAL 2025 COMPARED TO FISCAL 2024

Total Income

Total Income increased by ₹966.81 million or by 85.32% from ₹1,133.20 million in fiscal 2024 to ₹2,100.01 million in Fiscal 2025. This was primarily due to increase in our revenue from operations and for the reasons set out below.

Revenue from operations

Our revenue from operations increased by ₹971.61 million, or 87.00%, from ₹1,116.82 million in Fiscal 2024 to ₹2,088.43 million in Fiscal 2025. This increase was primarily attributable to an increase of ₹1,046.16 million in revenue from the sale of cotton-spandex fabrics, from ₹464.47 million in Fiscal 2024 to ₹1,510.63 million in Fiscal 2025 and increase in installed capacity of weaving. In addition, revenue from the sale of sized yarn increased by ₹104.13 million, following the installation of our sizing machine during Fiscal 2025. These increases were partly offset by a decrease of ₹250.73 million in revenue from the sale of PV fabrics, from ₹363.75 million in Fiscal 2024 to ₹113.02 million in Fiscal 2025.

Other income

Other income decreased by ₹4.80 million, or 29.32%, from ₹16.38 million in Fiscal 2024 to ₹11.58 million in Fiscal 2025. The decrease was primarily attributable to sundry balances written back of ₹5.29 million recognized in Fiscal 2024, compared to ₹0.04 million in Fiscal 2025

Expenses

Total expenses increased by ₹822.73 million or 77.30% from ₹1,064.29 million in Fiscal 2024 to ₹1,887.02 million in Fiscal 2025 for the reasons mentioned below.

Cost of material consumed

Our cost of materials consumed increased by ₹447.96 million, or 69.23%, from ₹647.06 million in Fiscal 2024 to ₹1,095.01 million in Fiscal 2025. This increase correlates with the increase in sales volume and scale of operations.

Inventory at the end of the period/year increased to ₹ 416.53 million in Fiscal 2025 from ₹ 179.50 million in Fiscal 2024 to support increased scale of operation.

Changes in inventories

Changes in inventories increase by ₹49.91 million during Fiscal 2025 from ₹(109.16) million in Fiscal 2024 to ₹(59.25) million in Fiscal 2025. This was driven by production and deliveries aligned to realistic schedules and an expanded scale of operations.

Employee benefits expenses

Our employee benefit expenses increased by ₹26.54 million, or 35.72%, from ₹74.31 million in Fiscal 2024 to ₹100.86 million in Fiscal 2025. The increase was primarily attributable to higher salaries, wages and bonus expenses, which increased by ₹20.48 million during Fiscal 2025. This increase was mainly due to the increase in employee headcount from 212 as at March 31, 2024, to 315 as at March 31, 2025

Finance costs

During Fiscal 2025, finance costs increased by ₹100.95 million, or 184.39%, from ₹54.74 million in Fiscal 2024 to ₹155.69 million in Fiscal 2025. The increase was primarily attributable to an increase in the term loan facilities, resulting in an increase of ₹52.25 million in the related interest expense, coupled with NIL subsidy received under the Rajasthan Investment Promotion Scheme ("RIPS") during Fiscal 2025, as compared to ₹17.17 million received during Fiscal 2024. In addition, interest expense on working capital loans increased by ₹25.99 million to ₹37.05 million in Fiscal 2025, primarily due to an increase of ₹264.46 million in secured current working capital facilities from banks, from ₹238.96 million in Fiscal 2024 to ₹503.42 million in Fiscal 2025

Depreciation and Amortization

Depreciation and amortisation expenses decreased by ₹34.03 million, or 35.55%, from ₹95.73 million in Fiscal 2024 to ₹61.70 million in Fiscal 2025. The decrease was primarily attributable to a reduction of ₹34.04 million in depreciation on Property, Plant and Equipment, mainly due to a decrease of ₹43.00 million in depreciation charges on Plant and Machinery during Fiscal 2025.

Other expenses

Other expenses increased by ₹231.40 million, or 76.72%, from ₹301.61 million in Fiscal 2024 to ₹533.01 million in Fiscal 2025. The increase was primarily attributable to an increase in Power & Fuel expenses, Processing Charges Paid, Purchases of Consumables and Job Weaving Charges by ₹37.15 million, ₹115.17 million, ₹39.46 million and ₹19.04 million, respectively, during Fiscal 2025. The increase in these expenses was primarily due to higher production activity during Fiscal 2025, as these expenses represent direct production overheads and are largely variable in nature. The increase in these expenses was commensurate with the growth in revenue from operations, which increased by 87.00% during Fiscal 2025.

Profit before Tax

Profit before tax increased by ₹144.08 million from ₹68.90 million in Fiscal 2024 to ₹212.99 million in Fiscal 2025. The increase was primarily driven by the higher growth in revenue from operations relative to the increase in total expenses. Revenue from operations increased by 87.00% during Fiscal 2025, compared to a 77.30% increase in total expenses, resulting in an improvement in profitability during Fiscal 2025.

Tax Expense

Our tax expense increased by ₹37.02 million, from ₹16.56 million in Fiscal 2024 to ₹53.57 million in Fiscal 2025. The increase was primarily attributable to an increase in deferred tax expense of ₹29.13 million, from ₹5.84 million in Fiscal 2024, and an increase in current tax expense of ₹7.89 million during Fiscal 2025. The effective tax rate for Fiscal 2025 and Fiscal 2024 was within the range of applicable corporate tax rates during the respective periods.

Profit for the Year

For the various reasons listed above, we reported a profit for the year of ₹159.42 million in Fiscal 2025 as compared to profit for the year of ₹52.35 million in Fiscal 2024

SELECTED RESTATED STATEMENT OF ASSETS AND LIABILITIES

The table below sets forth the principal components of our total assets, equity and liabilities as at the periods indicated in the table below:

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total non-current assets	2,432.32	2,296.46	1,967.21	1,792.10
Total current assets	1,998.88	1,803.76	1,290.46	774.47
Total Assets	**4,431.20**	**4,100.22**	**3,257.67**	**2,566.57**
Total Equity	1,210.22	1,130.56	890.81	731.42
Total non-current liabilities	1,658.84	1,419.64	1,264.90	1,219.33
Total current liabilities	1,562.14	1,550.03	1,101.96	615.82
Total Equity and Liabilities	**4,431.20**	**4,100.22**	**3,257.67**	**2,566.57**

Total Non-Current Assets

Fiscal 2025 compared with Fiscal 2024

Total non-current assets increased by ₹175.11 million, or 9.77%, from ₹1,792.10 million as at March 31, 2024 to ₹1,967.21 million as at March 31, 2025, primarily due to an increase in property, plant and equipment by ₹224.61 million, from ₹1,615.05 million in Fiscal 2024 to ₹1,839.67 million in Fiscal 2025. The increase was further supported by an addition to investment property amounting to ₹33.61 million towards acquisition of land strategically located in the vicinity of our existing manufacturing facility, which is intended to support our future operations. These increases were partly offset by a decrease in capital work-in-progress by ₹76.01 million, primarily due to capitalization of ₹240.26 million during Fiscal 2025, partially offset by additions of ₹164.25 million, primarily relating to plant and machinery. Other financial assets also decreased by ₹7.86 million, primarily due to a decrease in fixed deposits by ₹9.13 million during Fiscal 2025.

Fiscal 2026 compared with Fiscal 2025

Total non-current assets increased by ₹329.25 million, or 16.74%, from ₹1,967.21 million as at March 31, 2025 to ₹2,296.46 million as at March 31, 2026, primarily due to an increase in other non-current assets by ₹226.06 million, from ₹17.10 million as at March 31, 2025 to ₹243.16 million as at March 31, 2026, primarily comprising capital advances towards addition of solar capacity, which is proposed to increase from the existing 2.50 MW (AC) to 9.9 MW (AC) support our future power requirements.

The increase was further supported by an increase in other financial assets by ₹125.31 million, from ₹22.81 million in Fiscal 2025 to ₹148.12 million in Fiscal 2026, primarily due to an increase in claims recoverable from government grants, which is basically subsidy receivable under the Rajasthan Investment Promotion Scheme ("RIPS") in respect of eligible investments made in plant and machinery, which increased to ₹117.20 million in Fiscal 2026 from Nil in Fiscal 2025. The increase in total non-current assets was also accompanied by a decrease in property, plant and equipment by ₹29.15 million, primarily attributable to depreciation charged during Fiscal 2026, partly offset by small additions during the year.

Three month period ended June 30, 2026 compared with Fiscal 2026

Total non-current assets increased by ₹135.86 million, or 5.92%, from ₹2,296.46 million as at March 31, 2026 to ₹2,432.32 million as at June 30, 2026. This increase was primarily attributable to capital work-in-progress which increase by ₹167.17 million, partially offset by a decrease of ₹23.42 million in capital advances. These capital advances relate to payments made to vendors towards the proposed expansion of solar power capacity from the existing 2.50 MW (AC) to 9.9 MW (AC) to support our future power requirements.

Total Current Assets

Fiscal 2025 compared with Fiscal 2024

Total current assets increased by ₹515.98 million, or 66.62%, from ₹774.47 million as at March 31, 2024 to ₹1,290.46 million as at March 31, 2025, primarily due to an increase in raw material inventories by ₹237.03 million, from ₹179.50 million as at March 31, 2024 to ₹416.53 million as at March 31, 2025. The increase was further supported by an increase in trade receivables by ₹235.72 million or 87.16%, from ₹270.46 million in Fiscal 2024 to ₹506.18 million in Fiscal 2025, in line with the growth in revenue from operations, which increased by 87.00% during Fiscal 2025.

Fiscal 2026 compared with Fiscal 2025

Total current assets increased by ₹513.30 million, or 39.78%, from ₹1,290.46 million as at March 31, 2025 to ₹1,803.76 million as at March 31, 2026, primarily due to an increase in inventories by ₹422.73 million. The increase in inventories was mainly attributable to an increase in raw materials, work-in-progress and finished goods by ₹156.72 million, ₹92.15 million and ₹172.39 million, respectively, during Fiscal 2026.

The increase was further supported by an increase in trade receivables by ₹38.06 million and other current assets by ₹36.21 million, primarily comprising higher balances with government authorities and advances to suppliers during Fiscal 2026.

Three month period ended June 30, 2026 compared with Fiscal 2026

Total current assets increased by ₹195.12 million, or 10.82%, from ₹1,803.76 million as at March 31, 2026 to ₹1,998.88 million as at June 30, 2026. This increase was primarily attributable to an increase in inventories of ₹109.28 million, trade receivables of ₹58.69 million and other current assets of ₹27.45 million, including GST receivables and advances to suppliers.

Total Assets

Fiscal 2025 compared with Fiscal 2024

Total assets increased by ₹691.10 million, or 26.93%, from ₹2,566.57 million as at March 31, 2024 to ₹3,257.67 million as at March 31, 2025, primarily due to an increase in inventories by ₹295.95 million, property, plant and equipment by ₹224.61 million and trade receivables by ₹235.72 million. The increase was partly offset by a decrease in capital work-in-progress by ₹76.01 million.

Fiscal 2026 compared with Fiscal 2025

Total assets increased by ₹842.55 million, or 25.86%, from ₹3,257.67 million as at March 31, 2025 to ₹4,100.22 million as at March 31, 2026, primarily due to an increase in inventories by ₹422.73 million, other non-current assets by ₹226.06 million and other financial assets by ₹125.31 million. The increase was partly offset by a decrease in property, plant and equipment by ₹29.15 million.

Three month period ended June 30, 2026 compared with Fiscal 2026

Total assets increased by ₹330.98 million, or 8.07%, from ₹4,100.22 million as at March 31, 2026 to ₹4,431.20 million as at June 30, 2026. The increase in total assets was primarily attributable to an increase in capital work-in-progress of ₹167.17 million, inventories of ₹109.28 million, trade receivables of ₹58.69 million and other current assets of ₹27.45 million comprise of GST receivables and advances to suppliers.

Total Equity

Fiscal 2025 compared with Fiscal 2024

Total equity increased by ₹159.40 million, or 21.79%, from ₹731.42 million as at March 31, 2024 to ₹890.81 million as at March 31, 2025, primarily due to an increase in other equity by ₹159.40 million which is for profit earned during Fiscal 2025 of ₹159.42 million and Other comprehensive income/(Loss) of ₹(0.02) million.

Fiscal 2026 compared with Fiscal 2025

Total equity increased by ₹239.74 million, or 26.91%, from ₹890.81 million as at March 31, 2025 to ₹1,130.56 million as at March 31, 2026, primarily due to an increase in equity share capital by ₹210.10 million pursuant to the bonus issue of 42,020,000 equity shares during Fiscal 2026 by capitalising amounts from retained earnings. The increase was further supported by an increase in other equity by ₹29.64 million, primarily attributable to profit for Fiscal 2026 of ₹242.26 million, partially offset by other comprehensive loss of ₹2.52 million and the corresponding utilisation of retained earnings towards the bonus issue.

Three month period ended June 30, 2026 compared with Fiscal 2026

Total equity increased by ₹79.66 million, or 7.05%, from ₹1,130.56 million as at March 31, 2026 to ₹1,210.22 million as at June 30, 2026, primarily due to an increase in other equity by ₹79.66 million which is for profit earned during three-month period ended June 30, 2026 of ₹79.78 million and Other comprehensive income/(Loss) of ₹(0.12) million

Total Non-Current Liabilities

Fiscal 2025 compared with Fiscal 2024

Total non-current liabilities increased by ₹45.57 million, or 3.74%, from ₹1,219.33 million as at March 31, 2024 to ₹1,264.90 million as at March 31, 2025, primarily due to an increase in non-current borrowings by ₹67.82 million comprise of term loan and unsecured loan from related parties, from ₹1,116.64 million in Fiscal 2024 to ₹1,184.47 million in Fiscal 2025, and an increase in deferred tax liabilities by ₹34.97 million. The increase was partly offset by a decrease in other financial liabilities by ₹56.80 million.

Fiscal 2026 compared with Fiscal 2025

Total non-current liabilities increased by ₹154.74 million, or 12.23%, from ₹1,264.90 million as at March 31, 2025 to ₹1,419.64 million as at March 31, 2026, primarily due to an increase in other non-current liabilities of ₹122.75 million, representing deferred government grants relating to subsidy receivable under the RIPS in respect of eligible investments made in plant and machinery. The increase was further supported by an increase in deferred tax liabilities by ₹21.12 million and non-current borrowings by ₹13.54 million during Fiscal 2026.

Three month period ended June 30, 2026 compared with Fiscal 2026

Total non-current liabilities increased by ₹239.20 million, or 16.85%, from ₹1,419.64 million as at March 31, 2026 to ₹1,658.84 million as at June 30, 2026. This increase was primarily attributable to an increase in non-current borrowings of ₹232.15 million and other financial liabilities of ₹5.89 million, mainly comprising amounts payable towards capital expenditure for expansion of solar capacity.

Total Current Liabilities

Fiscal 2025 compared with Fiscal 2024

Total current liabilities increased by ₹486.14 million, or 78.94%, from ₹615.82 million as at March 31, 2024 to ₹1,101.96 million as at March 31, 2025, primarily due to an increase in current borrowings by ₹340.76 million, in line with net proceeds from borrowings, after repayments, of ₹408.58 million during Fiscal 2025. The increase was further supported by an increase in trade payables by ₹115.23 million in aggregate, primarily due to an increase in creditors other than micro and small enterprises by ₹98.96 million during Fiscal 2025. Other current

liabilities also increased by ₹24.16 million, primarily due to an increase in advances received from customers, which increased from ₹3.35 million as at March 31, 2024 to ₹27.50 million as at March 31, 2025.

Fiscal 2026 compared with Fiscal 2025

Total current liabilities increased by ₹448.07 million, or 40.66%, from ₹1,101.96 million as at March 31, 2025 to ₹1,550.03 million as at March 31, 2026, primarily due to an increase in current borrowings by ₹317.66 million, from ₹757.00 million as at March 31, 2025 to ₹1,074.67 million as at March 31, 2026, in line with net proceeds from borrowings, after repayments, of ₹331.20 million during Fiscal 2026. The increase was further supported by an increase in trade payables by ₹85.65 million in aggregate, primarily due to an increase in creditors other than micro and small enterprises by ₹97.99 million during Fiscal 2026. In addition, current tax liabilities and provisions increased by ₹29.78 million and ₹11.39 million, respectively, during Fiscal 2026.

Three month period ended June 30, 2026 compared with Fiscal 2026

Total current liabilities increased by ₹12.11 million, or 0.78%, from ₹1,550.03 million as at March 31, 2026 to ₹1,562.14 million as at June 30, 2026. This increase was primarily attributable to an increase in trade payables of ₹44.55 million and Current Tax Liabilities (Net) of ₹17.70 million, partially offset by a decrease in current borrowings of ₹45.62 million.

Total Equity and Liabilities

Fiscal 2025 compared with Fiscal 2024

Total equity and liabilities increased from ₹2,566.57 million as at March 31, 2024 to ₹3,257.67 million as at March 31, 2025, primarily due to an increase in total equity of ₹159.40 million, non-current liabilities of ₹45.57 million and current liabilities of ₹486.14 million. The increase in current liabilities was primarily driven by higher current borrowings and trade payables.

Fiscal 2026 compared with Fiscal 2025

Total equity and liabilities increased from ₹3,257.67 million as at March 31, 2025 to ₹4,100.22 million as at March 31, 2026, primarily due to an increase in total equity of ₹239.74 million, non-current liabilities of ₹154.74 million and current liabilities of ₹448.07 million. The increase in liabilities was primarily driven by higher current borrowings, recognition of other non-current liabilities and an increase in deferred tax liabilities.

Three month period ended June 30, 2026 compared with Fiscal 2026

Total equity and liabilities increased by ₹330.98 million, or 8.07%, from ₹4,100.22 million as at March 31, 2026 to ₹4,431.20 million as at June 30, 2026. This increase was primarily attributable to an increase in non-current borrowings of ₹232.15 million, other financial liabilities of ₹5.89 million, mainly comprising amounts payable towards capital expenditure for the expansion of our solar power capacity, trade payables of ₹44.55 million and Current Tax Liabilities (Net) of ₹17.70 million.

LIQUIDITY AND CAPITAL RESOURCES

Capital Requirements

Our principal capital requirements are towards capital expenditure on property, plant and equipment and meeting working capital requirements for day-to-day operations, including procurement of raw materials such as various types of yarn and fabrics, employee benefits expenses, finance costs and other production-related overheads. Our principal source of funding has been and is expected to continue to be cash generated from our operations supplemented by borrowings from banks and financial institutions and optimization of operating working capital. For Three month period ended June 30, 2026 and for Fiscal 2026, Fiscal 2025 and Fiscal 2024, we met our funding requirements, including satisfaction of debt obligations, capital expenditure, investments, other working capital requirements and other cash outlays, principally with funds generated from operations, optimization of operating working capital with the balance met from external borrowings.

Liquidity

Our liquidity requirements arise principally from our operating activities, repayment of borrowings and debt service obligations and capital expenditures. Historically, our principal sources of funding have included cash generated from operations, short-term and long-term borrowings from banks and financial institutions and cash and cash equivalents.

Our loan agreements contain a number of covenants including financial covenants. For details, see "***Financial Indebtedness***" on page 367 and "***Risk Factors – We have substantial outstanding indebtedness, including total fund-based borrowings of ₹2,550.25 million as at September 30, 2026. Any inability to meet our debt servicing obligations or comply with the covenants under our financing arrangements may result in acceleration of borrowings and enforcement of security and could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects***" on page 49.

Cash Flows

Our anticipated cash flows are dependent on various factors that are beyond our control. The following table sets forth certain information relating to our cash flows for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net Cash from / (used in) operating activities	(26.22)	23.63	(29.18)	17.52
Net Cash from / (used in) investing activities	(141.48)	(271.69)	(294.53)	(798.38)
Cash generated from /(used in) financing activities	168.67	250.84	313.84	823.58
Net increase/(decrease) in cash and cash equivalents	0.97	2.77	(9.86)	42.72
Cash and cash equivalent at beginning of the year	38.04	35.26	45.13	2.41
Cash and cash equivalent at end of the period/year	39.00	38.04	35.26	45.13

Cash Flows generated from / (used in) Operating Activities

Fiscal 2024

Operating cash flows before working capital changes stood at ₹196.02 million. Net cash generated from operating activities amounted to ₹17.52 million, after working capital deployment and income tax payments. Working capital outflows were primarily attributable to increases in inventories of ₹(156.75) million, trade receivables of ₹(87.97) million and other assets of ₹(44.10) million, together with a decrease in other current liabilities of ₹(19.61) million. These outflows were partially offset by an increase in trade payables of ₹137.00 million. Income tax payments of ₹(3.77) million further reduced operating cash flows.

Fiscal 2025

Operating cash flows before working capital changes increased to ₹357.87 million. However, net cash used in operating activities amounted to ₹(29.18) million, primarily due to working capital deployment. Working capital outflows were mainly driven by increases in inventories of ₹(295.95) million and trade receivables of ₹(235.72) million. These outflows were partially offset by increases in trade payables of ₹115.23 million and other current liabilities of ₹24.16 million, along with decreases in other assets of ₹13.77 million and other financial assets of ₹7.86 million. Income tax payments of ₹(23.01) million further contributed to the operating cash outflow.

Fiscal 2026

Operating cash flows before working capital changes increased to ₹456.25 million. Net cash generated from operating activities amounted to ₹23.63 million, despite substantial working capital deployment. Working capital outflows were primarily attributable to increases in inventories of ₹(422.73) million, other financial assets of ₹(135.83) million, trade receivables of ₹(35.98) million and other assets of ₹(32.90) million. These outflows were partially offset by increases in other current liabilities of ₹126.21 million, trade payables of ₹85.65 million and provisions of ₹13.26 million. Income tax payments of ₹(29.46) million further reduced operating cash flows.

Three-month Period Ended June 30, 2026

Operating cash flows before working capital changes stood at ₹135.07 million. However, net cash used in operating activities amounted to ₹(26.22) million, primarily due to working capital deployment. Working capital outflows were mainly attributable to increases in inventories of ₹(109.28) million, trade receivables of ₹(58.42) million and other assets of ₹(27.32) million, together with a decrease in other current liabilities of ₹(9.10) million. These outflows were partially offset by an increase in trade payables of ₹44.55 million. Income tax payments of ₹(7.81) million further contributed to the operating cash outflow.

Net Cash Generated from / (Used in) Investing Activities

Fiscal 2024

Net cash used in investing activities amounted to ₹(798.38) million, primarily attributable to expenditure towards property, plant and equipment, including capital work-in-progress, of ₹(877.43) million. This outflow was partially offset by an increase in liabilities for capital goods of ₹44.74 million, a decrease in capital advances of ₹28.56 million and interest received of ₹5.47 million.

Fiscal 2025

Net cash used in investing activities decreased to ₹(294.53) million, primarily reflecting lower expenditure towards property, plant and equipment, including capital work-in-progress, of ₹(210.29) million. Other outflows comprised a decrease in liabilities for capital goods of ₹(56.80) million, the purchase of investment property of ₹(33.61) million and the purchase of intangible assets of ₹(0.23) million. These outflows were partially offset by interest received of ₹4.59 million, a decrease in capital advances of ₹1.15 million and other income of ₹0.66 million.

Fiscal 2026

Net cash used in investing activities decreased to ₹(271.69) million. The outflows were primarily attributable to an increase in capital advances of ₹(226.06) million and expenditure towards property, plant and equipment, including capital work-in-progress, of ₹(44.88) million. Additional outflows comprised a decrease in liabilities for capital goods of ₹(5.23) million, the purchase of investment property of ₹(0.50) million and the purchase of intangible assets of ₹(0.39) million. These outflows were partially offset by interest received of ₹5.37 million.

Three-month Period Ended June 30, 2026

Net cash used in investing activities amounted to ₹(141.48) million, primarily attributable to expenditure towards property, plant and equipment, including capital work-in-progress, of ₹(172.46) million. This outflow was partially offset by a decrease in capital advances of ₹23.42 million, an increase in liabilities for capital goods of ₹5.89 million and interest received of ₹1.67 million.

Cash Flows Generated from / (Used in) Financing Activities

Fiscal 2024

Net cash generated from financing activities amounted to ₹823.58 million, primarily attributable to proceeds from borrowings, net of repayments, of ₹866.07 million, partially offset by interest payments of ₹(42.49) million.

Fiscal 2025

Net cash generated from financing activities decreased to ₹313.84 million, primarily due to lower proceeds from borrowings, net of repayments, of ₹408.58 million. These inflows were partially offset by interest payments of ₹(94.74) million.

Fiscal 2026

Net cash generated from financing activities decreased to ₹250.84 million, primarily attributable to proceeds from borrowings, net of repayments, of ₹331.20 million, partially offset by interest payments of ₹(79.86) million and payments towards lease liabilities of ₹(0.50) million.

Three-month Period Ended June 30, 2026

Net cash generated from financing activities amounted to ₹168.67 million, primarily attributable to proceeds from borrowings, net of repayments, of ₹186.53 million. These inflows were partially offset by interest payments of ₹(17.57) million and payments towards lease liabilities of ₹(0.30) million.

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS

Details of KPIs as at/ for Three month period ended June 30, 2026 and for Fiscal 2026, Fiscal 2025 and Fiscal 2024 are as follows:

Particulars	Unit	Three month ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs					
Revenue from Operations[(1)]	Million	751.07	2,423.84	2,088.43	1,116.82
Gross Profit[(2)]	Million	371.22	1,158.53	1,052.67	578.92
Gross Profit Margin[(3)]	%	49.43	47.80	50.40	51.84
EBITDA[(4)]	Million	157.81	504.79	418.80	203.00
EBITDA Margin[(5)]	%	21.01	20.83	20.05	18.18
Net Profit[(6)]	Million	79.78	242.26	159.42	52.35
Net Profit Margin[(7)]	%	10.62	9.99	7.63	4.69
Cash Profit[(8)]	Million	93.32	310.85	221.12	148.08
Cash Profit Margin[(9)]	%	12.37%	12.75%	10.53%	13.07%
Return on Capital Employed[(10)]	%	3.93	12.82	12.61	4.74
Return on Equity[(11)]	%	6.82	23.97	19.65	7.42
Debt-to-Equity Ratio[(12)]	Times	2.03	2.01	2.18	2.10
Fixed Asset Turnover Ratio[(13)]	Times	0.42	1.34	1.14	0.69
Net Working Capital Days[(14)]	Days	712	200	165	184
Operational KPIs					
Average Capacity Utilization [(15)]	%	27.94	97.06	79.54	84.17
Production Volume [(16)]	Million Meters	7.04	24.46	15.27	11.11
Revenue per Employee[(17)]	Million	1.75	6.88	7.90	5.42
Number of Looms[(18)]	Nos.	204	204	204	120

**Not annualized*

Notes:

(1) Revenue from operations is revenue generated during the year and as stated in restated financial information.

(2) Gross Profit is calculated from the revenue from operations as reduced by Cost of materials consumed Purchase stock in trade and Changes in inventories of finished goods and work-in-progress.

(3) Gross Profit Margin is calculated as Gross Profit divided by Revenue from Operations.

(4) EBITDA is calculated as Restated profit before tax minus Other Income plus Finance Costs, Depreciation and amortization expense.

(5) EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(6) Net Profit represents the profit earned during the year, as stated in the Restated Financial Information.
(7) Net Profit Margin represents Net Profit as a percentage of Revenue from Operations.
(8) Cash Profit is calculated as Net profit plus depreciation & amortization expense.
(9) Cash Profit Margin is calculated as Cash Profit as a percentage of Total Income.
(10) Return on Capital Employed is calculated as Profit Before Tax plus Finance Costs minus Other Income divided by the sum of Total equity and Total borrowings (current and non-current).
(11) Return on Equity is calculated as Net profit divided by Average Total equity.
(12) Debt to equity ratio is calculated as the Total borrowings (current and non-current) divided by Total equity.
(13) Fixed Asset Turnover is calculated as Revenue from Operation divided by the Net Block of Property, Plant & Equipment.
(14) Net Working capital Days is calculated as Net Working Capital divided by Revenue from operations multiply by 365. Net working capital which is difference of Current assets excluding cash and cash equivalent and Current Liabilities excluding short term borrowings.
(15) Average capacity utilization has been calculated by dividing actual production divided by pro-rata based installed capacity for respective periods.
(16) Total quantity of grey fabric produced during the relevant period.
(17) Revenue per Employee is calculated by dividing Revenue from Operations by the Average number of employees for the relevant period.
(18) Number of Looms represents the total installed looms as at the end of the relevant period.

NON-GENERALLY ACCEPTED ACCOUNTING PRINCIPLES FINANCIAL MEASURES ("NON-GAAP MEASURES")

Gross Profit, Gross Margin, EBITDA, EBITDA Margin, Cash Profit, Cash Profit Margin, ROE, ROCE, Debt-to-Equity Ratio, Fixed Asset Turnover Ratio and Net Working Capital Days (together, "Non-GAAP Measures"), presented in this section is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non- GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and 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 Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For further information, see "***Risk Factors – This Draft Red Herring Prospectus includes certain Non-GAAP Measures, financial and operational performance indicators and other industry measures relating to our operations and financial performance. These measures may not be calculated using a standard methodology applicable across the textile industry and, therefore, may not be comparable with similarly titled financial or industry-related information computed and presented by other companies***" on page 80**.**

Reconciliation of Non-GAAP Measures

Reconciliation of Gross profit and Gross profit Margin (%)

Gross profit is calculated as Revenue from operation minus Cost of Material Consumed, Purchase of stock-in-trade and Change in Inventories. Gross profit Margin is calculated as Gross profit divided by Revenue from Operations for the relevant period.

The following table sets forth a reconciliation of Gross profit and Gross profit margin (%) for the periods indicated:

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations (A)	751.07	2,423.84	2,088.43	1,116.82
Cost of Material Consumed (B)	553.73	1,528.75	1,095.01	647.06
Purchase of stock-in-trade (C)	-	-	-	-
Change in Inventories (D)	(173.88)	(263.44)	(59.25)	(109.16)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Gross Profit (F) = (A-B-C-D)	371.22	1,158.53	1,052.67	578.92
Gross Profit Margin (%) (G) = (F/A)	**49.43%**	**47.80%**	**50.40%**	**51.84%**

Reconciliation of EBITDA and EBITDA Margin (%)

EBITDA is calculated as Profit before tax, plus depreciation and amortisation plus finance costs less other Income. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations for the relevant period.

The following table sets forth a reconciliation of EBITDA and EBITDA margin (%) for the periods indicated:

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations (A)	751.07	2,423.84	2,088.43	1,116.82
Profit before tax (B)	107.34	325.10	212.99	68.90
Add: Finance costs (C)	40.18	126.22	155.69	54.74
Add: Depreciation and amortisation expense (D)	13.54	68.59	61.70	95.73
Less: Other Income (E)	3.25	15.12	11.58	16.38
EBITDA (F) = (B+C+D-E)	157.81	504.79	418.80	203.00
EBITDA Margin (%) (G) = (F/A)	**21.01%**	**20.83%**	**20.05%**	**18.18%**

Reconciliation of Net profit Margin (%)

Net profit Margin is calculated as Net Profit divided by Revenue from Operations.

The following table sets out a reconciliation from our Net profit to Net profit margin for the period indicated:

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations (A)	751.07	2,423.84	2,088.43	1,116.82
Net Profit (B)	79.78	242.26	159.42	52.35
Net Profit Margin (%) (C) = (B/A)	**10.62%**	**9.99%**	**7.63%**	**4.69%**

Reconciliation of Cash profit margin (%)

Cash profit margin is calculated as Profit for the year plus depreciation & amortization expense divided by total income of the respective period/year.

The following table sets out a reconciliation from our Profit for the year to Cash profit margin (%) for the period indicated.

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Profit for the year (A)	79.78	242.26	159.42	52.35
Depreciation & amortization expense (B)	13.54	68.59	61.70	95.73

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Cash profit (C) = (A+B)	93.32	310.85	221.12	148.08
Total Income (D)	754.32	2,438.96	2,100.01	1,133.20
Cash profit margin (%) (E) = (C/D)	**12.37%**	**12.75%**	**10.53%**	**13.07%**

Reconciliation of Return on Capital Employed (ROCE %)

Return on Capital Employed is calculated as a percentage of Earnings before interest and taxes (EBIT) divided by Total equity plus Total borrowings both Current and Non-current. EBIT is calculated as Profit before tax plus finance costs less other income.

The following table sets out a reconciliation from our Profit before tax for the year to Return on Capital employed for the period indicated:

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Profit Before Tax (A)	107.34	325.10	212.99	68.90
Add: Finance costs (B)	40.18	126.22	155.69	54.74
Less: Other Income (C)	3.25	15.12	11.58	16.38
EBIT (D) = (A+B-C)	144.27	436.20	357.10	107.27
Add: Total Equity (E)	1,210.22	1,130.56	890.81	731.42
Add: Non-Current Borrowing (F)	1,430.15	1,198.00	1,184.47	1,116.64
Add: Current Borrowing (G)	1,029.05	1,074.67	757.00	416.25
Capital Employed (H) = (E+F+G)	3,669.42	3,403.23	2,832.28	2,264.31
ROCE (%) (I)= (D/H)	**3.93%**	**12.82%**	**12.61%**	**4.74%**

**Not annualized*

Reconciliation of Return on equity (ROE %)

Return on equity is calculated as Profit for the year divided by the Total Equity at the end of the respective period.

The following table sets out a reconciliation from our Profit for the year to Return on Equity for the period indicated.

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Profit for the year (A)	79.78	242.26	159.42	52.35
Average Equity (B)	1,170.39	1,010.68	811.11	705.25
Return on equity (%) (C) = (A/B)	**6.82%**	**23.97%**	**19.65%**	**7.42%**

*Not annualized

Debt-to-Equity Ratio (Times)

Debt-to-Equity Ratio is calculated as Total borrowings (both current and non-current) divided by Total equity at the end of the respective period.

The following table sets out a reconciliation from our Borrowings to Debt-to-Equity Ratio for the period indicated.

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Non-current Borrowings (A)	1,430.15	1,198.00	1,184.47	1,116.64
Current Borrowings (B)	1,029.05	1,074.67	757.00	416.25
Total Borrowings (C) – (A+B)	2,459.20	2,272.67	1,941.47	1,532.89
Total Equity (D)	1,210.22	1,130.56	890.81	731.42
Debt-to-Equity (E) = (C/D)	**2.03**	**2.01**	**2.18**	**2.10**

Fixed Asset Turnover Ratio (Times)

Fixed Asset Turnover Ratio is calculated as Revenue from Operation divided by the Net Block of Property, Plant & Equipment at the end of the respective period.

The following table sets out a reconciliation from our Revenue from Operation to Fixed Asset Turnover Ratio for the period indicated.

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operation (A)	751.07	2,423.84	2,088.43	1,116.82
Net Block of Property, Plant & Equipment (B)	1,802.62	1,810.52	1,839.67	1,615.05
Fixed Asset Turnover Ratio (C) = (A/B)	0.42	1.34	1.14	0.69

**Not annualized*

Net Working Capital Days

Net Working Capital Days is calculated as Net Working Capital divided by Revenue from operations multiply by 365. Net working capital which is difference of Current assets excluding cash and cash equivalent and Current Liabilities excluding current borrowings at the end of the respective period.

The following table sets out a reconciliation from our Revenue from operations to Net Working Capital Days for the period indicated.

(in ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations (A)	751.07	2,423.84	2,088.43	1,116.82
Current assets (B)	1,998.88	1,803.76	1,290.46	774.47
Cash and cash equivalent (C)	0.54	0.13	0.08	12.16
Net Current assets (D) = (B-C)	1,998.34	1,803.63	1,290.38	762.31
Current Liabilities (E)	1,562.14	1,550.03	1,101.96	615.82
Current borrowings (F)	1,029.05	1,074.67	757.00	416.25
Net Current Liabilities (G) = (E-F)	533.08	475.36	344.96	199.57
Net Working capital (H) = (D-G)	1,465.26	1,328.27	945.42	562.74
Net Working Capital Days (I) = [(H/A)*365]	**712**	**200**	**165**	**184**

**Not annualized*

FINANCIAL INDEBTEDNESS

The following table sets forth our secured and unsecured debt position for the period indicated:

(in ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Non-current borrowings	1,430.15	1,198.00	1,184.47	1,116.64
Current borrowings (including current maturity of non-current borrowing)	1,029.05	1,074.67	757.00	416.25
Total borrowings	2,459.20	2,272.67	1,941.47	1,532.89

*For more information, see "**Financial Indebtedness**"* on page 367.

CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

The following is summary table of our contingent liabilities for the period indicated as per the Restated Financial Information:

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
In respect of capital goods purchase at the zero rate of duty under the Export Promotion Capital Goods Scheme, the company has executed bond in favour of the President of India for export obligation which is required to be met at different dates before November 11, 2030. In the event of non-fulfillment of the export obligation, the company will be liable to pay customs duties and penalties, as applicable. Unfulfilled export obligation as on June 30, 2026 is approx USD 8.95 million. The contingent liability amount mentioned is a duty saved on unfulfilled portion of export obligation. In the event of non fulfilment of export obligation this amount including Interest and Penalties is payable by the company. At present we are not in position to calculate interest and penalties therefor, this amount is excluding of interest and penalties if any.	129.50	140.30	153.48	159.72

*For details, see "**Restated Financial Information – Note 40**" on page 352.*

Capital Commitment

Commitment for capital expenditure as at June 30, 2026 is ₹168.68 million (March 31, 2026 ₹41.14 million, March 31, 2025 ₹36.90 million) and advance paid is as at June 30, 2026 is ₹219.75 million (March 31, 2026 ₹243.16 million, March 31, 2025 ₹17.10 million and March 31, 2024 ₹18.25 million).

*See "**Restated Financial Information – Notes forming part of the Restated Financial Information – Note 40: "Contingent liabilities and capital commitments**"* on page 352.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

UNUSUAL OR INFREQUENT TRANSCATIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

CONTRACTUAL OBLIGATIONS AND MATURITIES

The table below sets forth our contractual obligations as at June 30, 2026, as per the Restated Financial Information. These obligations primarily relate to our contractual maturities of financial liabilities such as Borrowings, Trade payables, Lease liabilities and ther financial liabilities.

(In ₹ million unless stated otherwise)

Particulars	Total	Less than 1 year	1 years to 5 years	More than 5 years
Borrowings	2,459.20	1,029.05	585.29	844.86
Trade Payables	421.83	421.83	-	-
Lease liabilities	1.52	1.12	0.39	
Other Financial Liabilities	23.86	-	23.86	-
Total	2,906.40	1,452.00	609.54	844.86

CAPITAL EXPENDITURES

Set forth below are additions to Property, plant and equipment for the period indicated:

(In ₹ million unless stated otherwise)

Particulars	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Property, plant and equipment	5.30	38.91	286.30	861.43
Right of use	-	2.28	-	-

*For further details of our Capital Expenditure, see "**Restated Financial Statement– Note 4 – Property, plant and equipment and Note 5 – Right of use assets** on pages 337 and 338.*

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include managerial remuneration, unsecured loans and related interest payments, rent expenses, revenue from operations and purchases. For details relating to our related party transactions, see "***Restated Financial Information – Note 41. Related party disclosures***" on page 352.

CHANGE IN ACCOUNTING POLICIES

Other than as disclosed in the Restated Financial Information, there have been no changes in accounting policies in the last three Fiscals.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

Our Statutory Auditors have not made any qualifications which have not been given effect to in the Restated Financial Information.

SEGMENT REPORTING

Operating Segment

Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various indicators of business segment/s in which the Company operates. The Company is primarily engaged in the business of fabric manufacturing which the management and CODM recognise as the sole business segment. Hence disclosure of segment-wise information is not required and accordingly not provided.

The other applicable information applicable where there is only one segment as required in accordance with IND AS 108 – Operating Segments, are as under:

The Company does not have the information in respect of the revenues from external customers for each product and service, or each group of similar products and services, and the cost to develop such system will be highly excessive. Accordingly, such information is not disclosed as allowed by para 32 of IND AS 108.

(In ₹ million unless stated otherwise)

Revenue from	Three month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Domestic	735.05	2,350.51	2,074.41	955.73
Export	16.02	73.32	14.02	161.09
Total	**751.07**	**2,423.84**	**2,088.43**	**1,116.82**

Revenues from external customers attributed to an individual foreign country are not material. The revenue from the foreign countries are attributed from the countries wherein the actual exports are made.

Segment Results, Assets and Liabilities

The Group uses shared resources across its operating segments. Accordingly, segment assets and liabilities are not separately identifiable and are not reported to the CODM. Further, segment-wise information relating to profit or loss is not presented as such information is not separately reviewed by the CODM for decision-making purposes.

For further information, see "***Restated Financial Information – Note 49. to the Restated Financial Information – Segment Information***" on page 359.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our principal financial liabilities comprise borrowings, lease liabilities, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance our operations, and our principal financial assets include trade receivables, and cash and cash equivalents that derive directly from our operations.

We are exposed to credit risk, liquidity risk and market risk. Our Board has overall responsibility for the establishment and oversight of our Company's risk management framework.

For further information, see "***Restated Financial Information – Note 44 – Financial risk management objectives and policies***" on page 356.

COMPETITIVE CONDITIONS

We operate in a competitive environment and expect to continue to compete with existing and potential competitors. See "***Risk Factors***", "***Industry Overview***" and "***Our Business***" on pages 28, 190 and 239, respectively, for further details on competitive conditions that we face for our business.

KNOWN TRENDS OR UNCERTAINTIES THAT HAVE HAD OR ARE EXPECTED TO HAVE A MATERIAL ADVERSE EFFECT ON REVENUE FROM OPERATIONS OR OTHER INCOME

Except as described in this section and in "***Risk Factors***" on page 28, to our knowledge, there are no trends or uncertainties that have had, or are expected to have, a material adverse effect on our revenue from operations or other income.

FUTURE RELATIONSHIPS BETWEEN COSTS AND REVENUE

Other than as described in this section and in "***Our Business***" and "***Risk Factors***" on pages 239 and 28, respectively, there are no known factors that are expected to have an effect on our costs and revenue.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS OR SUPPLIERS

We are largely dependent on certain key customers for a significant portion of our revenue from operations. During Three month period ended June 30, 2026 and for Fiscals 2026, 2025 and 2024, our top 10 customers accounted for 59.04%, 57.76%, 64.54% and 63.31%, respectively, of our total revenue from operations. For further information, see "***Risk Factors – We derive a significant portion of our revenue from operations from a limited number of customers. Our top ten customers contributed ₹443.48 million, ₹1,400.05 million, ₹1,347.87 million and ₹707.06 million, representing 59.04%, 57.76%, 64.54% and 63.31% of our revenue from operations during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. Any loss of such customers, reduction in their purchases or deterioration in their financial condition could materially and adversely affect our business, financial condition, results of operations, cash flows and prospects***" on page 29.

We also depend on certain of our suppliers for supply of key raw materials such as polyester yarn, cotton yarn, texturised yarn and fabric etc. During Three month period ended June 30, 2026 and for Fiscals 2026, 2025 and 2024, our top 10 suppliers accounted for 76.28%, 80.98%, 78.27% and 82.73%, respectively of our cost of material purchase during respective fiscal year. For further information, see "***Risk Factors – We depend on a limited number of suppliers for procurement of our key raw materials. Purchases from our top ten suppliers aggregated to ₹338.52 million, ₹1,249.52 million, ₹1,016.76 million and ₹525.52 million, representing 69.56%, 74.13%, 76.33% and 75.85% of our total purchases during the three-month period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. We generally procure raw materials through purchase orders rather than long-term supply contracts. Any inability to procure materials within the required timelines or on commercially acceptable terms could adversely affect our manufacturing operations, business and results of operations. Further, our historical procurement includes purchases from Sitaram India Limited, one of our Promoters, with whom we implemented an exclusive job-work arrangement subsequent to Fiscal 2026, exposing us to risks associated with related-party dependence***" on page 39.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business operations are subject to climatic conditions and is cyclical in nature. For details, please see "***Risk Factors – Our business may be subject to seasonal variations and cyclicality in the textile industry, which may cause our results of operations to fluctuate***" on page 79.

NEW PRODUCTS, SERVICES OR BUSINESS SEGMENTS

Other than as described in "***Our Business***" on page 239, we do not expect to announce any new products in near future or business segments.

MATERIAL DEVELOPMENTS AFTER JUNE 30, 2026, THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Subsequent to June 30, 2026 and up to the date of DRHP, the Company has availed the following new credit facility under the Emergency Credit Line Guaranteed Scheme (ECLGS) 5.0 introduced by the Government of India:

Sr. No.	Lender	Facility & Amount	Date of Sanction	Purpose
1.	HDFC Bank Limited	Working Capital Term Loan (WCTL) under ECLGS 5.0 – Rs. 26.945 million (Rs. 2,69,45,000)	31 August 2026	To augment working capital requirement to enable the business unit to meet operating liabilities and restart/increase operations

Aggregate amount of the above facility: **₹26.95 million**, representing approximately **2.23%** of the Company's Net Worth and approximately **1.10%** of the Company's aggregate borrowings, each as at June 30, 2026. The facility was sanctioned by HDFC Bank Limited vide **Sanction Letter Ref. No. 803729890 dated 31 August 2026**, and was accepted and digitally executed on behalf of the Company on **31 August 2026**, and carries an effective rate of interest of **8.80% p.a. (EBLR + 0.75% Spread)**, resettable once in three months or at such intervals as permissible under RBI guidelines; tenor of 5 years from the date of first disbursement including a 1-year moratorium on principal, repayable thereafter in monthly instalments. The facility is secured by extension of second ranking charge over the Company's existing primary and collateral securities (including mortgages) created in favour of the Bank, and by security created over the assets of the Company created out of this facility, and is backed by NCGTC guarantee cover under the ECLGS 5.0 scheme.

(*Remainder of this page has been intentionally left)*

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 April 10, 2026 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 a, b or c above will be considered for the above purpose;

(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 ₹7.57 million 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 April 10, 2026. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 5% as per the Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. 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.

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. Material civil proceedings

i. ***Prabandhak, Sitaram Denim India Limited. vs. Shri Kishan Lal Teli – Case No. 247/2022***

Shri Kishan Lal Teli, ("**Respondent**") raised an industrial dispute bearing number Case No. 247/2022 (LCR) before the Hon'ble Industrial Tribunal and Labour Court, Bhilwara, against Sitaram Denim India Limited. ("**Petitioner**"), alleging illegal oral termination by the Petitioner and sought reinstatement with full back wages. As the Management remained absent despite service of notice, the Industrial Tribunal and Labour Court, Bhilwara proceeded ex-parte and, vide award dated July 25, 2022, held the termination illegal and directed reinstatement with 25% back wages. The Management thereafter filed an application dated September 9, 2022, bearing number 19/2019 (LCR) under Rule 22A of the Rajasthan Industrial Disputes Rules, 1958, seeking setting aside of the ex-parte award, stating that due to confusion between two similarly named litigants, the summons were misfiled, resulting in its non-appearance. The Management claimed that it became aware of the award only on July 29, 2022 and obtained its certified copy on September 7, 2022. The Workman opposed the application, contending that the Management's alleged lack of knowledge for three years was implausible and that the application was barred by the 15-day limitation under Rule 22A, particularly as the award was published on March 27, 2023, and sought dismissal of the application with costs. The next date of hearing is scheduled on November 04, 2026.

A. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*₹ in million*)^
Direct Tax	3*	0.16
Indirect Tax	Nil	Nil
Total	**3**	**0.16**

* *Includes TDS TRACES demand amounting to (i) ₹160,420 for financial year 2023-24, (ii) ₹1,570 for financial year 2022-23, and (iii) ₹600 for financial year 2020-21*

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 million*)
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

Baldev Singh vs. Sitaram (India) Limited - Case No. LCR 14 of 2024

Baldev Singh ("**Applicant**") has filed a claim petition against Sitaram (India) Limited ("**Respondent**") before the Hon'ble Industrial Tribunal and Labour Court, Bhilwara, Rajasthan under the Industrial Disputes Act, seeking relief in relation to the alleged termination of his employment. The Applicant states that he was employed as a Supervisor with the Respondent and that, on July 18, 2022, he reported for duty but was refused work. The Management has opposed the claim, contending that the Applicant is not a "workman" within the meaning of Section 2(s) of the Industrial Disputes Act, 1947, and that the claim is therefore not maintainable. The Respondent has further contended that the Applicant voluntarily left his employment on July 18, 2022, and was not terminated, that his full dues have been paid, and that no wages or other amounts remain outstanding. Additionally, the Respondent also challenged the maintainability of the claim under Section 2A of the Industrial Disputes Act, 1947, and has sought dismissal of the claim with costs. The next date of hearing is scheduled for November 27, 2026.

B. *Litigation filed by our Promoters*

1. Criminal proceedings

i. Sitaram India Limited vs. Mohammed Jubair Khan – Cr. Regular 3950 of 2020

Sitaram India Limited ("**Complainant**") has filed a complaint under Section 138 of the Negotiable Instruments Act, 1881, before the Hon'ble Special Judge (Cheque Dishonour Cases) Court No. 1, Bhilwara, Rajasthan, against Mohammed Jubair Khan, Proprietor of ZBR Collection ("**Accused**"), in relation to dishonour of a cheque issued towards payment for synthetic cloth purchased on credit. The Complainant states that the Accused had purchased synthetic cloth through various bills aggregating to ₹ 8,36,630/-, towards which the Accused issued cheque no. 028906 dated October 17, 2019, for ₹ 1,00,000/-. The cheque was presented for encashment but was dishonoured and returned unpaid on January 6, 2020, with the remark "Exceeds Arrangement". The Complainant thereafter issued a legal notice dated January 13, 2020, demanding payment of the cheque amount, which was received by the Accused on January 17, 2020. The Accused allegedly failed to make payment within the prescribed period, pursuant to which the Complainant instituted the present complaint seeking prosecution under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending and the next date of hearing is scheduled for February 5, 2027.

ii. ***Sitaram India Limited v. Mohanlal Solanki, Proprietor of Krishna Apparels — Complaint under Section 138 of the Negotiable Instruments Act (Criminal Regular Case No. 3248/2020)***

Sitaram India Limited (the "**SIL**"), through its Director, Madhusudan Nuwal, filed a complaint dated January 15, 2020, under Section 138 of the Negotiable Instruments Act against Mohanlal Solanki, proprietor of Krishna Apparels, before the Special Judge (Cheque Dishonour Cases), Court No. 01, Bhilwara, Rajasthan. SIL has alleged that Mohanlal Solanki purchased synthetic cloth on credit from the Company and, towards part payment of the outstanding amount, issued three cheques bearing numbers 071012, 071013 and 071015, each dated November 02, 2019, for ₹40,000 each, drawn on State Bank of India. Upon presentation through Bank of Baroda, Bhilwara Branch, the cheques were returned unpaid on November 04, 2019, with the remark "Funds Insufficient".

SIL, through its advocate, dispatched a demand notice dated November 27, 2019, to Mohanlal Solanki. SIL alleges that Mohanlal Solanki failed to pay the cheque amounts within 15 days of receipt of the notice. Accordingly, SIL sought the maximum punishment prescribed by law and imposition and recovery of a fine equivalent to twice the cheque amounts to compensate the Company.

The matter was registered on August 05, 2020, as Criminal Regular Case No. 3248/2020, bearing CNR No. RJBW020043012020, and transferred on November 10, 2020, to the Special Judicial Magistrate, NI Act No. 04, Bhilwara. As per the provided eCourts case-status record, the matter is pending at the stage of service of a non-bailable warrant, with the next hearing scheduled for January 18, 2027.

2. Material civil proceedings

i. Sitaram India Limited vs. Arjai Textiles – Suit No. 41 of 2020

Sitaram India Limited ("**Plaintiff**") has instituted the present suit before the Court of the Civil Judge (Senior Division), Bhilwara, against Arjai Textiles, through its proprietor Mohit Jindal ("**Defendant No. 1**"), Rekha Agency ("**Defendant No. 2**") and Gautam Joshi ("**Defendant No. 3**"), seeking recovery of ₹ 4,99,980/-, along with interest at 15% per annum and costs, towards alleged outstanding amounts for synthetic cloth supplied on credit. The Plaintiff contends that Defendant No. 1 purchased the goods on credit, that the goods were dispatched through Defendant No. 2, and that the outstanding amount remained unpaid despite demand notices. The Plaintiff further alleges that a letter dated June 20, 2019, purporting to record a settlement of the outstanding amount, was fabricated in collusion with Defendant No. 3. Defendant No. 2 denies liability and contends that it acted only as an agent, that the goods were not supplied to it and that no bills or demand notices were issued in its name. Accordingly, the Plaintiff seeks recovery of the claimed amount and interest owed to him by the Defendants. The matter is currently

pending and is scheduled for hearing on November 18, 2026.

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*₹ in million*)^
Direct Tax	18*	9.90
Indirect Tax	2#	0.73
Total	**20**	**10.63**

^ Rounded off to the closest decimals.
** Includes:*
(1) Income Tax demand amounting to (i) ₹78,360 under section 143(3) of the Income Tax Act, for the assessment year 2024, and (ii) ₹298,843 under section 143(3) of the Income Tax Act, for the assessment year 2018 against Anil Kumar Nuwal;
(2) Income Tax demand amounting to (i) ₹373,560 under section 143(3) of the Income Tax Act, for the assessment year 2024, (ii) ₹231,930 under section 143(3) of the Income Tax Act, for the assessment year 2024, and (iii) ₹66,847 under section 144 of the Income Tax Act, for the assessment year 2019 against Madhu Sudan Nuwal; and
(3) Income Tax demand amounting to (i) ₹1,856,300 under section 143(1)(a) of the Income Tax Act, for the assessment year 2025, (ii) ₹423,239 under section 154 of the Income Tax Act, for the assessment year 2024, and (iii) ₹6,517,557 under section 154 for the Income Tax Act, for the assessment year 2023 against Sitaram India Limited;
(4) TDS TRACES demand amounting to (i) ₹8,140 for financial year 2023-24, (ii) ₹19,340 for financial year 2022-23, (iii) ₹440 for financial year 2021-22, (iv) ₹1,000 for financial year 2020-21, (v) ₹3,390 for financial year 2018-19, (vi) ₹2,320 for financial year 2017-18, (vii) ₹270 for financial year 2016-17, (viii) ₹230 for financial year 2015-16, (ix) ₹28,130 for financial year 2010-11, and (x) ₹50 for financial year 2008-09.
 # Includes:
(1) GST outstanding demand bearing Demand ID ZD0802260168659 dated February 9, 2026, amounting to ₹440,921; and
(2) GST intimation bearing reference ID ZD0806260031471 dated June 01, 2026, amounting to ₹289,686.54. Our Company has filed a reply June 08, 2026 to such intimation.

IV. Litigation involving our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)

A. Litigation filed against our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

B. Litigation filed by our Key Managerial Personnel and Senior Managerial Personnel (Other than Directors and Promoters)

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

Outstanding dues to creditors

Our Board, in its meeting held on April 10, 2026 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount ₹21.09 million 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 June 30, 2026 by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved *(in ₹ million)*
Material creditors	4	216.07
Micro, Small and Medium Enterprises	70	84.21
Other creditors	77	121.55
Total	**151**	**421.83**

The details pertaining to net outstanding dues towards our material creditors as on June 30, 2026 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.sitaramdenims.com/investors.html. 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 – Material developments after June 30, 2026, that may affect our future results of operations***" beginning on page 411 of this Draft Red Herring Prospectus, 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 Offer and carrying on our present business activities. In view of these key approvals, our Company can undertake this Offer 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 28, 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 277.*

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 of submitting 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 Offer

(1) The Board of Directors has, pursuant to a resolution passed at its meeting held on August 24, 2026, authorized the Offer, 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 August 29, 2026, authorized the Offer 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 [●], dated [●].

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 private limited company in the name of '*Sitaram Texpark Developers Private Limited'* vide a certificate of incorporation dated February 2, 2011, issued by the Registrar of Companies, Jaipur.

b. Fresh certificate of incorporation dated May 20, 2016, was issued pursuant to change in name of our Company from '*Sitaram Texpark Developers Private Limited'* to '*Sitaram Denim India Private Limited'*, by the Registrar of Companies, Jaipur.

c. Fresh certificate of incorporation dated June 3, 2016, was issued to our Company by the Registrar of Companies, Jaipur, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from '*Sitaram Denim India Private Limited*' to '*Sitaram Denim India Limited*'.

d. Fresh certificate of incorporation dated June 16, 2016, was issued to our Company by the Registrar of Companies, Jaipur, pursuant to change in name of our Company from '*Sitaram Denim India Limited*' to '*Sitaram Denims India Limited*'.

B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing authority	Date of issue/ renewal	Date of expiry/ Validity
1.	Permanent Account Number (PAN)	AAQCS3960A	Income Tax Department	February 2, 2011	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	JDHS17040C	Income Tax Department	-	Valid till cancelled
3.	GST Registration Certificate	08AAQCS3960A1Z9	Goods and Services Tax Department	November 25, 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/ renewal/ Valid from	Date of expiry/ Valid till
1.	Certificate of registration – Employee's Provident Fund Code	RJUDR1539482000	Employees' Provident Fund Organisation, Ministry of Labour and Employment	November 22, 2016	Valid till cancelled
2.	Certificate of registration - ESIC	16000540640000108	Employees' State Insurance Corporation	January 6, 2011	Valid till cancelled
3.	UDYAM Registration Certificate	UDYAM-RJ-07-0000645	Ministry of Micro, Small and Medium Enterprises, Government of India	August 12, 2020	Valid till cancelled
4.	Importer-Exporter Code Registration	1316919315	Ministry of Commerce and Industry	November 03, 2016	Valid till cancelled
5.	License to work a Factory	RJ/34059	Chief Inspector of Factories and Boilers, Rajasthan, Jaipur	March 7, 2023	March 31, 2027
6.	Certificate of stability of factory	AA-SSC/SI-SDIL/2025/06/001	Ambika Associates bearing Competency No. CMP-742/2024	June 10, 2025	Valid till Cancelled
7.	Consent to Establish*	2016-2017/Bhilwara/5102	Regional Office Bhilwara, Rajasthan State Pollution Control Board	January 13, 2017	December 31, 2021
		2024-2025/Bhilwara/10555	Regional Office Bhilwara, Rajasthan State Pollution Control Board	June 8, 2024	May 31, 2029
8.	Consent to Operate#	2018-2019/Bhilwara/6638	Regional Office Bhilwara, Rajasthan State	July 24, 2017	June 30, 2027

Sr. No.	Nature of Registration/ License	Registration/License /Certificate No.	Issuing Authority	Date of issue/ renewal/ Valid from	Date of expiry/ Valid till
			Pollution Control Board		
		2024-2025/Bhilwara/10673	Regional Office Bhilwara, Rajasthan State Pollution Control Board	October 9, 2024	September 30, 2034
9.	Fire NOC	LSG/BHILWARA/FIRENOC/2025-26/53267	Municipal Corporation of Bhilwara, Rajasthan	January 12, 2026	January 11, 2028
10.	NOC for Ground Water Abstraction	CGWA/NOC/IND/REN/1/2025/10943	Ministry of Jal Shakti, Department of Water Resources, River Development & Ganga Rejuvenation, Central Ground Water Authority, Government of India,	May 6, 2025	May 5, 2027
11.	Inspection report – DG Set	AEI/BHL/PI/F607	Assistant Electrical Inspector, Electrical Inspectorate, Bhilwara	October 9, 2024	March 2029
12.	Steam Boiler Registration Certificate	RJ-3459	Rajasthan State Boiler Inspection Department, Government of Rajasthan	August 17, 2026	August 11, 2027
13.	ISO 9001:2015[(1)]	305025012519Q	QRO Certification LLP	January 25, 2025	January 24, 2028
14.	ISO 14001:2015[(2)]	GSC/0425/069	Global Standard of Certification	April 23, 2025	April 22, 2028
15.	ISO 45001:2018[(3)]	GSC/0425/070	Global Standard of Certification	April 23, 2025	April 22, 2028
16.	ISO 50001:2018[(4)]	GSC/0425/068	Global Standard of Certification	April 23, 2025	April 22, 2028
17.	Certificate on conformity with Global Organic Textile Standard (GOTS) Version 7.0	EGL/310538/GOTS/310538250703080537	Ecocert Greenlife	July 3, 2025	July 2, 2027
18.	Certificate on conformity with Global Recycled Standard (GRS) Version 4.0	EGL/310538/GRS/310538250703080721	Ecocert Greenlife	July 3, 2025	July 2, 2027
19.	Legal Entity Identifier (LEI)	3358007X5D3V3HU7MQ78	LEI Register India Private Limited	June 6, 2025	June 6, 2028
20.	IEM (Industrial Entrepreneur Memorandum) Certificate	1233/SIA/IMO/2016	Ministry of Commerce and Industry	July 8, 2016	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration/License /Certificate No.	Issuing Authority	Date of issue/ renewal/ Valid from	Date of expiry/ Valid till
21.	Sanstha Aadhar Number	0950800000000033	Directorate of Economics & Statistics, Rajasthan, Jaipur	November 22, 2023	Valid till cancelled

[*]Consent to Establish bearing number 2024-2025/Bhilwara/10555, issued to the Company in continuation to the Consent to Operate bearing number 2018-2019/Bhilwara/6638.
[#] Consent to Operate bearing number 2024-2025/Bhilwara/10673, issued to the Company in continuation to the Consent to Operate bearing number 2018-2019/Bhilwara/6638 and the Consent to Establish bearing number 2016-2017/Bhilwara/5102.
[(1)] For the scope of activities including manufacturing, marketing, supply of fabrics for domestic and export market, as well as job work of weaving and yarn sizing
[(2)] For the scope of activities including manufacturing, marketing, supply of fabrics for domestic and export market, as well as job work of weaving and yarn sizing
[(3)] For the scope of activities including manufacturing, marketing, supply of fabrics for domestic and export market, as well as job work of weaving and yarn sizing
[(4)] For the scope of activities including manufacturing, marketing, supply of fabrics for domestic and export market, as well as job work of weaving and yarn sizing

III. Material approvals or renewals for which applications are currently pending before relevant authorities

Sr.No	Application Details	Application number	Date of Application
1	Applicartion for Shops and Establishment	SCA/2026/6/132583	September 12, 2026

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

For information about the intellectual property related approvals, please see "***Our Business – Intellectual Property***" on page 274.

For risk associated with our intellectual property please see, "***Risk Factors***" on page 28.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to a resolution dated August 24, 2026 and our Shareholders have approved the Fresh Issue pursuant to a special resolution dated August 29, 2026.

This Draft Red Herring Prospectus and draft Abridged Prospectus has been approved by our Board pursuant to their resolution dated November 03, 2026.

Our Board has taken on record the participation/consent of each of the Promoter Group Selling Shareholders in the Offer for Sale, pursuant to a resolution dated August 24, 2026.

Each of the Promoter Group Selling Shareholders has, severally and not jointly, consented for inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

Sr. No.	Name of the Promoter Group Selling Shareholders	Date of consent letter	Number of Equity Shares offered / Amount
1.	Madhu Nuwal	August 24, 2026	Up to 1,490,333 Equity Shares of face value ₹5 each aggregating up to ₹[●] million
2.	Mamta Nuwal	August 24, 2026	Up to 1,490,333 Equity Shares of face value ₹5 each aggregating up to ₹[●] million
3.	Sangeeta Nuwal	August 24, 2026	Up to 1,490,334 Equity Shares of face value ₹5 each aggregating up to ₹[●] million

Each of the Promoter Group Selling Shareholders, severally and not jointly, confirm that its respective portion of the Offered Shares is eligible to be offered in the Offer for Sale as on the date of this Draft Red Herring Prospectus, in accordance with Regulation 8 of the SEBI ICDR Regulations, to the extent applicable.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by the SEBI or other Governmental Authorities

Our Company, our Promoters, Promoter Group Selling Shareholders, the other members of the Promoter Group and our Directors have not been prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

The companies with which our Promoters or Directors are or were associated as promoters, directors or persons in control have not been debarred from accessing capital markets under any order or direction passed by SEBI or any other authority.

None of our Directors are associated with the securities market in any manner and no outstanding action has been initiated against them by SEBI in the five years preceding the date of this Draft Red Herring Prospectus.

Neither our Company nor its Promoters, Directors or any other members of the Promoter Group have been in default in payment of listing fees to any stock exchange in the last three years, or have been delisted or suspended from trading in the past.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

All 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.

Each of the Promoter Group Selling Shareholders, severally and not jointly, confirm that they have not been 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.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Each of our Company, Promoters, members of the Promoter Group and the Promoter Group Selling Shareholders (to the extent applicable to them) are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, in relation to the Equity Shares of the Company, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided under Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein as disclosed below.

- Our Company has net tangible assets of at least ₹30.00 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), i.e., as of and for the Fiscals 2026, 2025 and 2024, of which not more than 50% of the net tangible assets are held in monetary assets.
- Our Company has an average operating profit of ₹150.00 million, calculated on a restated basis, during the preceding three years (of 12 months each), i.e., Fiscals 2026, 2025 and 2024 with operating profit in each of these preceding three years.
- Our Company has a net worth of at least ₹10.00 million, calculated on a restated basis in each of the preceding three full years (of 12 months each), i.e., Fiscals 2026, 2025 and 2024; and
- There has been no change of name of our Company at any time during the last one year immediately preceding the date of filing of this Draft Red Herring Prospectus, other than conversion from a private limited company to a public limited company.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profit and net worth derived from the Restated Financial Information included in this Draft Red Herring Prospectus as of and for the three immediately preceding Financial Years are disclosed below.

Derived from the Restated Financial Information

Statement of net tangible assets

(₹ *in Million*)

Description	**As at March 31**		
	2026	**2025**	**2024**
Restated Net Tangible Assets (Note 1) (A)	**1,213.61**	**953.12**	**758.97**
Restated Monetary Assets (Note 2) (B)	0.13	0.08	12.16
% of monetary Assets to Net Tangible Assets [C = (B/A)*100]	0.01%	0.01%	1.60%

Note 1: Composition of Restated Net Tangible Assets:

(₹ *in Million*)

Description	As at March 31		
	2026	2025	2024
Total Assets	4,100.22	3,257.67	2,566.57
Less: intangible assets	0.55	0.21	-
Less: Right of use assets	1.81	-	-
Less: deferred tax assets (net)	-	-	-
Less: goodwill	-	-	-
Tangible Assets (A)	**4,097.86**	**3,257.46**	**2,566.57**
Total non-current liabilities	1,419.64	1,264.90	1,219.33
Less: Deferred tax liabilities (net)	83.64	62.52	27.55
Less: Lease Liabilities (Non-current)	0.68	-	-
Net non-current liabilities (B)	**1,335.32**	**1,202.38**	**1,191.78**
Total Current Liabilities	1,550.03	1,101.96	615.82
Less: Lease Liabilities (current)	1.10	-	-
Net current liabilities (C)	**1,548.93**	**1,101.96**	**615.82**
Restated Net Tangible assets* (A-B-C)	**1,213.61**	**953.12**	**758.97**

**Net tangible assets means the sum of all net assets of our Company excluding intangible assets, goodwill, deferred tax assets, right of use assets and intangible assets under development, lease liabilities and deferred tax liabilities*

Note 2: Composition of Restated Monetary Assets:

(₹ *in Million*)

Description	As at March 31		
	2026	2025	2024
Cash and Cash Equivalents (A)	0.13	0.08	12.16
Bank balances other than Cash and Cash Equivalents (B)	37.91	35.19	32.96
Lien marked deposits (C)	37.91	35.19	32.96
Restated Monetary Assets* (A+B-C)	0.13	0.08	12.16

*Monetary Assets means cash and cash equivalents and bank balances other than cash and cash equivalents excluding lien marked deposits.

We are currently eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulation 6(1) of the SEBI ICDR Regulations, to the extent applicable.

Statement of average operating profits

(₹ *in Million*)

Description	April 1, 2025 to March 31, 2026	April 1, 2024 to March 31, 2025	April 1, 2023 to March 31, 2024
Restated financial statements:			
Profit Before tax	325.10	212.99	68.90
Add: Finance Cost	126.22	155.69	54.74
Less: Other Income	15.12	11.58	16.38
Restated Operating profit (A-B)	**436.20**	**357.10**	**107.27**
Restated Average operating profit	**The average restated operating profit of the Company for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024 is ₹300.19 Million.**		

Our Company has operating profit in each of the Fiscals 2026, 2025, and 2024 as indicated in the table above.

Our average restated operating profit for Financial Years 2026, 2025, and 2024 is ₹300.19 million.

Statement showing restated net worth for equity shareholders

(₹ *in Million*)

Description	As at March 31,		
	2026	**2025**	**2024**
Paid-up share capital	420.20	210.10	210.10
Share premium account	-	-	-
Reserves and surplus (excluding revaluation reserve)	710.36	680.71	521.32
Restated Net worth	**1,130.56**	**890.81**	**731.42**

Further, our Company is in compliance with conditions specified in Regulations 5 and 7(1) of the SEBI ICDR Regulations to the extent applicable and will ensure compliance with Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable. The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, the Promoters, Promoter Group Selling Shareholders, and our Directors are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court;

(ii) Our Company, Promoters, members of the Promoter Group, Promoter Group Selling Shareholders, and our Directors are not debarred from accessing the capital markets by SEBI;

(iii) The companies with which our Promoter or Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;

(iv) None of our Company, our Promoter or Directors is a Wilful Defaulter or Fraudulent Borrower;

(v) None of our Promoter or Directors have been declared as a Fugitive Economic Offender;

(vi) There are no outstanding convertible securities of our Company or any other rights to convert debentures, loans or other instruments into, or which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;

(vii) Our Company along with Registrar to the Offer has entered into tripartite agreements dated August 14, 2026, and January 14, 2021, with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares;

(viii) The Equity Shares of our Company held by our Promoter, members of the Promoter Group, Directors, Key Managerial Personnel, Senior Management, employees, QIBs, and entities regulated by the financial sector regulators (as defined under the SEBI ICDR Regulations), to the extent applicable, are in dematerialised form;

(ix) All 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;

(x) 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 prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application monies shall be refunded in accordance with the SEBI ICDR Regulations and timelines specified under other applicable laws. None of the Promoter Group Selling Shareholders shall be liable to reimburse our Company for any interest paid by it on behalf of the Promoter Group Selling Shareholders on account of any delay with respect to Allotment of the respective portion of the Offered Shares offered by such

Promoter Group Selling Shareholders in the Offer for Sale, or otherwise, unless such delay is solely accountable to such Promoter Group Selling Shareholders.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, SMC CAPITALS LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE PROMOTER GROUP SELLING SHAREHOLDERS ARE, SEVERALLY AND NOT JOINTLY, RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES OR THE RESPECTIVE PORTION OF THE EQUITY SHARES BEING OFFERED BY THEM IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM, BEING SMC CAPITALS LIMITED, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 3, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

The filing of this Draft Red Herring Prospectus does not absolve the Promoter Group Selling Shareholders from any liabilities to the extent of the statements specifically made or confirmed by him in respect of himself and the Offered Shares, under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, the Promoter Group Selling Shareholders, our Directors and the BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made in relation to our Company or the Offer other than those confirmed by them in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Each of the Promoter Group Selling Shareholders accepts no responsibility for any statements made other than those specifically made by the respective Promoter Group Selling Shareholders in relation to itself and its respective portion of the Offered Shares. Except when specifically directed in this Draft Red Herring Prospectus, anyone placing reliance on any other source of information, including our Company's website, or any website of our Promoters, any member of the Promoter Group, Group Company or affiliates of our Company or the Promoter Group Selling Shareholders,

would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, Registrar, the Promoter Group Selling Shareholders and the Company.

All information, to the extent required in relation to the Offer, shall be made available by our Company, the Promoter Group Selling Shareholders (to the extent that the information required pertains to itself and its respective portion of the Offered Shares) and the BRLM to the public and investors at large and no selective or additional information would be made available by our Company, the Promoter Group Selling Shareholders and the BRLM for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at Bidding Centers or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Group Selling Shareholders, the Underwriters and their respective directors, 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, each of the Promoter Group Selling Shareholders, the Underwriters and their respective directors, 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 in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Promoter Group Selling Shareholders, and our Group Company, and their respective directors and officers, affiliates, 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, the Promoter Group Selling Shareholders, and their respective group company, directors, officers, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Equity Shares in the Offer shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Promoter Group Selling Shareholders since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer in Respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Jaipur, Rajasthan, India only.

Bidders eligible under Indian law to participate in the Offer

The Offer 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, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important NBFCs registered with the RBI or trusts under applicable trust law and who are authorized under their constitution to hold and invest in equity shares, insurance companies registered with the IRDAI, permitted provident funds and pension funds, National Investment Fund, insurance funds set up and managed by the army, navy and air force of the Union of India, insurance funds set up and managed by the Department of Posts, Government of India and to NBFC-SI, Eligible FPIs, AIFs, FVCIs, Eligible NRIs and other eligible foreign investors, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, state industrial development corporations and registered multinational and bilateral development financial institutions.

This Draft Red Herring Prospectus shall not constitute an offer to sell or an invitation to subscribe to or purchase Equity Shares offered hereby in any jurisdiction including India. Any person into whose possession this Draft Red

Herring Prospectus comes is required to inform themselves about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus

Bidders are advised to ensure that any Bid from them should not exceed investment limits or the maximum number of Equity Shares that could be held by them under applicable law.

Certain persons outside India are restricted from participating in the Offer. For details, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 471.

Selling and Transfer Restrictions

Invitations to subscribe to or purchase the Equity Shares offered in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares offered in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

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 the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered, 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 hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, the Promoter Group Selling Shareholders, our Promoters, members of our Promoter Group since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as at any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Offer 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 offered 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 offered in the Offer are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S.

Each purchaser of the Equity Shares offered in the Offer who does not receive a copy of the preliminary offering memorandum shall be deemed to represent, warrant and acknowledge to and agree with our Company, the Promoter Group Selling Shareholders and the members of the Syndicate 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.

- It did not purchase the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S).

- 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.

- It will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares, other than in accordance with applicable laws.

- 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.

- 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.

- It agrees to indemnify and hold the Company, the Promoter Group Selling Shareholders and the members of the Syndicate 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.

- It acknowledges that our Company, each of the Promoter Group Selling Shareholders, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, each of the Promoter Group Selling Shareholders and the Book Running Lead Manager, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus has been 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 the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been 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 the RoC filing.

Listing

The Equity Shares offered through the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining listing and trading permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalized.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Draft Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within such time prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by the 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. For avoidance of doubt, no liability to make any payment of interest shall accrue to any Promoter Group Selling Shareholders unless the delay in making any of

the payments hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is solely and directly attributable to such Promoter Group Selling Shareholders. The Promoter Group Selling Shareholders undertake to provide such reasonable assistance as may be requested by our Company, in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI. Any expense incurred by our Company on behalf of any Promoter Group Selling Shareholders with regard to interest on such refunds will be reimbursed by such Promoter Group Selling Shareholder, severally and not jointly, only to the extent of its respective portion of the Offered Shares, provided that no Promoter Group Selling Shareholders shall be responsible or liable to pay such expenses or interest unless the relevant delay is solely and directly attributable to an act or omission of such Promoter Group Selling Shareholders.

Consents

Consents in writing of each of the Promoter Group Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, legal counsel to the Offer as to Indian law, Bankers to our Company, the BRLM, Registrar to the Offer, independent chartered accountants and Statutory Auditor, independent chartered engineer in their respective capacities, have been obtained, and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. Further, consents in writing of the Syndicate Members, Escrow Collection Bank(s)/ Refund Bank(s)/ Public Offer Account/ Sponsor Bank(s), Monitoring Agency 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 the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC.

Experts

Our Company has not obtained any expert opinions other than as disclosed below.

Our Company has received written consent dated **November 03, 2026** from **Pokharna Somani & Associates**, our Joint Statutory Auditors, 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 our Joint Statutory Auditors, and in respect of Statement of Special Tax Benefits dated **November** 03, 2026 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated **November 03, 2026** from **R Kabra & Co LLP**, our Joint Statutory Auditors, 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 our Joint Statutory Auditors, and in respect of Statement of Special Tax Benefits dated November 3, 2026 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated November 3, 2026 from M/s A Bakliwal & Co, Chartered Accountants (Firm Registration Number: 148416W and Peer review Certificate Number: 023102), holding a valid peer review certificate from ICAI, 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 our Independent Chartered Accountant, and in respect of (i) examination report, dated October 24, 2026 on our Restated Financial Statements in this Draft Red Herring Prospectus (ii) the various certifications issued by them in their capacity as an Independent Chartered Accountant to our company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated October 27, 2026 from R.K. Maheshwari, the Chartered Engineer, to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an independent chartered engineer, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated September **October 17, 2026** from B K Sharma & Associates, Company Secretaries, the practicing company secretary, holding a valid certificate of practice from Institute of Company Secretaries of India, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as a practicing company secretary, and in respect of RoC search report issued by them and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Particulars regarding capital issues by our Company and listed group company, subsidiaries or associate entities during the last five years

Other than as disclosed in the section titled "***Capital Structure***" on page 117, our Company has not made any capital issues during the five 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

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offering of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Details of Public or Rights Issues by our Company

Other than as disclosed in the section "***Capital Structure***" on page 117, our Company has not made public issues or rights issues during the last five years

Performance vis-à-vis objects – Details of Public or Rights Issues by listed subsidiaries/listed Promoter of Our Company

Our Company does not have any listed subsidiaries or listed promoters

Observations by regulatory authorities

Except as disclosed in "***Risk Factors***" on page 28 and elsewhere in this Draft Red Herring Prospectus, there are no findings or observations pursuant to any inspections by SEBI or any other regulatory authority in India which are material and are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

SMC Capitals Limited

Price information (during the current Financial Year and two Financial Years preceding the current Financial Year) of past issues handled by SMC Capitals Limited:

Sr. No.	Name of Company	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening price on listing day	+/- % 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
				MAINBOARD IPO				
1	Denta Water and Infra Solutions Limited	2,205	294	29-01-2025	341	4.37% [-2.67%]	2.47% [5.03%]	17.16% [7.23%]
				SME IPO				
2	Oval Projects Engineering Limited	467.4	85	04-09-2025	85.05	-22.35% [0.61%]	-30.59% [5.48%]	-38.24% [0.59%]
3	Kheria Autocomp Limited	464.44	101	24-09-2026	104.90	-6.49% [0.68%]	NA	NA

Source: www.bseindia.com / www.nseindia.com

Notes:

1. The BSE SENSEX and NIFTY 50 are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

Summary Statement of price information of past issues

Fiscal	Total No. of IPO	Total Fund Raised (₹ in million)	No. of IPOs trading at discount on 30th Calendar Day from listing day			No. of IPOs trading at discount on 90th Calendar Day from listing day			No. of IPOs trading at discount on 180th Calendar Day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024	NIL	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2025	1	2,205	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2026	1	467.4	NIL	NIL	1	NIL	1	NIL	NIL	1	NIL

Fiscal	Total No. of IPO	Total Fund Raised (₹ in million)	No. of IPOs trading at discount on 30th Calendar Day from listing day			No. of IPOs trading at discount on 90th Calendar Day from listing day			No. of IPOs trading at discount on 180th Calendar Day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2027	1	464.44	NA	NA	1	NA	NA	NA	NA	NA	NA

Track record of past issues handled by the BRLM

For details regarding the track record of the Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of the BRLM, as set forth in the table below:

Sr. No.	Name of the BRLM	Website
1.	SMC Capitals Limited	www.smccapitals.com

#In compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations.

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.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debentures, warrants, securities premium notes, etc. issued by our Company.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

SEBI, by way of the SEBI ICDR Master Circular, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds for cancelled / withdrawn / deleted cases in the stock exchange platforms, failure to unblock funds in cases of partial allotment by the next working day from the finalisation of basis of allotment, failure to unblock the funds in cases of non-allotment by the Issue Closing Date, SCSBs blocking multiple amounts for the same UPI mechanism, and SCSBs blocking more amount in the investors' accounts than the application amount. The compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day.

As per the SEBI ICDR Master Circular, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts and invoice in the inbox by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Bank to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members only to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

In terms of the SEBI ICDR Master Circular, and 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 the SEBI ICDR Master Circular 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 the event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLM shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount, in addition to the compensation paid by the respective SCSBs, for the period of such delay. Further, in terms of the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, 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.

Separately, pursuant to the circular (No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021 issued by the SEBI (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR

Regulations), 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 application	₹ 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% p.a. 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% p.a. 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

All Offer-related grievances may be addressed to the Registrar to the Offer 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 DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, Bidders shall also enclose a copy of the Acknowledgment Slip or specify the application number duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs and the Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders.

Our Company, the Promoter Group Selling Shareholders, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs or the Sponsor Banks including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

The Promoter Group Selling Shareholders have, severally and not jointly, authorized the Company Secretary and Compliance Officer of our Company, and the Registrar to the Offer to redress, on their behalf, any complaints or investor grievances received from Bidders in respect of their respective portion of the Offered Shares.

Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer 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 intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLM giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum 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.

Disposal of Investor Grievances by our Company

Our Company shall obtain authentication on SCORES and shall comply with the SEBI circulars and the applicable SEBI master circulars, each as amended and in effect from time to time, in relation to redressal of investor grievances through SCORES, including within the timelines prescribed thereunder.

Our Company has also appointed Shruti Joshi, Company Secretary of our Company, as the Compliance Officer for the Offer and she may be contacted in case of any pre-Offer or post-Offer related problems. For details, see "***General Information***" beginning on page 107 .

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary for the redressal of routine investor grievances shall be seven 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 not received any investor grievance during the three years preceding the date of this Draft Red Herring Prospectus and there are no investor complaints pending as of the date of this Draft Red Herring Prospectus.

Our Company has constituted a Stakeholders' Relationship Committee comprising, Kamlesh Kumar Choudhary (Chairperson), Anil Kumar Nuwal (Member), Madhu Sudan Nuwal (Member) as members to review and redress shareholder and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer, and issue of duplicate shares. The Promoter Group Selling Shareholder has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offered Shares in the Offer for Sale. See "***Our Management–Committees of the Board–Stakeholders' Relationship Committee***" on page 306.

Disposal of investor grievances by listed group companies and listed subsidiary

As on the date of this Draft Red Herring Prospectus, our Group Companies and listed subsidiary are not listed on any stock exchange and, therefore, there are no investor complaints pending against them.

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.

Other confirmations

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Offer, except for fees or commission for services rendered in relation to the Offer.

None of the companies our Promoters are associated with or companies promoted by any of them have been delisted or suspended in the past.

None of the Directors, or Promoters or individuals forming part of the Promoter Group of our Company is appearing in the list of directors of struck-off companies.

There have been no inspections of our Company by SEBI or any other regulatory authority governing the operations of our Company.

This is the first public issue of our Company and we have not filed any application for undertaking an initial public offering with SEBI or any stock exchange in the past.

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives (as defined in the Companies Act, 2013) 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.

Except as disclosed under "***Our Promoters and Promoter Group – Other Confirmations***" and "***History and Certain Corporate Matters–Other Confirmations***" on pages 317 and 295, 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, Group Companies and its directors, Key Managerial Personnel and Directors.

Except as disclosed under "***Our Promoters and Promoter Group – Other Confirmations***" and "***History and Certain Corporate Matters–Other Confirmations***" on pages 317 and 295, there is no conflict of interest between the lessor of immovable properties and the Company (crucial for operations of the Company), Promoters, Promoter Group, Group Companies and its directors, Key Managerial Personnel and Directors.

Our Company, our Promoters and our Promoter Group have confirmed and undertake that they are not involved in any illegal money mobilisation scheme or any prohibited activities in violation of applicable laws.

There has been no instance of issuance of equity shares in the past by the Company or entities forming part of the Promoter Group to more than 49 or 200 investors in violation of:

1. Section 67(3) of Companies Act, 1956; or
2. Relevant section(s) of Companies Act, 2013, including Section 42 and the rules notified thereunder; or
3. The SEBI ICDR Regulations; or
4. The SEBI (Disclosure and Investor Protection) Guidelines, 2000, as applicable.

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SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, our Memorandum of Association and our Articles of Association, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. 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 the SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or any other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoter Group Selling Shareholders. For details in relation to the sharing of Offer expenses amongst our Company and the Promoter Group Selling Shareholders, see "***Objects of the Offer – Offer Related Expenses***" on page 163.

Ranking of the Equity Shares

The Equity Shares being Offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, 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, 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 473.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to our Shareholders in accordance with the provisions of Companies Act, our Memorandum of Association, our Articles of Association and provisions of the SEBI Listing Regulations and other applicable law. Dividends, if any, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "***Dividend Policy***" and "***Description of Equity Shares and Terms of the Articles of Association***" beginning on pages 321 and 473, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹5 and the 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 Offer Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLM and advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper (Hindi also being the regional language of Rajasthan, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading 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 websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process. At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by the SEBI from time to time.

Rights of Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our 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 and e-voting, in accordance with the provisions of the Companies Act;
- right to receive offers for rights Equity Shares and be allotted bonus Equity Shares, if announced;
- right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- right of free transferability of their Equity Shares, subject to applicable law; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, our Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "***Description of Equity Shares and Terms of the Articles of Association***" beginning on page 473.

Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in dematerialised form only. The trading of the Equity Shares shall only be in the dematerialized segment of the Stock Exchanges. In this context, the following agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated August 14, 2026, among our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated January 14, 2021, among our Company, CDSL and the Registrar to the Offer.

Market lot and trading lot

Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialized form in multiples of [●] Equity Shares of face value of ₹5 each, subject to a minimum Allotment of [●] Equity Shares. For details of basis of allotment, see "***Offer Procedure***" beginning on page 450.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Period of operation of subscription list

See "– ***Bid/Offer Programm***e" on page 440.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Jaipur, India.

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.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 and the relevant rules notified thereunder, 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. 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 he or she would be entitled if he or she 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 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 our 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, our 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, our Board may thereafter withhold payment of all dividends, bonuses or other moneys 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 Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder would prevail. If the Bidders wish to change the nomination, they are requested to inform their respective Depository Participant.

Bid/Offer Programme

BID/OFFER OPENS ON	[●][(1)]
BID/OFFER CLOSES ON	[●][(2)(3)]

(1) *Our Company may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be [●], i.e., one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

(2) *Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for Qualified Institutional Buyers one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *The UPI mandate end time and date shall be 5:00 p.m. on the Bid / Offer Closing Date.*

An indicative timetable in respect of the Offer is disclosed below.

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA[*]	[●]
Allotment of Equity Shares/ Credit of Equity Shares to dematerialized accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

[*] *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/Offer 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/Offer 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/Offer 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 ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs and relevant intermediaries, to the extent applicable.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company, the Promoter Group Selling Shareholders or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI are taken, the timetable may be extended due to various factors, such as extension of the Bid/Offer 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. Each of the Promoter Group Selling Shareholders confirms that they shall extend all reasonable support and co-operation required by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI.

Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

SEBI, through the SEBI ICDR Master Circular, has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable mandatorily for all public issues opening on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on a mandatory T+3 days listing basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to the SEBI ICDR Master Circular.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with listing timelines and activities prescribed by the SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer 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/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	
Submission of electronic applications (online ASBA through 3-in-1 accounts) - For RIBs, other than QIBs and Non-Institutional Investor	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic application (bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST

Submission of electronic applications (syndicate non-retail, non-individual applications of QIBs and NIBs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (direct 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 where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories[#]	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/Offer 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. IST

**UPI mandate end time and date shall be at 5 p.m. on the Bid/Offer Closing Date.*
 # QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On the Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received from 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 Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/Offer Opening Date until the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis, as per the format prescribed in SEBI ICDR Master Circular.

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 would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 1:00 p.m. IST on the Bid/Offer 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/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and any revision in Bids will be accepted only during Working Days during the Bid/Offer Period and revision shall not be accepted on Saturdays, Sundays and public holidays. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing. Further, 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, Sundays and public/bank holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

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.

Our Company, in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. Further, the Cap price shall be at least 105% of the Floor Price. 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. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Banks, as applicable.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; and (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, if any, in accordance with applicable laws, our Company and the Promoter Group Selling Shareholders shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI ICDR Master Circular. If there is a delay beyond the prescribed time, our Company, its Directors who are officers in default, and the Promoter Group Selling Shareholders shall pay interest at the rate prescribed under the Companies Act, 2013, the SEBI ICDR Regulations, SEBI ICDR Master Circular and other applicable law.

The requirement of minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

After achieving the above minimum subscription, if however, there is under-subscription in achieving the total Offer size, the Equity Shares will be allotted in the following order:

(i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue is subscribed;
(ii) upon (i), all the Equity Shares held by the Promoter Group Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Promoter Group Selling Shareholder); and
(iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted 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, our Company shall be liable to pay interest on the application money in accordance with applicable laws. None of the Promoter Group Selling Shareholders shall be liable to reimburse our Company for any interest paid by it on behalf of the Promoter Group Selling Shareholders on account of any delay with respect to Allotment of the respective portion of the Offered Shares offered by such Promoter Group Selling Shareholders in the Offer for Sale, or otherwise, unless such delay is solely accountable to such Promoter Group Selling Shareholders.

Arrangements for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialized form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer Equity Share capital of our Company, lock-in of the Promoters' contribution and the Anchor Investor lock-in as provided in "***Capital Structure – Lock- in of Equity Shares Allotted to Anchor Investors***" beginning on page 134 and as provided under our Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of Equity Shares and on their consolidation/splitting, except as provided in our Articles of Association. For details, see "***Description of Equity Shares and Terms of the Articles of Association***" beginning on page 473.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company in consultation with the BRLM, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) 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 Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company, in consultation with the Book Running Lead Manager, withdraw the Offer after the Bid/Offer Closing Date and thereafter determines that they will proceed with a public offering of Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. 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

OFFER STRUCTURE

Initial public offering of up to 30,938,000 Equity Shares of face value of ₹5 each for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹[●] million , comprising a Fresh Issue of up to 26,467,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million by our Company and an Offer for Sale of up to 4,471,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million by the Promoter Group Selling Shareholders, the details of which are set out below.

S. No.	Name of the Promoter Group Selling Shareholders	Number of Equity Shares offered / Amount
1.	Madhu Nuwal	Up to 1,490,333 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million
2.	Mamta Nuwal	Up to 1,490,333 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million
3.	Sangeeta Nuwal	Up to 1,490,334 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million

The Offer shall constitute [●] % of the post-Offer paid-up Equity Share capital of our Company.

Our Company, in consultation with the Book Running Lead Manager, may consider an issue of up to 5,000,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million, as may be permitted under applicable law, to any person(s), at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("Pre-IPO Placement"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects of the Offer in compliance with applicable law. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety). The pre-IPO placement has been authorised by our Board pursuant to the resolution passed at its meeting dated October 6, 2026, and by our Shareholders pursuant to a special resolution passed at their extraordinary general meeting dated October 9, 2026. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process and in compliance with Regulation 31 of the SEBI ICDR Regulations read with Regulation 6(1) of the SEBI ICDR Regulations.

Particulars	QIBs[3] [5]	Non-Institutional Bidders[5]	Retail Individual Bidders[5]
Number of Equity Shares available for Allotment/ allocation[1]	Not more than [●] Equity Shares of face value ₹5 each	Not less than [●] Equity Shares of face value ₹5 each available for allocation or the Offer less allocation to QIB Bidders and RIBs	Not less than [●] Equity Shares of face value ₹5 each available for allocation or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for allocation	Not more than 50.00% of the Offer being available for allocation to QIB Bidders. However, up to 5.00% of the Net QIB Portion will be	Not less than 15.00% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Investors shall be available for allocation, subject to the following:	Not less than 35.00% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Investors.

Particulars	QIBs[3] [5]	Non-Institutional Bidders[5]	Retail Individual Bidders[5]
	available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs in the remaining Net QIB Portion.	(i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹1.00 million; and (ii) two-thirds of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares of face value ₹5 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares of face value ₹5 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB portion i.e. up to [●] Equity Shares of face value ₹5 each may be allocated on a discretionary basis to Anchor Investors of which 40% shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bid received from Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription in (ii) above, the allocation may be made to domestic Mutual Funds.[4]	The allotment to each Non-Institutional Bidders shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis, subject to: (a) One-third of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million; and *(b)* Two-thirds of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹1.00 million. .	The allotment to each RIB 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 allotted on a proportionate basis. For further details, see "***Offer Procedure***" beginning on page 450.

Particulars	QIBs[3] [5]	Non-Institutional Bidders[5]	Retail Individual Bidders[5]
Mode of Bidding[2]	Only through the ASBA process (including the UPI Mechanism, as applicable) (except for Anchor Investors) SEBI through the SEBI ICDR Master Circular, 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 ₹ 0.50 million, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 0.20 million and up to ₹ 0.50 million shall be required to use the UPI Mechanism		
Minimum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares of face value ₹5 each that the Bid Amount exceeds ₹0.20 million	Such number of Equity Shares and in multiples of [●] Equity Shares of face value ₹5 each that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares and in multiples of [●] Equity Shares of face value ₹5 each thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares of face value ₹5 each not exceeding the size of the Offer, (excluding the Anchor Portion) subject to applicable limits to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares of face value ₹5 each not exceeding the size of the Offer (excluding the QIB Portion), subject to applicable limits to Bidder	Such number of Equity Shares in multiples of [●] Equity Shares of face value ₹5 each so that the Bid Amount does not exceed ₹ 0.20 million
Bid Lot	[●] Equity Shares of face value ₹5 each and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares of face value ₹5 each and in multiples of one Equity Share thereafter	For Non-Institutional Bidders, allotment shall not be less than the minimum Non-Institutional application size.	[●] Equity Shares of face value ₹5 each and in multiples of one Equity Share thereafter subject to availability in the Retail Portion
Trading Lot	One Equity Share		
Mode of Allotment	Compulsorily in dematerialised form		
Who can apply[6]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, mutual funds registered with SEBI, eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with the SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250.00 million, pension fund with minimum corpus of ₹250.00 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the Government, insurance	Resident Indian individuals, Eligible NRIs, HUFs (in the name of *karta*), companies, corporate bodies, scientific institutions, societies, trusts, family offices including FPIs which are individuals, corporate bodies and family offices which are re-categorized as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of *karta*).

Particulars	QIBs[3] [5]	Non-Institutional Bidders[5]	Retail Individual Bidders[5]
	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, in accordance with applicable laws.		
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.[7] **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Banks through the UPI Mechanism (for UPI Bidders using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form.		

(1) *Assuming full subscription in the Offer.*

(2) *Pursuant to the SEBI ICDR Master Circular, the SEBI has mandated that ASBA applications in the Offer will be processed only after the Bid Amounts are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of bidder and all modes through which the Applications are processed, accept ASBA Forms in their electronic book building platform only with a mandatory confirmation on the Bid Amounts blocked.*

(3) *The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net 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 all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

(4) *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 SEBI ICDR Regulations. 40% of the Anchor Investor Portion shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price, which price shall be determined by our Company in consultation with the BRLM. In case the aggregate demand from Life Insurance Companies and Pension Funds is less than 6.67%, the remaining Equity Shares will be added to the portion allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. 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 further details, see "**Offer Procedure**" on page 450.*

(5) *Subject to valid Bids being received at or above the Offer 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 Book Running Lead Manager and the Designated Stock Exchange, on a proportionate basis. However, undersubscription, 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, see "**Terms of the Offer**" on page 438.*

(6) *If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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 Promoter Group Selling Shareholders, the members of the Syndicate, 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.*

(7) *Anchor Investors are not permitted to use the ASBA process. 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 Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.*

The Bids by FPIs with certain structures as described under "***Offer Procedure - Bids by Foreign Portfolio Investors ("FPIs")***" on page 457 and having same PAN will 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) will be proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. 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.

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.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical 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.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in public offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 by SEBI and the UPI Circulars (the "**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 the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is also 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 Offer, including in relation to the process for Bids through the UPI Mechanism. The Bidders should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to: (i) category of investors eligible to participate in the Offer; (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 Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

*The SEBI by the SEBI ICDR Master Circular, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner.*

Further, SEBI by the SEBI ICDR Master Circular, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to the SEBI ICDR Master Circular, all individual bidders in initial public offerings whose application sizes are up to ₹0.50 million shall use the UPI Mechanism.

*Pursuant to the SEBI ICDR Master Circular, the time period for listing of equity shares pursuant to a public issue has been reduced from six Working Days to three Working Days, and as a result, the final reduced timeline of T+3 days has been made effective using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"). Accordingly, subject to any circulars, clarification or notification issued by the SEBI from time to time, this Offer will be undertaken pursuant to the processes and procedures prescribed under UPI Phase III, subject to any circulars, clarifications or notifications which may be issued by the SEBI.*

Pursuant to the SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed by the Registrar along with the SCSBs only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories 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.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.

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/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the application amount for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking.

SEBI pursuant to the SEBI ICDR Master Circular has introduced the disclosure of audiovisual presentation of disclosures made in offer documents. Pursuant to the SEBI ICDR Master Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online

websites/social media platforms/micro-blogging platforms by influencers. Further, investors are advised to rely only on the information contained in the offer document and price band advertisement for making investment decision.

The information herein is subject to amendment/modification/change 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 the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Our Company, the Promoter Group Selling Shareholders, Book Running Lead Manager and syndicate members do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document 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 the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, when filed.

Further, our Company, each of the Promoter Group Selling Shareholders and the Members of the Syndicate are not liable for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in the Offer.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulations 31 and 32(1) of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations, of which 40% shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Offer Price. In case the aggregate demand from Life Insurance Companies and Pension Funds is less than 6.67%, the remaining Equity Shares will be added to the portion allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations 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 only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, 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 and not less than 35% of Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer 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 Offer 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 dematerialized segment of the Stock Exchanges.

All potential Bidders (except Anchor Investors) are required to mandatorily utilize the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for UPI Bidders using 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. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, and with the press releases dated June 25, 2021, September 17, 2021, March 30, 2022, and March 28, 2023, read with subsequent circulars issued in relation thereto.

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. The SEBI, through the SEBI ICDR Master Circular, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days.

This Offer will be undertaken pursuant to the processes and procedures prescribed under UPI Phase III, subject to any circulars, clarifications or notifications which may be issued by the SEBI. The Offer will be advertised in all editions of [●], a widely circulated English national daily newspaper, in all editions of [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Rajasthan, India where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid/Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million using the UPI Mechanism, shall provide their UPI ID in 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.

Pursuant to the UPI Circulars and the SEBI ICDR Master 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 Circulars and the SEBI ICDR Master 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 finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized 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-Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. Our Company will be required to appoint Sponsor Banks to act as conduits between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI.

Further, pursuant to the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

a) a syndicate member;
b) a stock broker recognised with a registered stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
c) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
d) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

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 Centres 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/Offer Opening Date.

For Anchor Investors, copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders 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.

ASBA Bidders (other than UPI Bidders using UPI Mechanism) must provide bank account details and authorization 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. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to the SEBI ICDR Master Circular.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders 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 authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. 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 Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in the SEBI ICDR Master Circular.

Since the Offer is made under Phase III of the UPI Circulars (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the 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.
(iii) QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

As specified in the SEBI ICDR Master Circular, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. RIB, QIB and NIB and also for all modes through which the applications are processed.

The prescribed color of the Bid cum Application Form for the various categories is as disclosed below.

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	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

* *Excluding electronic Bid cum Application Form*

Notes:

(1) Electronic Bid Cum Application Forms and the Abridged Prospectus will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM.

In case of ASBA forms, the relevant Designated Intermediaries shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges 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. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the 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.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Banks 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 (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Banks, NPCI or the Bankers to the Offer) 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 bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Offer for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI ICDR Master Circular.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that trading members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹0.50 million and NIB and QIB bids above ₹0.20 million, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 p.m. on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding 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.

Further, pursuant to the 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 01, 2022:

(a) Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer 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 5:00 pm on the initial public offer closure day.

(d) Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 –Block Request Accepted by Investor/ Client.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

The Sponsor Banks 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 Banks 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 Banks 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.

The Sponsor Banks shall host a web portals for intermediaries (closed user group) from the date of Bid/Offer Opening Date until 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 Offer Bidding process.

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 Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in this Draft Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 p.m. for Retail Individual Bidders and 4:00 p.m. for NIB and QIB on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing.

d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Participation by the Promoters, the members of the Promoter Group, the BRLM, the Syndicate Members and persons related to Promoters/the members of the Promoter Group/the BRLM.

The BRLM and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective 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.

Except as stated below, neither the BRLM nor any associate of the BRLM can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associates of the BRLM;
(ii) insurance companies promoted by entities which are associates of the BRLM;
(iii) AIFs sponsored by the entities which are associates of the BRLM;
(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associates of the BRLM; or
(v) pension funds sponsored by entities which are associates of the BRLM

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, among the Anchor Investor and the BRLM.

Further, except for the sale of Equity Shares by the Promoter Group Selling Shareholders in the Offer, our Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer. Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

However, a QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to our Promoters or the members of the Promoter Group of our Company:
(i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or the members of the Promoter Group of our Company;
(ii) veto rights; or
(iii) right to appoint any nominee director on the Board.

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, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

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 HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder 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 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 NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External

("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company 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 or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in color). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in color).

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" beginning on page 471.

Bids by Foreign Portfolio Investors ("FPIs")

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA Non-debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. 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 reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

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.

The FEMA NDI Rules were enacted on October 17, 2019, in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

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 Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time

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; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, *inter alia*, the following conditions:

(i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi investment manager structure in accordance with the SEBI master circular bearing reference number SEBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("**MIM Bids**"). FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "**MIM Structure**"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with 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 managers 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.

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 managers 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 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "*exceeds the Offer 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 this Draft Red Herring Prospectus.*"

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be

rejected.

Bids by SEBI-registered AIFs, VCFs and FVCIs

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules.

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, *inter alia*, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by SEBI. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by SEBI. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) 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.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs, and 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.

The Company, the Promoter Group Selling Shareholders 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 this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Master Directions - the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated May 12, 2023, 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 banking company's own paid-up share capital and reserves, whichever is lower.

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, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The banking company is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. A banking company would require a prior approval of the RBI to make investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); and (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction - Reserve

Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the banking company; and mutual funds managed by asset management companies controlled by the banking company, more than 20% of the investee company's paid-up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above. The aggregate equity investment made by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid-up share capital and reserves.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars issued bearing reference numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 by the SEBI 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 Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) 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 Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

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, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, read with the Investments – Master Circular dated October 27, 2022, each amended ("**IRDAI Investment Regulations**") are broadly set forth below:

- 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;
- 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
- 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.

Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by pension funds registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹250.00 million and provident funds with minimum corpus of ₹250.00 million , a certified copy of 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, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹250.00 million (subject to applicable law) and pension funds with a minimum corpus of ₹250.00 million , registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, 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, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefore.

Our Company, in consultation with the BRLM, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLM may deem fit.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

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. The information herein is subject to amendment/modification/change 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 this Draft Red Herring Prospectus and as will be specified in the Prospectus.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, 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 BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100.00 million. 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 ₹100.00 million.
3. 40% of the Anchor Investor Portion shall be reserved as follows: (i) 33.33% for domestic Mutual Funds; and (ii) 6.67% for Life Insurance Companies and Pension Funds, subject to valid bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date.
5. Our Company, in consultation with the BRLM may 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) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is up to ₹2,500.00 million , subject to a minimum Allotment of ₹50.00 million per Anchor Investor; and (b) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 million , and an additional fifteen Anchor Investors for every additional ₹2,500.00 million or part thereof, subject to minimum Allotment of ₹50.00 million per Anchor Investor.

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. 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 BRLM before the Bid/Offer 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 Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.
9. 50% of the Equity Shares allotted to Anchor Investors under 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 shall be locked-in for a period of 30 days from the date of Allotment.
10. Neither the BRLM or any associate of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM) shall apply under the Anchor Investors Portion.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

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, the Promoter Group Selling Shareholders 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 this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Do's:

- Check if you are eligible to apply as per the terms of this Draft 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;
- Ensure that you have Bid within the Price Band;
- Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (i.e., bank account number) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a 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;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center (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;
- Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.
- Bidders Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
- UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. 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;
- Ensure that you have funds equal to or more than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
- UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
- The ASBA bidders shall ensure that bids above ₹0.50 million, are uploaded only by the SCSBs;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the First Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
- 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 the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
- Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgment Slip;
- Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (no. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, 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 the 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 Income Tax 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;

- 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;
- Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;
- Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
- Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders Bidding through UPI Mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and the PAN 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, UPI ID (for UPI Bidders bidding through UPI Mechanism) and PAN available in the Depository database;
- In case of QIBs and NIBs, 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 www.sebi.gov.in);
- The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;
- Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process.
- In case of UPI Bidders, once the Sponsor Banks issues the Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
- UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
- Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
- In case of ASBA Bidders (other than 3-in-1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million;
- UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
- Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
- 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 managers 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;
- Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
- UPI Bidders Bidding through UPI Mechanism 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/its UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a 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 authorizes the Sponsor Banks to block the Bid Amount mentioned in the Bid cum Application Form;

- Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. on the Bid/Offer Closing Date;
- Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹0.20 million would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the Non-Institutional Portion for allocation in the Offer;
- Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Banks, 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 Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
- Ensure that the Demographic Details are updated, true and correct in all respects; and
- 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:

- Do not Bid for lower than the minimum Bid size;
- Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
- Do not Bid/revise the Bid Amount to an amount calculated at less than the Floor Price or higher than the Cap Price;
- Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by Retail Individual Bidders);
- Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;
- Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
- Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not submit the Bid for an amount more than funds available in your ASBA account;
- 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 Bidders. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
- Do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
- Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
- If you are a QIB, do not submit your Bid after 3 p.m. on the Bid/Offer Closing Date for QIBs;
- In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million ;
- Do not Bid for Equity Shares in excess of what is specified for each category;
- In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;
- Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
- Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;
- 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;

- 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);
- Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of this Draft Red Herring Prospectus;
- Do not submit the General Index Register (GIR) number instead of the PAN;
- Do not submit incorrect details of the DP ID, Client ID, the 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 Offer;
- Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
- Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centers. If you are RIB and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
- Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
- Anchor Investors should not Bid through the ASBA process;
- Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
- Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
- 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 UPI Bidders using the UPI Mechanism;
- UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
- Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism; and
- 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.

Further, in case of any pre-Offer or post-Offer 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 the Company Secretary and Compliance Officer, see "***General Information – Company Secretary and Compliance Officer***" beginning on page 108.

Further, helpline details of the BRLM pursuant to the SEBI ICDR Master Circular are set out in the table below:

S. No.	Name of the BRLM	Helpline (email)	Telephone
1.	SMC Capitals Limited	investor.grievance@smccapitals.com	+91 22 – 6648 1818

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe 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 Banks);
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. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular no. CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs Bidding in the Retail Portion with Bid Amount of a value of more than ₹0.20 million ;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, as applicable to the RTAs in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "***General Information – Company Secretary and Compliance Officer***" beginning on page 108.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized 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 Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the RIBs, NIBs 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 each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer 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 ₹ 0.20 million and up to ₹ 1.00 million , and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1.00 million, 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 each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

The allotment of Equity Shares to each Retail Individual Bidder and Non-Institutional Bidder shall not be less than the minimum bid lot, subject to the availability of shares in the Retail Portion and Non-Institutional Bidder, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Accounts for Anchor Investors

Our Company, in consultation with the BRLM, in its 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. Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favor of:

(a) In case of resident Anchor Investors: "[●]"; and
(b) In case of Non-Resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company, the Promoter Group Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer and Price Band 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-Offer and price band advertisement, in the form prescribed by the SEBI ICDR Regulations, in: all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], (Hindi also being the regional language of Rajasthan where our Registered Office is located), each with wide circulation.

In the pre-Offer and price band advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The 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.

Allotment advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, BRLM and Registrar to the Offer, before 9:00 p.m. IST, on the second Working Day after the Bid/Offer Closing Date, provided such final listing and trading approval from each of BSE and NSE is received prior to 9:00 p.m. IST on such day. In the event that the final listing and trading approval from each of BSE and NSE is received post 9:00 p.m. IST on the second Working Day after the Bid/Offer Closing Date, then the Allotment Advertisement shall be uploaded on the websites of our Company, BRLM and Registrar to the Offer, following the receipt of final listing and trading approval from each of BSE and NSE.

Our Company, the BRLM and the Registrar shall publish an allotment advertisement not later than one Working Day after the date of commencement of trading, disclosing the date of commencement of trading in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●] (Hindi also being the regional language of Rajasthan where our Registered Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Promoter Group Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer 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 Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the Bidders 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, 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 ₹ 1.00 million 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 ₹ 1.00 million 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.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer 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 within three Working Days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI or under any applicable law shall be taken;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder 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 until the Equity Shares issued 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.;
- it shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges; and
- if our Company, in consultation with the BRLM withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, it shall be required to file a fresh draft red herring prospectus with the SEBI.

Undertakings by the Promoter Group Selling Shareholders

The Promoter Group Selling Shareholders, severally and not jointly, undertake the following:

- they are the legal and beneficial owners of the respective Equity Shares offered by them in the Offer for Sale;
- the respective Equity Shares offered by them in the Offer for Sale are free and clear of any encumbrances and shall be transferred to the successful Bidders within the time specified under applicable law.
- they have authorized our Company to take such necessary steps in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of Equity

Shares offered by them in the Offer for Sale;

- they shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges;
- they shall comply with all applicable laws, including the Companies Act, the SEBI ICDR Regulations, the FEMA and all applicable circulars, guidelines and regulations issued by the SEBI and the RBI, each in relation to the respective Equity Shares offered by them in the Offer for Sale to the extent that such compliance is the obligation of such Promoter Group Selling Shareholders;
- they shall provide reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLM in redressal of such investor grievances that pertain to their portion of the Offered Shares; and
- they shall provide reasonable assistance to our Company and the BRLM to ensure that the Equity Shares offered by them in the Offer shall be transferred to the successful Bidders within the specified time period under applicable law.

Utilization of Net Proceeds

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Net Proceeds shall be disclosed, and continue to be disclosed until the time any part of the proceeds of the Net Proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Net Proceeds, 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. However, pursuant to amendment on March 10, 2026, investors with non-controlling beneficial ownership of up to 10% from such jurisdictions are permitted under the automatic route, subject to applicable sectoral caps, entry routes, attendant conditions and reporting requirements.

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 or 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 "***Offer Procedure – Bids by Eligible NRIs***" and "***Offer Procedure –Bids by FPIs***", both on page 456 and 457.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

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. No material clause of the Articles of Association set out below has been left out from disclosure which may have a bearing on the Offer with respect to any investment decision or otherwise

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting held on, August 29, 2026, in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Pursuant to Table F in Schedule I of the Companies Act, 2013, the SEBI ICDR Regulations and the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in the Articles of Association. Certain defined terms used in the Articles of Association are set forth below. All other defined terms used in this section have the meaning given to them in the Articles of Association.

These Articles of Association were adopted by the Company in their EGM held on March 27, 2026.

SR. NO	PARTICULARS	DESCRIPTION
	INTERPRETATION CLAUSE	
I 1.	In these regulations—	
	(a) the Act means the Companies Act, 2013,	**Act**
	(b) the seal means the common seal of the company.	**Seal**
2.	Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.	**Expressions in the Act to bear the same meaning in Articles**
3.	The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013 which:- (a) is not a private company and; (b) has a minimum paid-up share capital, as may be prescribed: Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles ;	**Public Company**
	SHARE CAPITAL AND VARIATION OF RIGHTS	
II 1.	(i) The Authorized Share Capital of the Company shall be as specified in Clause 5 of Memorandum of Association of the Company with the power to increase or reduce such capital from time to time in accordance with the Articles and as per the applicable laws for the time being in force in this regard and also with the power to divide the Shares in the capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act, these Articles and other applicable laws.	

SR. NO	PARTICULARS	DESCRIPTION
2.	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 Directors who may issue, allot or otherwise dispose of the same or any of them 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.	**Shares to be under control of Directors**
3.	(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,— (a) one certificate for all his shares without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first. (ii) 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. Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate. (iii) 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 a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.	**Share Certificates**
4.	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: (i) Equity shares (ii) Preference shares	
5.	(i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a 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, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. The Board may grant permission for Sub-Division/ Consolidation of Share Certificates. (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.	**Issue of new certificates in place of those defaced, lost or destroyed.**
6.	Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	**Company not bound to recognise any interest in share other than that of registered holders.**
7.	(i) The company may exercise the powers of paying commissions conferred by sub section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. (ii) The rate or amount of the commission shall not exceed the rate or	**Commission payable**

SR. NO	PARTICULARS	DESCRIPTION
	amount prescribed in rules made under sub-section (6) of section 40. (iii) 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.	
8.	(i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths 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 shares of that class. (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.	**Modification of rights**
9.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.	**New Issue of shares not to affect rights attached to existing shares of that class.**
10.	Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.	**Issue and redemption of preference shares**
	(i) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to – (a) persons who, at the date of offer, are holders of equity shares of the Company; such offer 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; or (b) employees under any scheme of employees' stock option; or (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.	**Issuance of Shares**
	Where at any time, the Company proposes to increase its subscribed Capital by the issue of further shares, such shares shall be offered— (i) to Persons who, at the date of the offer, are holders of Equity Shares of the Company, in proportion, as nearly as circumstances admit, to the Paid-up Share Capital on those shares	
	(ii) to employees under a scheme of employees' stock option	
	(iii) to any Persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) 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 valuer, subject to the compliance with the applicable provisions of the Act and any other conditions as may be prescribed under Law.	
	(iv) A further issue of securities may be made in any manner whatsoever as the board may determine including by way of preferential allotment or private placement subject to and in accordance with Companies Act and rules made thereunder with pricing method prescribed to listed entities under SEBI (Issue of Capital Disclosures and Requirements) Regulations, as amended from time to time, if applicable.	

SR. NO	PARTICULARS	DESCRIPTION
	(v) The Company may issue bonus shares by way of capitalization profits or out of securities premium or otherwise in accordance with the Act and the Rules and other applicable provisions for the time being in force.	
11.	The Company shall have power to issue sweat equity shares to its employees or directors for cash or against consideration (other than cash) for providing know- how or making available rights in the nature of intellectual property rights or value additions by whatever name called, subject to the provisions of Section 54 of the Act and any other related provisions as may be required for the time being in force	
12.	The Company may issue shares to Employees including its directors other than independent directors and such other persons as the rules may allow, under Employee stock option scheme, Employee stock purchase scheme or any other scheme, if authorized by the members in general meeting subject to the provisions of the Act, the Rules, applicable guidelines made there under and other applicable laws for the time being in force.	
	DEBENTURES	
13.	Any debentures, debenture-stock or other securities may be issued at a discount (subject to the compliance with the provision of Section 53 of the Companies Act, 2013), premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination.	**Debentures**
14.	Subject to applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of securities) Rules, 2014 as amended from time to time	**Commission in accordance with Rules**
15.	The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.	
	LIEN	
16.	(i) The company shall have a first and paramount lien— (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.	**Company to have lien on shares.**
17.	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 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 the person entitled thereto by reason of his death or insolvency.	**As to enforcing lien by sale.**

SR. NO	PARTICULARS	DESCRIPTION
18.	(i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer. (iii) 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 in reference to the sale.	**Purchaser of the shares so transferred through enforcing lien by sale.**
19.	(i) The proceeds of the 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. (ii) 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.	**Application of proceeds of sale.**
	CALL ON SHARES	
20.	(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: 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. (ii) Each member shall, subject to receiving at least fourteen days' 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. (iii) A call may be revoked or postponed at the discretion of the Board.	**Directors may make calls**
21.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.	**Calls to date from resolution**
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	**Liability of joint holders to pay on call of shares**
23.	(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine. (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.	**Calls to carry interest.**
24.	(i) Any sum which by the terms of issue of a 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 regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. (ii) In case of non-payment of such sum, all the relevant provisions of these regulations 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.	**Sums deemed to be calls.**
25.	The Board— (a) may, 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	**Payments in anticipation of calls may carry interest**

SR. NO	PARTICULARS	DESCRIPTION
	rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance, but shall not in respect thereof confer a right to dividend or to participate in profits.	
	TRANSFER OF SHARES	
26.	(i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	**Execution of the instrument of shares.**
27.	The Board may, subject to the right of appeal conferred by section 58 decline to register— (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the company has a lien. Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever.	**Directors may refuse to register transfer.**
28.	The Board may decline to recognise any instrument of transfer unless— (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (*1*) of section 56; (b) the instrument of transfer is accompanied by the certificate of the 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 (c) the instrument of transfer is in respect of only one class of shares.	**Board to decline recognition of instrument of transfer.**
29.	On giving not less than seven days'previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.	**Notice for suspension of registration**
	TRANSMISSION OF SHARES	
30.	(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares. (ii) Nothing in clause (*i*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	**Recognition of legal representative.**
31.	(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either— (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made. (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent	**Registration of persons entitled to share.**

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	member had transferred the share before his death or insolvency.	
32.	(i) 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 he so elects. (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers 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.	**Notice to get registered as holder**
33.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall 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 meetings of the company: Provided that the Board may, at any time, give 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 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	**Advantages accruing to person becoming shareholder by reason of the death or insolvency of the holder**
	FORFEITURE OF SHARES	
34.	If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.	**If call or installment not paid, notice may be given.**
35.	The notice aforesaid shall— (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment 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.	**Terms of notice**
36.	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.	**On default of payment, shares to be forfeited.**
37.	(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	**Forfeited shares to be property of the Company and may be sold etc.**
38.	(i) 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 to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.	**Members still liable to pay money owing at timeof forfeiture.**

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39.	(i) 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 facts therein stated as against all persons claiming to be entitled to the share; (ii) The company may receive the consideration, if any, given for the share on any sale 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; (iii) The transferee shall thereupon be registered as the holder of the share; and (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.	**Evidence of forfeiture and title of transferee.**
40.	The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed 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.	**Applicability of forfeiture**
	ALTERATION OF CAPITAL	
41.	The company may, from time to time, by ordinary resolution increase the authorized share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	**Increase in Share Capital**
42.	Subject to the provisions of section 61, the company may, by ordinary resolution: (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	**Consolidation, sub-division and cancellation**
43.	Where shares 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 regulations under which, the shares 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, according 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 regulations of the company as are applicable to paid-up shares shall apply to stock and the words ―share and ―shareholder in those regulations shall include ―stock and ―stock-holder respectively.	**Conversion of shares into stock.**

SR. NO	PARTICULARS	DESCRIPTION
44.	The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,— (a) its share capital; (b) any capital redemption reserve account; or (c) any share premium account.	**Reduction of Share Capital**
	CAPITALISATION OF PROFITS	
45. I	(i) The company in general meeting may, upon the recommendation of the Board, resolve— (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (*iii*), either in or towards— (A) paying up any amounts for the time being unpaid on any shares held by such members respectively; (B) 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; (C) partly in the way specified in sub-clause (*A*) and partly in that specified in sub-clause (*B*); (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares; (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.	**Capitalization.**
	BONUS SHARES	
45. II	The Company in general meeting may decide to issue fully paid-up bonus share to the member, in the manner and to the extent as recommended by the Board of Directors.	**Bonus Issue**
46.	(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall— (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto. (ii) The Board shall have power— (a) 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 becoming distributable in fractions; and (b) to authorise 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 to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their	**Fractional certificates.**

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	existing shares; (iii) Any agreement made under such authority shall be effective and binding on such members.	
	BUY-BACK OF SHARES	
47.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	**Buy back of shares**
	GENERAL MEETINGS	
48.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	**Distinction between AGM & EGM.**
49.	(i) The Board may, whenever it thinks fit, call an extraordinary general meeting. (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.	**Extra-Ordinary General Meeting by Board**
	PROCEEDINGS AT GENERAL MEETINGS	
50.	(i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.	**Quorum for general meeting**
51.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.	**Chairperson**
52.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	**Director present and elected shall be the Chairperson**
53.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	**Chairperson other than as mentioned in Article 45 and 46**
	ADJOURNMENT OF MEETING	
54.	(i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	**Adjournment of meetings**
	VOTING RIGHTS	
55.	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 present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.	**Vote of members**
56.	A member may exercise his vote at a meeting by electronic means in	**E-voting**

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	accordance with section 108 and shall vote only once.	
57.	(i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	**Votes of joint members.**
58.	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 guardian may, on a poll, vote by proxy.	**When holder is a person of unsound mind**
59.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	**Other business may be proceeded pending the poll**
60.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.	**Pre-condition of voting right**
61.	(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned 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. (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	**Objections**
	PROXY	
62.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 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.	**Appointment of a proxy.**
63.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	**Form of proxy.**
64.	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 the 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.	**Validity of votes given by proxy not withstanding death of a member.**
	BOARD OF DIRECTORS	
65.	The number of the directors shall not be less than three and shall not be more than the limit fixed in the provisions of the Companies Act, 2013. The names of the first directors are as follows: a) Jugal Kishore Nuwal b) Anil Kumar Nuwal	**Number of Directors and First Directors**

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66.	(i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them: (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the company.	**Remuneration and travelling & other expenses incurred by Director on Company's business.**
67.	The Board may pay all expenses incurred in getting up and registering the company.	**Incorporation expenses**
68.	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.	**Foreign register**
69.	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 as the Board shall from time to time by resolution determine.	**Issuance of negotiable instruments**
70.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	**Book in meeting to be signed by directors.**
71.	(i) Subject to the provisions of section 149, 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. (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act. (iii) Subject to the provisions of Section 161 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an Additional Director and Alternate Director.	**Appointment of additional director,** a **casual director and alternate director.**
	PROCEEDINGS OF THE BOARD	
72.	(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	**Meetings of Directors**
73.	(i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	**Questions at Board meeting how decided**
74.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	**Continuing directors may act notwithstanding any Vacancy in the Board**
75.	(i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.	**Chairperson**

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76.	(i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	**Directors may appoint committee.**
77.	(i) A committee may elect a Chairperson of its meetings. (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	**Chairperson of committee meeting**
78.	(i) A committee may meet and adjourn as it thinks fit. (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	**Meetings of the committee**
79.	All acts done in any meeting of the Board or of 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 every such director or such person had been duly appointed and was qualified to be a director.	**Acts of Board or committee shall be valid notwithstanding defect in appointment.**
80.	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.	**Validity of resolution**
CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER		
81.	Subject to the provisions of the Act,— (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	**Appointment of chief executive officer, manager, company secretary or chief financial officer**
82.	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	**No deemed authorisation to same person holding two distinct position.**
INDEPENDENT DIRECTOR		
83.	The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations. Every director present at any physical meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	Independent Directors Appointment

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84.	The Board of Directors may appoint such number of Independent Directors as may be required to be appointed under Act, and under SEBI Listing regulations as amended from time to time.	Independent Director Appointment Clause
85.	(i) Independent directors shall possess such qualification as required under the act and under SEBI Listing regulations as amended from time to time. (ii) Independent Director shall be appointed for such period as prescribed under relevant provisions Act, Schedules thereof under SEBI Listing regulations as amended from time to time.	Qualification of Independent Director
	POWERS TO BORROW	
86.	(i) The Board of Directors may from time to time but with consent of the Company in general meeting as may be required under section 180 of the Companies Act, 2013 read with rules made thereunder, by a resolution passed at a Meeting of the Board raise any money or any monies or sums of money for the purpose of the Company; Provided that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid- up share capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 180 of the Act and the rules made thereunder. The Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, at such times and in such manner and upon such terms and conditions as they deem fit by the issue of debt instruments, debentures, or perpetual annuities, debenture stock, promissory notes, or by opening current accounts, or by receiving deposits and advances with or without security, or by issue of bonds and in security of any such money so borrowed, raised or received, to mortgage, pledge or charge, the whole or any part of the undertaking property, rights, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities in accordance with the acts, rules and regulations as applicable to the Company. (ii) The Directors may by resolution at a meeting of the Board delegate the power to borrow money otherwise than on debentures to a Committee of Directors or the Managing Director or Whole-Time Director or Manager subject to the limits up to which the money may be so borrowed as may be specified in the said resolution. (iii) 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 interest of the Company (iv) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law 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 and 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	**Borrowing power Clause**

SR. NO	PARTICULARS	DESCRIPTION
	of shares, 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.	
	THE SEAL	
87.	(a) The Board shall provide for the safe custody of the seal. (b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. Explanation: For the purposes of this sub-paragraph it is hereby clarified that on and from the commencement of the Companies (Amendment) Act, 2015, i.e. with effect from the 29th May, 2015, company may not be required to have the seal by virtue of registration under the Act and if a company does not have the seal, the provisions of this sub-paragraph shall not be applicable.	**Seal of the Company**
	DIVIDENDS AND RESERVE	
88.	The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	**Declaration of dividends**
89.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	**Interim Dividends**
90.	(i) 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. (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve	**Transfer to reserves**
91.	(i) 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. (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (iii) 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.	**Division of profits**
92.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.	**Payables on account of calls or otherwise may be deducted**

SR. NO	PARTICULARS	DESCRIPTION
93.	(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid 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. (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	**Dividends may be paid by cheque or warrants**
94.	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.	**Joint holders to give effective receipt**
95.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	**Notice of dividends by the Company**
96.	(i) No dividend shall bear interest against the company. (ii) Subject to the provisions of the Act, no unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law	**Dividends to not bear interest**
	ACCOUNTS	
97.	(i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	**Accounts and books to be open for inspection**
	WINDING UP	
98.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) 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. (ii) 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. (iii) 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.	**Winding up of company**
	INDEMNITY	
99.	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.	**Right to indemnify**
	DEMATERIALIZATION OF SHARES	
100.	In according with Section 29 read with Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act, Company will get its existing shares converted into physical form to dematerialized form and in future will issue shares only in dematerialized form. Company should obtain ISIN for each type of security. Before making any offer for the issue of any securities by the Company, the entire holding of securities of its promoters, directors, KMP	**Dematerialization of Shares**

SR. NO	PARTICULARS	DESCRIPTION
	shall be in dematerialized form. Every securities holder of Company shall get his securities in dematerialized form before transferring to any person or subscribing to any issue of securities. Company shall appoint a Registrar and Transfer Agent (RTA). After appointment of RTA, the company shall file an application along with relevant documents with the depository for obtaining DEMAT connectivity. The company, depository and RTA shall enter into Tripartite agreement, or some other arrangement, as agreed amount the parties, in respect of securities that are to be declared as eligible to be held in dematerialized form.	
	FURTHER ISSUE OF SHARES	
101.	The Board of the company as the case may be, may, in accordance with the Act and the Rules, issue further shares to: (a) persons who, at the date of offer, are holders of equity shares of the company; such offer shall be deemed to include a right exercisable by the persons concerned to renounce the shares offered to him or any of them in favour of any other person; or (b) employees under any scheme of employees' stock option; or (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.	**Further issue of shares**
102.	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.	**Shares at the disposal of the Directors**
103.	Before the issue of any new shares the Company in the General Meeting may make provision as to the allotment and issue of the new shares and in particular may determine to whom the same shall be offered in the first instance and whether at par or at premium or subject the provision of section 53 of the Act, at a discount.	**Power to issue shares on preferential basis.**
	*** PLEDGE OF SECURITIES, LOCK-IN RESTRICTIONS AND REGULATORY COMPLIANCE**	
104.	*1. In the event any shareholder creates a pledge over equity shares of the Company, such pledge shall be created, released and/or invoked only in dematerialized form through the depository system in accordance with the provisions of the Depositories Act, 1996, applicable SEBI Regulations, SEBI Circulars, applicable laws, byelaws, rules and operating instructions of the relevant depository.* *2. Where equity shares which are subject to lock-in requirements under the SEBI (Issuance of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") are pledged, shall notwithstanding such pledge, continue to be treated as locked-in for the applicable lock-in period prescribed under the ICDR Regulations.* *3. In the event of invocation of a pledge over equity shares that are subject to lock-in under the ICDR Regulations, such equity shares shall remain locked-in, in the account of the pledgee, for the residual period of lock-in in accordance with the ICDR Regulations.* *4. In the event of release of pledge over equity shares that are subject to lock-in under the ICDR Regulations, such equity shares shall continue to remain locked-in for the residual portion of the original lock-in period in the demat account of the pledgor.* *5. At the time of creation and invocation of pledge, the pledgor and pledgee shall comply with the provisions of the Indian Contract Act, 1872, including Sections 176 and 177, and the pledgee and the pledgee shall provide reasonable notice to the pledgor prior to any sale of pledged shares upon invocation, and shall furnish such undertakings and comply with such requirements as may be prescribed under applicable law, including SEBI Circulars and depository requirements.*	

SR. NO	PARTICULARS	DESCRIPTION
	6. *At the time of creation and invocation of pledge, the pledgor and pledgee shall provide such undertakings, declarations and confirmations as may be prescribed under applicable law, including those required under SEBI circulars and depository-prescribed pledge request forms, confirming, inter alia:* *i. compliance with the Indian Contract Act, 1872;* *ii. adherence to the Depositories Act, SEBI regulations, circulars and depository bye-laws; and* *iii. acknowledgement of lock-in restrictions applicable to the pledged shares.* 7. *Upon invocation of pledge, the depository shall intimate both the pledgor and the pledgee of such invocation and record the pledgee as the "beneficial owner" of the pledged shares in accordance with Regulation 79(8) of the SEBI (Depositories and Participants) Regulations, 2018 and applicable circulars.* 8. *Notwithstanding anything stated in Article 104.2, 104.3 and 104.5 above, where any Securities of the Company are required to be subject to a lock-in under Applicable Laws, including the SEBI ICDR Regulations, and such lock-in cannot be operationally effected due to the existence of any pledge, charge or other encumbrance on such Securities, the Company shall take all necessary steps required to be taken under the Applicable Laws to ensure that such Securities are recorded with the relevant depository as "non-transferable" for the applicable lock-in period. The Board of Directors is hereby authorised to do all acts, deeds and things as may be necessary to give effect to this clause and to remove such non-transferable status upon expiry of the lock-in period.*	

(i) The new set of Articles of Association adopted by Special Resolution passed by the Members of the Company at their Extra-ordinary General Meeting held on March 27, 2026. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

(ii) *The Articles of Association of the Company were altered by inserting a new Clause ***"PLEDGE OF SECURITIES, LOCK-IN RESTRICTIONS AND REGULATORY COMPLIANCE"*** pursuant to the Special Resolution passed by the Members of the Company at the Extra-Ordinary General Meeting held on August 29, 2026.

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 filed with the RoC. 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 Offer Closing Date. Copies of the documents for inspection referred to hereunder, will also be available on the website of our Company at http://www.sitaramdenims.com/www.sitaramdenims.com/investors.html from the date of the Red Herring Prospectus until the Offer Closing Date (except for such agreements executed after the Offer Closing Date).

A. Material Contracts for the Offer

1. Offer Agreement dated October 31, 2026 entered into among our Company and the BRLM.

2. Registrar Agreement dated October 31, 2026 entered into among our Company and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the BRLM, the Syndicate Members, the Registrar to the Issue and the Escrow Collection Bank(s), Sponsor Banks, Public Issue Account Bank and the Refund Bank(s).

4. Share Escrow Agreement dated [●] entered into between our Company, the Promoter Group Selling Shareholders and the Share Escrow Agent

5. Syndicate Agreement dated [●] entered into among our Company, the BRLM and the Syndicate Members.

6. Underwriting Agreement dated [●] entered into among our Company and the Underwriters.

7. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, each as amended.

2. Certificate of incorporation dated February 2, 2011 issued to our Company by the Registrar of Companies, Jaipur, Rajasthan, in the name of '*Sitaram Texpark Developers Private Limited'*.

3. Fresh certificate of incorporation dated May 20, 2016, issued subsequent to the change in name of our Company from '*Sitaram Texpark Developers Private Limited*' to '*Sitaram Denim India Private Limited*' issued to our Company by the Registrar of Companies, Jaipur.

4. Fresh certificate of incorporation dated June 3, 2016 consequent upon conversion into a public limited company issued to our Company by the Registrar of Companies,Jaipur.

5. Fresh certificate of incorporation dated June 16, 2016, issued subsequent to the change in name of our Company from '*Sitaram Denim India Limited*' to '*Sitaram Denims India Limited*' issued to our Company by the Registrar of Companies, Jaipur

6. Resolution of our Board dated August 24, 2026, authorizing the Offer and other related matters.

7. Resolution of our Board dated October 6, 2026, authorizing the Pre-IPO Placement.

8. Resolution of our Shareholders dated August 29, 2026, 2026 authorizing the Offer and other related matters.

9. Resolution of our Shareholders dated October 9, 2026, authorizing the Pre-IPO Placement.

10. Resolution of our Board dated August 24, 2026 taking on record the participation of Promoter group Selling Shareholders in the Offer for Sale.

11. Resolution of our Board dated November 03, 2026, approving this Draft Red Herring Prospectus.

12. Resolution of our Board dated November 03, 2026 approving the Draft Abridged Prospectus.

13. Resolution of our Board dated [•] approving the Red Herring Prospectus.

14. Consent letters of the Promoter Group Selling Shareholders for participation in the Offer for Sale, as detailed in "***The Offer***" on page 92 August 24, 2026.

15. Copies of the annual reports of our Company as of and for the Fiscals 2026, 2025 and 2024.

16. Industry report titled "Textile Research report" dated October 30, 2026 prepared by CareEdge and commissioned and paid for by our Company, available on our Company's website at www.sitaramdenims.com/investors.html.

17. Consents of our Directors, the BRLM, the Directors, the Company Secretary and Compliance Officer, the legal counsel to the Offer as to Indian law, Bankers to the Company, Registrar to the Issue, and Statutory Auditor, independent chartered engineer in their respective capacities.

18. Written consent dated November 03, 2026 from Pokharna Somani & Associates, our Joint Statutory Auditors, 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 our Joint Statutory Auditors

19. Written consent dated November 03, 2026 from R Kabra & Co LLP, our Joint Statutory Auditors, 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 our Joint Statutory Auditors.

20. Written consent dated November 03, 2026 from M/s A Bakliwal & Co, Chartered Accountants (Firm Registration Number: 148416W and Peer review Certificate Number: 023102), holding a valid peer review certificate from ICAI, 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 our Independent Chartered Accountant

21. Written consent dated October 17, 2026 from B K Sharma & Associates, Independent Practicing Company Secretaries, 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, 2013.

22. Certificate dated October 27, 2026 from R.K. Maheshwari, Independent Chartered Engineer, in connection with the installed capacity and capacity utilization of our Company, and providing their consent to include their name in this Draft Red Herring Prospectus and be named as an "expert" as defined under Section 2(38) of the Companies Act, 2013.

23. The examination report dated November 03, 2026 of the M/s A Bakliwal & Co, Chartered Accountants on the Restated Financial Information.

24. The report dated November 03, 2026 of the Joint Statutory Auditors, on the statement of special tax benefits available to our Company and its shareholders.

25. Certificate relating to key performance indicators dated October 24, 2026 issued by the M/s A Bakliwal & Co, Chartered Accountants.

26. Certificate dated November 3, 2026 bearing UDIN: 26440315CSVJIQ6434 , issued by the M/s A Bakliwal & Co, Chartered Accountants, for confirming financial indebtedness.

27. Certificates, each dated November 3, 2026 bearing UDINs: 26440315YWACAU7056, 26440315ZJJMZK7804, 26440315MBWFNS2753, 26440315UDSJFT4210 and 26440315MLOBYW9958 issued by the M/s A Bakliwal & Co, Chartered Accountants, for confirming (i) cost of acquisition; (ii) related party transactions; (iii) basis for Offer price; (iv) dividend; and (v) loan utilization, respectively.

28. Non-compete Agreement dated September 14, 2026 entered into by our Company with our Corproate Promoters, Sitaram India Limited

29. Tripartite agreement dated August 14, 2026, among our Company, NSDL and the Registrar to the Issue.

30. Tripartite agreement dated January 14, 2021 among our Company, CDSL and the Registrar to the Issue.

31. Due diligence certificate dated November 3, 2026 addressed to the SEBI from the BRLM.

32. In-principle listing approvals, each dated [●] issued by the BSE and the NSE, respectively.

33. SEBI observation letter no. [●] dated [●].

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 our Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

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.

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Anil Kumar Nuwal
Managing Director
DIN: 00096471
Date: November 3, 2026
Place: Bhilwara, Rajasthan, 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.

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Madhu Sudan Nuwal
Whole time Director
DIN: 00212341
Date: November 3, 2026
Place: Bhilwara, Rajasthan, 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.

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Anil Kumar Kohli
Executive Director
DIN: 09530109
Date: November 3, 2026
Place: Bhilwara, Rajasthan, 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.

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Birendranath Bandyopadhyay
Non-Executive Independent Director
DIN: 10802067
Date: November 3, 2026
Place: Surat, 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.

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Kamlesh Kumar Choudhary
Non-Executive Independent Director
DIN: 09291860
Date: November 3, 2026
Place: Bhilwara, Rajasthan, 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.

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Nupur Manishkumar Varday
Non-Executive Independent Director
DIN: 10881346
Date: November 3, 2026
Place: Bhilwara, Rajasthan, 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.

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Nitesh Mundra
Chief Financial Officer
Date: November 3, 2026
Place: Bhilwara, Rajasthan, India

DECLARATION

I, Mamta Nuwal, the Promoter Group Selling Shareholder hereby confirms that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as one of the Promoter Group Selling Shareholders and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made by, or relating to the Company or any other Promoter Group Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Date: November 3, 2026
Place: Bhilwara, Rajasthan, India

DECLARATION

I, Madhu Nuwal, the Promoter Group Selling Shareholder hereby confirms that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as one of the Promoter Group Selling Shareholders and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made by, or relating to the Company or any other Promoter Group Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

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Date: November 3, 2026
Place: Bhilwara, Rajasthan, India

DECLARATION

I, Sangeeta Nuwal, the Promoter Group Selling Shareholder hereby confirms that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as one of the Promoter Group Selling Shareholders and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made by, or relating to the Company or any other Promoter Group Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

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Date: November 3, 2026
Place: Bhilwara, Rajasthan, India