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 ₹[●] 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	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). 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 THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE DRAFT RED HERRING PROSPECTUS

Please scan this QR code to view the Draft Red Herring Prospectus and this Draft Abridged Prospectus

The following is a general summary of certain disclosures in the Draft Red Herring Prospectus and the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in the Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in the Draft Red Herring Prospectus, which is available at the websites of SEBI at www.sebi.gov.in, National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com, respectively, the Company at www.sitaramdenims.com and the BRLM at www.smccapitals.com.

References below to page numbers are to page numbers of the Draft Red Herring Prospectus dated November 3, 2026. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the Draft Red Herring Prospectus.

1. Summary of the primary business

a) Business Overview - Products and Services

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, which we sell in both grey and finished fabric forms. In addition to fabric sales, we undertake job-work weaving and sizing activities for third-party customers and sell sized yarn. Our manufacturing operations are undertaken through a combination of our owned Manufacturing Facility at District Bhilwara, Rajasthan and dedicated manufacturing infrastructure available through Sitaram India Limited, one of our Promoters, pursuant to an exclusive job-work arrangement. Our revenue from operations grew from ₹1,116.82 million in Fiscal 2024 to ₹2,423.84 million in Fiscal 2026, a CAGR of 47.32%, and stood at ₹751.07 million for the three-month period ended June 30, 2026.

b) Industries Served and Typical Customers / Clients

Our products primarily cater to various categories within the apparel segment. We principally serve business-to-business customers across the textile value chain, including textile and apparel manufacturers, wholesalers and other participants in the textile industry, directly and through agents, and also cater to international markets through direct exports and sales to merchant exporters. We catered to 316 revenue-generating customers in Fiscal 2026, compared with 232 customers in Fiscal 2025 and 147 customers in Fiscal 2024, and served 204 revenue-generating customers during the three-month period ended June 30, 2026. In Fiscal 2026, domestic sales, direct exports and sales through merchant exporters contributed 96.16%, 3.02% and 0.81% of our revenue from operations, respectively.

c) Segment Reporting and Revenue Contribution

Our Company is primarily engaged in the business of fabric manufacturing, which the management and the Chief Operating Decision Maker recognise as the sole business segment. Accordingly, there are no separate reportable segments. For further information, see "**Restated Financial Information – Note 49. Segment Information**" beginning on page 359 of the Draft Red Herring Prospectus.

d) Key Geographies Served

We primarily sell our products in the domestic market. Our products were served across 15 states and union territories during the three-month period ended June 30, 2026 and in Fiscal 2026, and our principal domestic markets include Rajasthan, Delhi, Gujarat, West Bengal, Madhya Pradesh, Maharashtra and Uttar Pradesh.

Rajasthan and Delhi together accounted for 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. In international markets, our products were sold in countries including Nepal, Syria, Ecuador, Peru, South Africa, Yemen, Afghanistan, Mexico and USA.

e) Revenue Concentration among Top 5 Customers

The table below sets forth details of revenue from operations generated from the top five customers during the periods indicated:

Particulars	Three-month period ended June 30, 2026*		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations	Amount (in ₹ million)	% of total revenue from operations
Top 5 customers	336.08	44.74	1,075.41	44.37	1,086.68	52.03	465.54	41.68

**Not annualised*

f) Key Manufacturing or Other Facilities

As on the date of the Draft Red Herring Prospectus, our Company operates one Manufacturing Facility located at Balesaria, Gram Danta Nilawari, Tehsil Banera, District Bhilwara, Rajasthan, equipped with 204 shuttleless airjet looms, with an installed weaving capacity of 25.20 million metres per annum and an installed sizing capacity of 6.00 million kilograms per annum.

g) Business Strengths and Strategies

Business Strengths

- Integrated and automation-led preparatory and weaving infrastructure supporting process control and manufacturing efficiency
- Flexible manufacturing and processing platform combining owned infrastructure, dedicated weaving capacity and third-party downstream processing capabilities
- Diversified commercial model supported by established and recurring customer relationships
- Strategic location within the Bhilwara textile ecosystem supports our procurement, manufacturing, downstream processing requirements, while providing proximity to customers, suppliers and job workers
- Experienced Promoters and management team with sector-specific and functional expertise
- Healthy growth in scale, operating profitability and returns.

Business Strategies

- Expand manufacturing capacity and enhance operating efficiency
- Expand our product portfolio and increase participation in value-added fabric categories
- Increase our participation in downstream textile activities through the proposed stitching facility
- Deepen relationships with existing customers and expand our customer base across domestic and international markets
- Increase the contribution of finished fabrics and strengthen our "Sitaram" branded product offering.

For further details, see "**Our Business**" on page 239 of the Draft Red Herring Prospectus.

2. Summary of the industry (Source: CareEdge Report)

The global textile market increased from USD 1,209 billion in 2019 to USD 1,518 billion in 2025, reflecting rising demand across fashion, home furnishings and technical applications. India is the world's second-largest

producer of textiles and garments and the third-largest exporter. As per the CareEdge Report, the Indian textile and apparel industry is set to grow from USD 188 billion in FY26 to USD 350 billion in FY30, at a CAGR of 16.8%, driven by rising domestic and export demand, rising disposable incomes, rapid urbanisation and the growth of online retail. Cotton woven fabric production remained largely stable at 3,68,142 thousand meters in FY26, compared to 3,71,200 thousand meters in FY25. The Indian readymade garments market increased from USD 70.2 billion in FY20 to USD 110.7 billion in FY26, a CAGR of 7.9%, and is projected to reach USD 128.5 billion by FY30, at a CAGR of 3.8%. Growth is supported by government initiatives including the Production-Linked Incentive (PLI) scheme and PM MITRA Parks, and by the India–European Union Free Trade Agreement concluded in January 2026, which is expected to provide preferential or zero-duty access to over 99% of Indian exports, including textiles and apparel, upon implementation. Bhilwara (Rajasthan) is a key textile hub, with a strong presence in spinning, weaving and processing, particularly for synthetic, blended and suiting fabrics.

For further details, see "**Industry Overview**" on page 190 of the Draft Red Herring Prospectus.

3. Promoters

The Promoters of our Company are Anil Kumar Nuwal, Madhu Sudan Nuwal, Jugal Kishore Nuwal and Sitaram India Limited.

Sr. No.	Name	Individual/ Corporate	Experience and Educational Qualification / Corporate Information
1.	Anil Kumar Nuwal	Individual	**Anil Kumar Nuwal** is a Promoter and the Chairman and Managing Director of our Company. He has completed his degree in Bachelor of Science from the University of Rajasthan. He possesses 38 years of experience in the textile industry and has been associated with our Company since February 2, 2011. His roles and responsibilities include providing strategic leadership and overseeing our Company's business operations, procurement, growth and operational performance.
2.	Madhu Sudan Nuwal	Individual	**Madhu Sudan Nuwal** is a Promoter and the Whole-Time Director of our Company. 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 and has been associated with our Company since April 20, 2016. His roles and responsibilities include providing overall management, strategic planning, business growth, operational efficiency, stakeholder relationships, corporate governance, risk management and regulatory compliance of our Company.
3.	Jugal Kishore Nuwal	Individual	**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 our 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.

Sr. No.	Name	Individual/ Corporate	Experience and Educational Qualification / Corporate Information
4.	Sitaram India Limited	Corporate	**Sitaram India Limited** was incorporated on September 24, 1987, under the provisions of the Companies Act, 1956. Its registered office is situated at F-226, 227, G-228, 229, IV Phase, RIICO Industrial Area, Bhilwara-311001, Rajasthan, India, and its corporate identification number is U13121RJ1987PLC004101. Sitaram India Limited is a vertically integrated textile company with its primary operations located in Bhilwara, Rajasthan, and is engaged in textile manufacturing and trading, including processing, weaving, dyeing, finishing and dealing in various textile fibres and fabrics. There has been no change in its main activities since the date of its incorporation.

For further details, see "**Our Promoter and Promoter Group**" on page 312 of the Draft Red Herring Prospectus.

4. Objects of the Offer

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

Particulars	Amount (in ₹ million)
Repayment or prepayment of all or a portion of certain outstanding borrowings availed by our Company	400.00
Funding proposed expansion towards setting up of readymade garment manufacturing facility at Banera, Bhilwara ("**Proposed Expansion**")	413.73
Funding working capital requirements	232.25
General corporate purposes*	[●]
Total Net Proceeds*#	[●]

**To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. In compliance with Regulation 7(2) of the SEBI ICDR Regulations, the amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

*#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). 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.*

For further details, see "**Objects of the Offer**" on page 136 of the Draft Red Herring Prospectus.

5. Pre-Offer and Post-Offer shareholding of our Promoters, members of the Promoter Group and additional top 10 shareholders as at the date of the 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 the date of this Draft Red Herring Prospectus and at Allotment.

Sr. No.	Name of the Shareholders	Pre-Offer shareholding as at the date of Draft Red Herring Prospectus		Post-Offer shareholding as at Allotment(1)			
				At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
		Number of Equity Shares of face value of ₹ 5 each	Share holding (in %)	Number of Equity Shares of face value of ₹ 5 each	Share holding (in %)	Number of Equity Shares of face value of ₹ 5 each	Share holding (in %)
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%	[●]	[●]	[●]	[●]
Total holding of the Promoters (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%	[●]	[●]	[●]	[●]
Total holding of Promoter Group (other than Promoters) (B)		**12,614,000**	**15.01%**	[●]	[●]	[●]	[●]
Additional top 10 shareholders (other than our Promoters and Promoter Group)							
-	Nil	Nil	Nil	[●]	[●]	[●]	[●]
Sub-Total (C)		**Nil**	**Nil**	[●]	[●]	[●]	[●]
Total (A + B + C)		**84,040,000**	**100.00 %**	[●]	[●]	[●]	[●]

(1)To be updated prior to the filing of the Prospectus with the RoC.

**Also the Promoter Group Selling Shareholders*

For further details, see "**Capital Structure**" beginning on page 117 of the Draft Red Herring Prospectus.

6. Summary of Restated Financial Information

Summary of selected financial information as at and for the three-month period ended June 30, 2026 and the Fiscals 2026, 2025 and 2024, derived from our Restated Financial Information, is as follows (₹ in million, unless otherwise stated):

Particulars	June 30, 2026*	Fiscal 2026	Fiscal 2025	Fiscal 2024
Equity Share capital	420.20	420.20	210.10	210.10
Net Worth	1,210.22	1,130.56	890.81	731.42
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 (in %)	21.01	20.83	20.05	18.18
Profit after tax	79.78	242.26	159.42	52.35
PAT Margin (in %)	10.62	9.99	7.63	4.69
Basic EPS (in ₹)	0.95	2.88	1.90	0.62
Diluted EPS (in ₹)	0.95	2.88	1.90	0.62
Return on Equity / Net Worth (%)	6.82	23.97	19.65	7.42
Net Asset Value per Equity Share	14.40	13.45	10.60	8.70
Total Borrowing	2,459.20	2,272.67	1,941.47	1,532.89
Cash flow from operating activities	(26.22)	23.63	(29.18)	17.52
Cash flow from investing activities	(141.48)	(271.69)	(294.53)	(798.38)
Cash flow from financing activities	168.67	250.84	313.84	823.58

**Not annualised for the three-month period ended June 30, 2026.*

For further details, see "**Restated Financial Information**", "**Basis for the Offer Price**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", "**Other Financial Information**" and "**Financial Indebtedness**" on pages 322, 167, 374, 365 and 367, respectively of the Draft Red Herring Prospectus.

7. Summary of Key Performance Indicators

Financial Performance Indicators

Particulars	Unit	Three-month period ended June 30, 2026*	Fiscal		
			2026	2025	2024
Revenue from Operations [(1)]	₹ in million	751.07	2,423.84	2,088.43	1,116.82
Gross Profit [(2)]	₹ in 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)]	₹ in million	157.81	504.79	418.80	203.00
EBITDA Margin [(5)]	%	21.01%	20.83%	20.05%	18.18%
Net Profit [(6)]	₹ in million	79.78	242.26	159.42	52.35
Net Profit Margin [(7)]	%	10.62%	9.99%	7.63%	4.69%
Cash Profit [(8)]	₹ in 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 Performance Indicators:

Particulars	Unit	Three-month period ended June 30, 2026*	Fiscal		
			2026	2025	2024
Average Capacity Utilization (15)**	%	27.92%	97.06%	79.54%	84.17%
Production Volume (16)**	Million Meters	7.04	24.46	15.27	11.11
Revenue per Employee (17)	₹ in million	1.75	6.88	7.90	5.42
Number of Looms (18)	Nos.	204	204	204	120

** Not annualised*

*** Installed capacity, production and capacity utilisation of our Manufacturing Facility have been certified by R.K. Maheshwari, Independent Chartered Engineer, by way of certificate dated October 27, 2026.*

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.

Note: As certified by M/s A Bakliwal & Co, Chartered Accountants, bearing FRN No. 148416W vide their certificate dated October 3, 2026.

For further details, see "**Basis for the Offer Price – Key Performance Indicators**" beginning on page 171 of the Draft Red Herring Prospectus.

8. Risk Factors

The following are the top 10 internal risk factors as disclosed in the DRHP:

- 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.
- 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.
- 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.
- 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.
- 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 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.
- 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.
- 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.
- 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.

- 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.

For further details, investors are advised to carefully read "**Risk Factors**" beginning on page 28 of the Draft Red Herring Prospectus, to have an informed view before making an investment decision in the Offer.

9. Details of weighted average cost of acquisition of Equity Shares of our Promoters and Selling Shareholders

Weighted average cost of acquisition at which the specified securities were acquired by our Promoters and the Selling Shareholders as on date of the Draft Red Herring Prospectus and within one year preceding the date of the Draft Red Herring Prospectus

The weighted average cost at which the equity shares were acquired by our Promoters and the Selling Shareholders as on the date of the Draft Red Herring Prospectus and within one year preceding the date of the Draft Red Herring Prospectus is as follows:

Name of Shareholder	Number of equity shares of face value of ₹5 each held as on the date of the Draft Red Herring Prospectus	Weighted average price of equity shares of ₹5 each held as on the date of the Draft Red Herring Prospectus (in ₹)(1)	Number of equity shares of face value of ₹5 acquired in last one year preceding the date of the Draft Red Herring Prospectus	Weighted average price of equity shares of face value of ₹5 each acquired in the last one year (in ₹)[(1)]
Promoters				
Anil Kumar Nuwal	13,410,000	2.50	4,883,000	0.00
Madhu Sudan Nuwal	11,008,000	2.50	3,791,000	0.00
Jugal Kishore Nuwal	11,008,000	0.71	782,000	0.00
Sitaram India Limited	36,000,000	2.50	9,000,000	0.00
Promoter Group Selling Shareholders				
Madhu Nuwal	3,404,000	2.50	851,000	0.00
Mamta Nuwal	3,404,000	2.50	851,000	0.00
Sangeeta Nuwal	3,404,000	2.50	851,000	0.00

(1)As certified by M/s A Bakliwal & Co, Chartered Accountants, pursuant to their certificate dated November 3, 2026, 2026 bearing UDIN: 26440315YWACAU7056.

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

The weighted average cost of acquisition of all shares transacted in (i) 1 year; (ii) 18 months and (iii) 3 years preceding the date of the 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 the Draft Red Herring Prospectus	0.00	[●]	[●]

Period	WACA (in ₹)*	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: lowest price – highest price (₹)
Last eighteen (18) months preceding the date of the Draft Red Herring Prospectus	0.00	[●]	[●]
Last three (3) years preceding the date of the Draft Red Herring Prospectus	0.00	[●]	[●]

**As certified by M/s A Bakliwal & Co, Chartered Accountants pursuant to their certificate dated November 03, 2026, 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.

For further details, see "**Capital Structure**" on page 117 of the Draft Red Herring Prospectus.

10. Board of Directors and Key Managerial Personnel

The names and designations of members of the Board of Directors and Key Managerial Personnel are set forth below:

Sr. No.	Name	Designation
Board of Directors		
1.	Anil Kumar Nuwal	Chairman and Managing Director
2.	Madhu Sudan Nuwal	Whole Time Director
3.	Anil Kumar Kohli	Executive Director
4.	Birendranath Bandyopadhyay	Independent Director
5.	Kamlesh Kumar Choudhary	Independent Director
6.	Nupur Manishkumar Varday	Independent Director
Key Managerial Personnel		
1.	Nitesh Mundra	Chief Financial Officer
2.	Shruti Joshi	Company Secretary and Compliance Officer

For further details, see "**Our Management**" beginning on page 296 of the Draft Red Herring Prospectus.

11. Auditor Qualifications

There are no qualifications included by the Statutory Auditors which have not been given effect to in the Restated Financial Information. For further details, see "**Restated Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Reservations, Qualifications and Adverse Remarks**" on pages 322 and 409, respectively of the Draft Red Herring Prospectus.

12. Summary of outstanding litigation

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

(₹ in millions)

Nature of Cases	Number of outstanding cases	Amount Involved*
Litigation involving our Company		
Criminal proceedings against our Company	Nil	Nil
Criminal proceedings by our Company	Nil	Nil
Material civil litigation against our Company	Nil	Nil
Material civil litigation by our Company	1	Not ascertainable
Actions by statutory or regulatory Authorities	Nil	Nil
Direct and indirect tax proceedings	3	0.16
Litigation involving our Directors (other than Promoters)		
Criminal proceedings against our Directors	Nil	Nil
Criminal proceedings by our Directors	Nil	Nil
Material civil litigation against our Director	Nil	Nil
Material civil litigation by our Director	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters		
Criminal proceedings against our Promoters	Nil	Nil
Criminal proceedings by our Promoters	2	0.72
Material civil litigation against our Promoters	1	Not ascertainable
Material civil litigation by our Promoters	1	0.50
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	20	10.63
Litigation involving our KMPs and SMPs		
Criminal proceedings against our KMPs and SMPs	Nil	Nil
Criminal proceedings by our KMPs and SMPs	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil

**To the extent quantifiable.*

As on the date of the Draft Red Herring Prospectus, our Company does not have any Group Company.

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" and "***Risk Factors – 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.***" on pages 412 and 44, respectively of the Draft Red Herring Prospectus.

DECLARATION BY OUR COMPANY

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. In particular, the Equity Shares offered in the Offer 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 (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S.