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VINOD TEXWORLD LIMITED
(Formerly known as Vinod Texworld Private Limited)
CIN: U17200GJ2012PLC071210

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL, TELEPHONE & FAX	WEBSITE
185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405	N.A.	Aditi Mittal Company Secretary & Compliance Officer	ho@vinodtexworld.com, +91 7069030829 & N.A.	www.vinodtexworld.com
PROMOTER(S) OF THE COMPANY				
MR. HARSH VINOD MITTAL, MR. YASH VINOD MITTAL AND MRS. SWETA YASH MITTAL				
DETAILS OF THE ISSUE				
Type	Fresh Issue Size (Rs. in Lakh)	OFS* Size (Rs. in Lakh)	Total Issue Size (Amount in Rs. Lakh)	Eligibility & Share Reservations
Fresh Issue	Up to 45,56,800 Equity Shares at the Offer Price of Rs. [●] each aggregating [●] Lakhs	N.A.	Up to 45,56,800 Equity Shares at the Offer Price of Rs. [●] each aggregating [●] Lakhs	This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 read with SEBI ICDR (Amendment) Regulations, 2025. The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations, as the Company's post issue paid up capital is More than Rs. 10.00 Cr and up to Rs. 25.00 Crore.
*OFS: Offer for Sale				
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION				
NAME OF SELLING SHAREHOLDER	TYPE	NO. OF EQUITY SHARES OFFERED/ AMOUNT IN RS.	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE	
NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES				
WACA: Weighted Average Cost of Acquisition on fully diluted basis				
RISKS IN RELATION TO THE FIRST ISSUE				
This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of Equity Shares is ₹ 10/- each. The Issue Price (determined by our Company in consultation with the Lead Manager, in accordance with the SEBI ICDR Regulations), and based on the assessment of market demand for the Equity Shares by way of Fixed Price Process as stated in “Basis for Issue Price” beginning on page 136 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 or 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 this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares 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 content of this Draft Prospectus. Specific attention of the investors is invited to ‘Risk Factors’ on page 35 of this Draft Prospectus.				
ISSUER’S ABSOLUTE RESPONSIBILITY				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.				
LISTING				
The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (“NSE Emerge”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, read with SEBI ICDR (Amendment) Regulations, 2025, as amended from time to time. Our Company has received an In-Principal approval letter dated [●] from National Stock Exchange of India Limited (“NSE Emerge”) for using its name in the Draft Prospectus for listing of our shares on the SME Platform of National Stock Exchange of India Limited (“NSE”). For the purpose of this Issue, National Stock Exchange of India Limited (“NSE Emerge”) shall be the Designated Stock Exchange.				
LEAD MANAGER TO THE ISSUE			REGISTRAR TO THE ISSUE	
 NOVUS CAPITAL ADVISORS PRIVATE LIMITED[#] <i>(Formerly known as Fast Track Finsec Private Limited)</i> CIN: U65191DL2010PTC200381 SEBI Registration No. INM000012500 Registered Office: Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001 Tel No.: +91-11-43029809 Contact Person: Ms. Sakshi/ Mr. Sagar Kapoor Email: vinodipo@novuscaps.com; investor@novuscaps.com Website: www.novuscaps.com			 KFIN TECHNOLOGIES LIMITED CIN: L72400MH2017PLC444072 SEBI Registration No.: INR000000221 Registered office: 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400070, Maharashtra Corp. Office: Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel No: +91 40 6716 2222; Contact Person: Mr. M Murali Krishna Email: vinodtex.ipo@kfintech.com Website: www.kfintech.com Investor Grievance Email: einward.ris@kfintech.com	
OFFER PROGRAMME				
BID/ISSUE OPENS ON: [●]			BID/ISSUE CLOSES ON: [●]	

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

[#] Formerly known as Fast Track Finsec Private Limited, the name of the Merchant Banker has been changed to Novus Capital Advisors Private Limited pursuant to the Certificate of Incorporation issued by the Registrar of Companies, Central Processing Centre dated August 11, 2025 and SEBI Certificate dated November 06, 2025.

VINOD TEXWORLD LIMITED
(Formerly known as Vinod Texworld Private Limited)

Our Company was originally incorporated as “Shree Shiv Shakti Cot-Fab Private Limited” as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 19, 2012 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli having, Corporate Identification Number U17200GJ2012PTC071210. Subsequently in the Financial Year 2016-17, Vinod Mangalchand Mittal, Harsh Vinod Mittal and Yash Vinod Mittal acquired 100% shareholding in the Shree Shiv Shakti Cot-Fab Private Limited. Subsequently, Our Company changed its name from “Shree Shiv Shakti Cot-Fab Private Limited” to “Vinod Fabtex Private Limited” vide Certificate of Incorporation pursuant to change of name dated March 08, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting held on March 03, 2018. Subsequently, Our Company changed its name from “Vinod Fabtex Private Limited” to “Vinod Texworld Private Limited” vide Certificate of Incorporation pursuant to change of name dated May 25, 2018 issued by Registrar of Companies, Ahmedabad, pursuant to special resolution passed in the Extra Ordinary General Meeting held on May 23, 2018. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra Ordinary General Meeting held on November 05, 2024 and consequently the name of our Company was changed to “Vinod Texworld Limited” pursuant to fresh certificate of incorporation dated December 18, 2024 issued to our Company by the Registrar of Companies, Central Processing Centre, having Corporate Identification Number U17200GJ2012PLC071210. For details of change in name and registered office of our Company, please refer to chapter titled “Our History and Certain Other Corporate Matters” beginning on page 224 of this Draft Prospectus.

Corporate Identification Number (CIN): U17200GJ2012PLC071210

Registered Office: 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 382405

Telephone No.: +91 7069030829 **Website:** www.vinodtexworld.com **E-Mail:** ho@vinodtexworld.com

Company Secretary and Compliance Officer: Aditi Mittal;

PROMOTERS OF THE COMPANY	MR. HARSH VINOD MITTAL, MR. YASH VINOD MITTAL AND MRS. SWETA YASH MITTAL
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ADDENDUM TO THE DRAFT PROSPECTUS DATED SEPTEMBER 29, 2025:

NOTICE TO THE INVESTORS (“THE ADDENDUM & CORRIGENDUM”)

INITIAL PUBLIC ISSUE OF UP TO 45,56,800 EQUITY SHARES OF FACE VALUE OF 10/- EACH OF VINOD TEXWORLD LIMITED (“VTL” OR “VINOD” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO RS. [●] LAKHS (“THE ISSUE”) OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF [●] EQUITYSHARES OF FACE VALUE OF RS. 10/- EACH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS (THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE UPTO [●] AND [●] RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARECAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 370 OF THIS DRAFT PROSPECTUS.

POTENTIAL BIDDERS MAY NOTE THE FOLLOWING:

1. The Chapter titled “DEFINITIONS AND ABBREVIATIONS” beginning on page 01 of the Draft Prospectus has been updated.
2. The Chapter titled “SUMMARY OF OFFER DOCUMENT” beginning on page 24 of the Draft Prospectus has been updated.
3. The Chapter titled “RISK FACTORS” beginning on page 35 of the Draft Prospectus has been updated.
4. The Chapter titled “GENERAL INFORMATION” beginning on page 87 of the Draft Prospectus has been updated.
5. The Chapter titled “CAPITAL STRUCTURE” beginning on page 101 of the Draft Prospectus has been updated.
6. The Chapter titled “OBJECTS OF THE ISSUE” beginning on page 122 of the Draft Prospectus has been updated.
7. The Chapter titled “BASIS FOR ISSUE PRICE” beginning on page 136 of the Draft Prospectus has been updated.
8. The Chapter titled “STATEMENT OF TAX BENEFITS” beginning on page 144 of the Draft Prospectus has been updated.
9. The Chapter titled “INDUSTRY OVERVIEW” beginning on page 149 of the Draft Prospectus has been updated.
10. The Chapter titled “OUR BUSINESS” beginning on page 177 of the Draft Prospectus has been updated.
11. The Chapter titled “KEY INDUSTRY REGULATIONS AND POLICIES” beginning on page 210 of the Draft Prospectus has been updated.
12. The Chapter titled “HISTORY AND CERTAIN OTHER CORPORATE MATTERS” beginning on page 224 of the Draft Prospectus has been updated.
13. The Chapter titled “OUR MANAGEMENT” beginning on page 230 of the Draft Prospectus has been updated.
14. The Chapter titled “OUR PROMOTERS AND PROMOTER GROUP” beginning on page 249 of the Draft Prospectus has been updated.
15. The Chapter titled “OUR GROUP COMPANIES” beginning on page 255 of the Draft Prospectus has been updated.
16. The Chapter titled “RELATED PARTY TRANSACTIONS” beginning on page 263 of the Draft Prospectus has been updated.
17. The Chapter titled “RESTATED FINANCIAL INFORMATION” beginning on page 267 of the Draft Prospectus has been updated.
18. The Chapter titled “MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION” beginning on page 318 of the Draft Prospectus has been updated
19. The Chapter titled “OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS” beginning on page 341 of the Draft Prospectus has been updated
20. The Chapter titled “GOVERNMENT AND OTHER APPROVALS” beginning on page 347 of the Draft Prospectus has been updated
21. The Chapter titled “OTHER REGULATORY AND STATUTORY DISCLOSURES” beginning on page 353 of the Draft Prospectus has been updated

LEAD MANAGER	REGISTRAR TO THE ISSUE
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NOVUS CAPITAL ADVISORS PRIVATE LIMITED[#]
(Formerly known as Fast Track Finsec Private Limited)

CIN: U65191DL2010PTC200381

SEBI Registration No. INM000012500

Registered Office: Office No. V-116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001

Tel No.: +91-11-43029809

Contact Person: Ms. Sakshi/ Mr. Sagar Kapoor

Email: vinodipo@novuscaps.com; investor@novuscaps.com

Website: www.novuscaps.com



KFIN Technologies Limited

CIN: L72400MH2017PLC444072

SEBI Registration No.: INR000000221

Registered office: 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400070, Maharashtra

Corp. Office: Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana

Tel No: +91 40 6716 2222;

Contact Person: Mr. M Murali Krishna

Email: vinodtex.ipo@kfintech.com

Website: www.kfintech.com

Investor Grievance Email: einward.ris@kfintech.com

OFFER PROGRAMME

BID/ISSUE OPENS ON: [●]	BID/ISSUE CLOSES ON: [●]
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Formerly known as Fast Track Finsec Private Limited, the name of the Merchant Banker has been changed to Novus Capital Advisors Private Limited pursuant to the Certificate of Incorporation issued by the Registrar of Companies, Central Processing Centre dated August 11, 2025 and SEBI Certificate dated November 06, 2025.

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

ISSUE RELATED TERMS

Term	Description
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation, calculated as Profit before tax + Depreciation + Interest Expenses - Other Income.
SAMARTH	Scheme for Capacity Building in Textile Sector (SCBTS)
SEBI Listing Regulations, 2015 or SEBI (LODR) 2015	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.

ISSUER AND INDUSTRY RELATED TERMS

Term	Description
Fabs.	Fabrics

ABBREVIATIONS

Abbreviation	Full Form
ANRF	Anusandhan National Research Foundation
ATY	Air-Textured Yarn
CBDT	Central Board of Direct Taxes
CCECL	Collateral-free Credit for Emergency Credit Line
C.P.	Continuous Pad
CRISIL	Credit Rating Information Services of India Limited
DISH	Directorate of Industrial Safety & Health
DTA	Deferred Tax Asset
EBLR	External Benchmark Lending Rate
EBIT	Earnings Before Interest and Taxes
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation This abbreviation has been deleted from the Draft prospectus.
EPFO	Employees' Provident Fund Organization
ESOS	Employee Stock Option Scheme
FIFO	First-In, First-Out
FMCG	Fast-Moving Consumer Goods
GECL	Guaranteed Emergency Credit Line
GCP	General Corporate Purposes
IFSC	Indian Financial System Code
II	Individual Investor
IRDAI	Insurance Regulatory and Development Authority of India
JV	Joint Venture

KW	Kilowatt
kWp	Kilowatt peak
MCLR	Marginal Cost of Funds based Lending Rate
Mfg	Manufacturing
NBFC	Non-Banking Financial Company
NE	Number English
NEAPS	NSE Electronic Application Processing System
P.a.	Per Annum
PLC	Programmable Logic Controller
PMI	Purchasing Managers' Index
P.m.	per month
PPE	Personal Protective Equipment
PU	Polyurethane
RODTEP	Remission of Duties and Taxes on Exported Products
SIL	Sangam India Ltd
SMITA	Smart Materials and Innovative Textile Applications
SMP	Senior Management Personnel
TFT	Trade for Trade
UDIN	Unique Document Identification Number
WIP	Work-in-Progress

SECTION II – SUMMARY OF OFFER DOCUMENT

ABOUT US

"Vinod Texworld Limited" is engaged in the business of manufacturing, processing supplying, and **trading of textile products**. The company operates in India and caters to both domestic and international markets. Its core operations include dyeing and printing of greige fabric, which is subsequently marketed and sold. The company's product portfolio includes cotton, polyester, and blended fabrics.

A break-up of revenue from domestic and export sales for Fiscal 2025, Fiscal 2024, and Fiscal 2023 is set forth under the chapter titled 'Our Business' beginning on page 177 of this Draft Prospectus.

SUMMARY OF CONTINGENT LIABILITIES

As per the Restated Financial Information as at March 31, 2026, March 31, 2025 and March 31, 2024, following is the detail of contingent liabilities of our Company:

<i>Amount in (Rs. Lakhs)</i>				
S. No.	Particulars	For the year ended as at March 31, 2026*	For the year ended as at March 31, 2025	For the year ended as at March 31, 2024
i.	GST demand	22.86	22.86	0.20
ii.	Bank Guarantee includes Performance Guarantee and advance Receipt Bank Guarantee	88.85	77.64	40.37
iii.	Corporate Guarantee to Private Limited Company	1,733.00	7,627.00	7,789.00
Total		1,844.71	7727.50	7829.57

*Amount as on March 31, 2026 is based on the certificate issued by our Peer Reviewed Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated April 13, 2026 vide UDIN: 26144892QDGGQD9095.

For further details please refer to the chapter titled "Restated Financial Information" beginning on page 267 of this Draft Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

As per the Restated Financial Information for the financial year ended March 31, 2025, March 31, 2024, March 31, 2023, following are the details of the related party transactions of our Company:

B. Related Parties Transactions								
Particulars								
Nature of Transaction	Related Parties	Relation	2024-25 (Rs. in Lacs)	% of RPT to Revenue from Operations	2023-24 (Rs. in Lacs)	% of RPT to Revenue from Operations	2022-23 (Rs. in Lacs)	% of RPT to Revenue from Operations
Remuneration (including bonus)	Harsh Vinodbhai Mittal	Key Managerial Personal	12.00	0.04%	12.00	0.04%	12.00	0.06%
	Yash Vinod Mittal	Key Managerial Personal	12.00	0.04%	12.00	0.04%	12.00	0.06%
	Sweta Yash Mittal	Key Managerial Personal	5.50	0.02%	-	-	-	-

Salary	Sweta Yash Mittal	Relative of Key Management personnel	7.70	0.02%	-	-	-	-
	Foram Deep Parikh	Company Secretary	2.58	0.01%	2.58	0.01%	1.94	0.01%
	Anchal Tulsyan	Chief Financial Officer	3.30	0.01%	-	0.00%	-	0.00%
Purchase net of Returns	Vinod Cotfab Private Limited	Entity in which Appointed director interested	12,830.59	38.26%	3,962.28	14.59%	392.45	1.96%
(Exclusive of GST)	Anil Exports (India)	Entity in which Appointed director interested	4.81	0.01%	39.31	0.14%	130.15	0.65%
Rent Received	Vinod Cotfab Private Limited	Entity in which Appointed director interested	1.02	0.00%	1.02	0.00%	1.02	0.01%
	Vinod Texspin LLP	Entity in which Appointed director interested	0.6	0.00%	0.6	0.00%	0.6	0.00%
	Anil Exports (India)	Entity in which Appointed director interested	0.68	0.00%	1.56	0.01%	1.56	0.01%
Sales net off Returns (Exclusive of GST)	Vinod Denim Limited	Entity in which Appointed director interested	5,469.71	16.31%	3,908.73	14.40%	392.21	1.95%
(Inclusive of Jobwork)	Anil Exports (India)	Entity in which Appointed director interested	-	-	493.04	1.82%	1,331.84	6.64%
	Vinod Fabrics Private Limited	Entity in which Appointed director interested	7.05	0.02%	-	-	-	-
Loans Taken	Harsh Vinodbhai Mittal	Key Managerial Personal	395.26	1.18%	29.49	0.11%	87.36	0.44%
	Yash Vinod Mittal	Key Managerial Personal	345.71	1.03%	50.15	0.18%	100.55	0.50%
	Sweta Yash Mittal	Key Managerial Personal	80.94	0.24%	21.55	0.08%	26.2	0.13%
	Vinod Mangalchand Mittal	Relative of Key Management personnel	-	-	10.00	0.04%	8.00	0.04%
	Poonam Harsh Mittal	Relative of Key Management personnel	19.89	0.06%	13	0.05%	22.4	0.11%
	Radha Vinod Mittal	Relative of Key Management personnel	20.67	0.06%	15.3	0.06%	15.89	0.08%
	Anil Exports (India)	Entity in which Appointed director interested	5.57	0.02%	-	-	-	-

Loans Repaid	Harsh Vinodbhai Mittal	Key Managerial Personal	405.68	1.21%	81.74	0.30%	65.00	0.32%
	Yash Vinod Mittal	Key Managerial Personal	358.63	1.07%	105.2	0.39%	139.2	0.69%
	Sweta Yash Mittal	Key Managerial Personal	69.13	0.21%	35.33	0.13%	16.8	0.08%
	Vinod Mangalchand Mittal	Relative of Key Management personnel	0.83	0.00%	15.3	0.06%	1.02	0.01%
	Poonam Harsh Mittal	Relative of Key Management personnel	13.46	0.04%	25	0.09%	7.23	0.04%
	Radha Vinod Mittal	Relative of Key Management personnel	15.5	0.05%	29.41	0.11%	11.43	0.06%
	Anil Exports (India)	Entity in which Appointed director interested	5.57	0.02%	-	-	-	-
Interest paid on Loan	Harsh Vinodbhai Mittal	Key Managerial Personal	2.36	0.01%	0.87	0.00%	4.39	0.02%
	Yash Vinod Mittal	Key Managerial Personal	8.19	0.02%	1.36	0.01%	8.21	0.04%
	Sweta Yash Mittal	Key Managerial Personal	2.64	0.01%	0.24	0.00%	0.61	0.00%
	Vinod Mangalchand Mittal	Relative of Key Management personnel	0.27	0.00%	0.59	0.00%	0.1	0.00%
	Poonam Harsh Mittal	Relative of Key Management personnel	1.63	0.00%	0.59	0.00%	0.49	0.00%
	Radha Vinod Mittal	Relative of Key Management personnel	0.9	0.00%	0.43	0.00%	0.43	0.00%
Outstanding balance of Loan at the year end	Harsh Vinodbhai Mittal	Key Managerial Personal	10.85	0.03%	19.15	0.07%	70.61	0.35%
	Yash Vinod Mittal	Key Managerial Personal	7.35	0.02%	12.9	0.05%	66.72	0.33%
	Sweta Yash Mittal	Key Managerial Personal	14.41	0.04%	0.22	0.00%	13.78	0.07%
	Vinod Mangalchand Mittal	Relative of Key Management personnel	2.83	0.01%	3.42	0.01%	8.19	0.04%
	Poonam Harsh Mittal	Relative of Key Management personnel	16.67	0.05%	8.78	0.03%	20.24	0.10%
	Radha Vinod Mittal	Relative of Key Management personnel	6.39	0.02%	0.40	0.00%	14.12	0.07%
Outstanding balance of Remuneration/Salary at the year end	Harsh Vinodbhai Mittal	Key Managerial Personal	0.69	0.00%	0.69	0.00%	0.69	0.00%
	Yash Vinod Mittal	Key Managerial Personal	0.88	0.00%	0.88	0.00%	0.90	0.00%
	Sweta Yash Mittal	Key Managerial Personal	1.48	0.00%	-	-	-	-
	Foram Deep Parikh	Company Secretary	0.21	0.00%	0.21	0.00%	0.21	0.00%
	Anchal Tulsyan	Chief Financial Officer	0.35	0.00%	-	0.00%	-	0.00%
Outstanding balance of Sundry	Vinod Cotfab Private Limited (Cr. Balance)	Entity in which Appointed director interested	3,961.28	11.81%	714.87	2.63%	211.87	1.06%

Balances at the year end	Anil Exports (India)	Entity in which Appointed director interested	-	-	12.94 Cr.	-	17.59 Dr.	-
	Vinod Denim Limited (Dr. Balance)	Entity in which Appointed director interested	493.23	1.47%	506.63	1.87%	211.48	1.05%
Corporate guarantee given as at end of the year (Amount involved)	Vinod Cotfab Private Limited	Entity in which Appointed director interested	7,627.00	22.74%	7,789.00	28.69%	0.00	0.00%

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN THE ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS.

Name	Promoter / Promoter Group	No. of Shares held	Weighted Avg. Cost of Acquisition*(in ₹)
Mrs. Sweta Yash Mittal	Promoter	NIL	NIL

AVERAGE COST OF ACQUISITION OF SHARES FOR THE PROMOTERS

Name	Promoter / Promoter Group	No. of Shares held	Avg. Cost of Acquisition*(in ₹)
Mrs. Sweta Yash Mittal	Promoter	2,95,000	NIL

SECTION III – RISK FACTORS

1. Our corporate guarantee obligations and other contingent liabilities, including GST demands and bank guarantees, may materially and adversely affect our financial condition, cash flows and operations.

As per our Restated Financial Statements for the financial year ended March 31, 2025 and March 31, 2024, our Company has certain contingent liabilities and commitments which may arise in the future, as detailed below:

Amount in (Rs. lakhs)

Contingent Liabilities and Commitments	For the year ended as at March 31, 2026*	For the year ended as at March 31, 2025	For the year ended as at March 31, 2024
GST demand	22.86	22.86	0.20
Bank Guarantee includes Performance Guarantee and advance Receipt Bank Guarantee	88.85	77.64	40.37
Corporate Guarantee to Private Limited Company	1,733.00	7,627.00	7,789.00
Total	1,844.71	7727.50	7829.57

**Amount as on March 31, 2026 is based on the certificate issued by our Peer Reviewed Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated April 13, 2026 vide UDIN: 26144892QDGGQD9095.*

As on March 31, 2026, the Company's total exposure by way of corporate guarantee stands at ₹1,733.00 lakhs (₹17.33 crores), provided to State Bank of India for credit facilities availed by its Promoter Group company, Vinod Cotfab Private Limited.

Although the outstanding guaranteed amount has been reduced from earlier levels, it continues to constitute a significant financial exposure relative to our net worth of ₹4,169.07 lakhs (as per unaudited provisional as of March 31, 2026) as on March 31, 2026, representing approximately 0.42 times of our net worth.

In the event Vinod Cotfab Private Limited defaults or delays in servicing its debt obligations, the lender may invoke the corporate guarantee, thereby requiring our Company to discharge such liabilities. This could have a material adverse effect on our financial condition, liquidity, cash flows, and overall operations. Additionally, any such invocation may adversely affect our creditworthiness and our ability to raise funds in the future.

As of the date of this Draft Prospectus, Vinod Cotfab Private Limited is operational and has been regular in servicing its debt obligations, and no instance of default has been reported by the lenders. However, there can be no assurance that the corporate guarantee will not be invoked in the future. In the event of invocation, our financial exposure would be limited to the outstanding amount under the respective facilities at the time of such invocation.

In addition, as per our Restated Financial Statements, our Company has other contingent liabilities including GST demands and bank guarantees comprising performance guarantees and advance receipt guarantees. Any adverse outcome in respect of GST matters may result in additional tax liabilities, interest and penalties. Further, invocation of bank guarantees may require immediate cash outflows, which could adversely impact our working capital and financial position.

2. The Company's recent credit ratings reflect moderate credit risk and may impact its financial flexibility and ability to raise funds on favourable terms.

The Company has obtained credit ratings from **Acuité Ratings & Research Limited** for its bank facilities. Acuité Ratings & Research Limited has reaffirmed the long-term rating of **ACUITE BBB- (read as ACUITE Triple B Minus) | Stable** for ₹61.38 crore of bank facilities and the short-term rating of **ACUITE A3 (read as ACUITE A Three)** for ₹1.00 crore of bank facilities of the Company, as per its Rating Letter dated January 12, 2026.

A credit rating at the aforesaid level reflects moderate degree of safety regarding timely servicing of financial obligations and carries moderate credit risk. Any downward revision in the Company's credit ratings in the future may significantly impact the Company's financial and operational flexibility. It could result in higher borrowing costs, more stringent loan terms, and restricted access to credit facilities, potentially affecting the Company's ability to fund working capital or expansion requirements.

A lower credit rating may significantly impact the Company's financial and operational flexibility. It could result in higher borrowing costs, more stringent loan terms, and restricted access to credit facilities, potentially affecting the Company's ability to fund working capital or expansion requirements. Lenders may demand higher interest rates, additional collateral, or shorter repayment tenures, leading to liquidity constraints and potential delays in discharging financial obligations towards employees, suppliers, and creditors.

Furthermore, adverse credit ratings may erode investor confidence, limiting the Company's capacity to raise capital through debt or equity markets. Suppliers may respond by tightening credit terms or requiring advance payments, thereby disrupting supply chains and increasing operational costs. Customers, particularly large institutional buyers, may be reluctant to enter into long-term contracts due to concerns over the Company's financial stability.

3. Our top ten customers contribute a major portion of our revenue, and the loss of Company from one or more of them may adversely affect our revenues and profitability.

Our Company derive revenues from diversified customers. Based on restated audited financial statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, our revenue from top one (1), top Three (3), top five (5) and top ten (10) customers are as follows:

Sr. No.	Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
		Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
1.	Revenue from top one (1) customer	5,469.71	16.30%	4,163.50	15.33%	1,787.15	8.90%
2.	Revenue from top three (3) customer	10,989.05	32.75%	9,381.33	34.53%	4,624.35	23.04%
3.	Revenue from top five (5) customers	13,328.51	39.72%	11,387.81	41.92%	6,824.68	34.00%
4.	Revenue from top ten (10) customers	17,060.38	50.84%	14,871.39	54.74%	9,778.78	48.72%

For Fiscal 2025, our top customer was Vinod Denim Limited, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 5,469.71 lakhs, representing 16.30% of our revenue from operations and For Fiscal 2024, our second top customer was Vinod Denim Limited, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 3908.73 lakhs, representing 14.39% of our revenue from operations.

The finished products manufactured by our Company are used as raw materials by Vinod Denim Limited in its manufacturing process. Sales to Vinod Denim Limited are undertaken in the ordinary course of business on commercial terms. Any reduction in purchases by Vinod Denim Limited may adversely affect our revenues.

As seen above, in Fiscal 2025, our top ten customers contributed 50.84% of our revenue from operations, while in Fiscal 2024 and Fiscal 2023, the contribution was 54.74% and 48.72%, respectively. Although no single customer accounts for an overwhelming share of our revenue, the fact that more than half of our revenue is derived from our top ten customers indicates a concentration risk.

Although no single customer contributes disproportionately to our revenues, a major portion of our revenues is generated from our top ten customers. Some of these customers may exert pressure on pricing, reduce their order volumes, or explore alternate suppliers, which could adversely impact our revenue and profitability.

If one or more of these major customers were to reduce their purchases, delay their orders, renegotiate pricing terms, or stop sourcing from us entirely, our revenues and profitability could be materially and adversely affected. Dependence on a limited set of major customers also exposes us to risks such as:

- **Pricing pressure:** Large customers may demand lower prices, extended credit terms, or additional commercial concessions, which could adversely affect our margins.
- **Business volatility:** Our revenues may fluctuate in line with the procurement cycles, order volumes or financial health of these customers.
- **Payment delays or defaults:** If one or more major customers delay payments or default on their obligations, it could adversely affect our cash flows, working capital, and liquidity position.
- **Reduced bargaining power:** Our reliance on certain customers may reduce our ability to negotiate favorable terms in the future.

There can be no assurance that these customers will continue to do business with us at historical levels, on commercially favorable terms, or at all. Any disruption in our relationships with such customers, whether due to competitive pressures, disputes, operational issues, or a shift in their sourcing policies, could materially and adversely impact our results of operations and financial condition.

While we continue to expand our customer base and diversify our revenue streams, there is no assurance that such diversification will mitigate the risk of losing one or more of our major customers. Accordingly, our business remains significantly exposed to the risk of customer concentration. However, In the past three years, no such adverse instances have occurred in our Company.

For Further details, please refer to chapter titled “Our Business” beginning on Page 177 of this Prospectus.

4. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.

Our business demands substantial funds towards working capital requirements. Normal debtors day in Textile industry in country ranges from 30 days to 45 days. Our debtors’ day were 95 days, 103 days and 119 days for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 respectively. Our Company’s available net working capital was ₹ 7,134.18 lakhs, ₹ 4,162.99 lakhs and ₹ 2,348.73 lakhs for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 respectively. We intend to follow in future the prevailing credit term practices to our customers i.e. debtors. The working capital requirement for the financial years 2026 and 2027 is projected to be ₹ 8,348.45 lakhs and ₹ 9,958.53 lakhs, respectively. A major portion of our working capital is utilized towards trade receivables. We operate in a working capital-intensive industry therefore our business demands substantial funds towards working capital requirements. In case there

are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, at a future date, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. However, In the past three years, no such adverse instances have occurred in our Company. For further details regarding incremental working capital requirement, please see “Objects of the Issue” on page 122 of this draft prospectus.

RF 5 The Company is currently involved in multiple legal proceedings for which it has received all legal communication in the Gujarati language and as on the date of the Draft Prospectus the company is unable to provide the translated copies.

This Risk Factor has been removed from Chapter titled “Risk Factors” of this Draft Prospectus.

5. We derive a significant portion of our revenue from operations from domestic sales which exposes us to risks specific to Indian market and geographies.

Based on audited restated financial statements, our Company derived a significant portion of our revenue from operations from domestic and export sales from our customers for the Fiscals 2025, 2024 and 2023, as set out below:

Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations	Amount (₹ in lakhs)	% of our revenue from operations
Domestic	33,205.65	99.01%	26,663.86	98.21%	19,896.87	99.15%
Export	331.28	0.99%	484.94	1.79%	170.03	0.85%
Total	33,536.93	100.00%	27,148.80	100.00%	20,066.90	100.00%

* **As certified by our Peer Reviewed Auditors, M/s. **S N Shah & Associates**, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRQ1723.

Our Company does not provide exclusive dealership rights for its finished products. We operate through dealers and traders who regularly purchase processed fabric from us and supply the same to their customers. However, we do not enter into any exclusive contractual arrangements with such dealers in relation to specific products or market territories.

Historically, we have derived a predominant proportion of our revenue from operations from domestic sales. This concentration exposes us to risks associated with regional economic fluctuations, regulatory changes, and market conditions specific to India. A slowdown in the domestic economy, increased competition, or changes in consumer demand could adversely affect our financial performance. Furthermore, our limited international presence may restrict our ability to capitalize on global growth opportunities and reduce our ability to diversify risks arising from reliance on a single market. Consequently, our revenue growth and long-term expansion prospects may be constrained by domestic market conditions, which could also limit diversification of our customer base.

6. Our Group Companies and Promoter Group Entities operate in the broader textile and garment industry and we have entered into related party transactions with them; however, any potential conflict of interest may still arise despite existing non-compete arrangements with Group Companies.

Certain of our Group Companies and Promoter Group Entities, namely Anil Exports (India), Vinod Texspin LLP, Kratisha Impex (Proprietorship), Vinod Spinners Private Limited, Vinod Cotfab Private Limited, Vinod Denim Limited, Vinod Fabrics Private Limited and Siddhyug Textiles Private Limited, are engaged in

businesses connected with the garment and textile industry. While these entities operate within the broader textile value chain, there are currently no common business pursuits between our Company and certain Group Companies, including Vinod Fabrics Private Limited, Vinod Denim Limited and Vinod Cotfab Private Limited.

Our Company has, in the past, entered into transactions such as purchase and sale of goods and services with certain Group Companies and Promoter Group Entities, and we may continue to do so in the future. For further details of such transactions, please refer to Note AB of the Restated Financial Statements under the chapter titled “Financial Information” beginning on page 305 of this Draft Prospectus.

Further, to mitigate potential conflicts of interest, our Company has entered into non-compete agreements with Group Companies, including Vinod Fabrics Private Limited, Vinod Denim Limited and Vinod Cotfab Private Limited. However, there can be no assurance that such arrangements will entirely eliminate the possibility of conflicts of interest. Our Promoters, who have interests in such entities, may continue to be involved in decision-making across multiple entities within the textile value chain.

Accordingly, potential conflicts of interest may still arise in allocating business opportunities between our Company and such Group Companies or Promoter Group Entities, particularly in circumstances where the interests of these entities and our Company diverge. The Company shall, however, continue to take necessary measures in compliance with applicable laws to address any such situations, if and when they arise.

Any such present or future conflict of interest could adversely affect our reputation, business, results of operations and financial condition, and may impact our profitability. For further details, please refer to the chapter titled “Our Promoter and Promoter Group” beginning on page 249 of this Draft Prospectus.

7. The peer review auditor and the statutory auditor of the company are different:

The peer review auditor and the statutory auditor of the Company are different, which may lead to differing interpretations or assessments of audit processes and documentation. While the peer review is conducted in accordance with applicable professional standards, the involvement of different auditors may result in inconsistencies in evaluating the audit quality or approach adopted by the statutory auditor. Any adverse observations or qualifications arising from such review could have an impact on the perception of the Company’s financial reporting controls and audit quality.

8. Our Company, Promoters and Directors are involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.

There are no outstanding legal proceedings involving our Company and our Promoter which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert management time and attention, and consume financial resources in their defense or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally from our Company and Promoter. Any unfavorable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. Certain details of such outstanding legal proceedings as of date of this Draft Prospectus are set out below:

Particulars	No. of Cases	Total Amount Involved (Amt in Lakhs)
Proceedings against our Company		
Civil	NIL	NIL

Criminal	NIL	NIL
Tax*	3	48.58
Proceedings by our Company		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Promoters/Directors		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against by Promoters/Directors		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL

Further, there is no assurance that in future, we, our promoters, our directors or promoter group companies may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company.

Delay in making any Statutory payments viz. Tax Deducted at Source, Income Tax, Good and Service Tax, Employee Provident Fund, or any other Statutory dues which may attract any penalty or demand raised by statutory authorities in future will affect financial position of the Company. Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax and other Statutory taxes as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty imposed by the concerned authority in future for late payments or non-payments, both for any previous year and current year, will have an impact on the financial position of the Company.

9. Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of purchase orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.

Our Company has had long standing business relationships with certain customers and has been supplying our products to such customers. However, we have not entered into any long-term contracts with these customers and we cater to them on purchase order basis. Our customers may also terminate their relationships with us without any notice which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company's products and customer's inventory management. Although we place a strong emphasis on quality, timely delivery of our products, etc., in the absence of contracts, any sudden

change in the buying pattern of customers could adversely affect the business and the profitability of our Company.

However, In the past three years, no such adverse instances have occurred in our Company.

12. We have significant levels of indebtedness, both secured and unsecured, and servicing this debt requires substantial cash flows. Any failure to meet our repayment and other obligations may adversely affect our business, financial condition, and results of operations. We are significantly dependent on short-term borrowings, including working capital financing, and any inability to obtain or renew such financing on favorable terms could adversely affect our business, operations, and financial condition.

As per our Restated Financial Statements, our total outstanding long-term borrowings were ₹1,747.63 lakhs, ₹1,946.95 lakhs, and ₹1,923.76 lakhs as at March 31, 2025, 2024, and 2023, respectively. These consist of secured term loans from banks and NBFCs, and unsecured loans from other parties. In addition, our short-term borrowings (including working capital facilities, current maturities of long-term borrowings, and unsecured borrowings) stood at ₹4,880.13 lakhs, ₹2,753.96 lakhs, and ₹1,564.03 lakhs as at March 31, 2025, 2024, and 2023, respectively.

Our borrowings are secured against certain of our assets, which limits our flexibility to dispose of, or deal with, such assets. Further, a significant portion of our borrowings comprises short-term loans, including cash credit from banks (₹4,323.40 lakhs, ₹2,497.93 lakhs, and ₹1,348.49 lakhs as at March 31, 2025, 2024, and 2023, respectively) and current maturities of long-term debt. These facilities are repayable on demand or within a short period, thereby exposing us to refinancing and liquidity risks.

Our ability to service our debt obligations depends primarily on our operating performance and cash flows, which may be affected by various factors beyond our control such as downturns in the industry, increased working capital requirements, or delays in collections from customers. Any inability to generate sufficient cash flows to service our borrowings may force us to refinance, curtail business operations, or dispose of certain assets, which could adversely affect our business and profitability.

In the event of any default under our financing agreements, our lenders may enforce their security interests over our assets, which may adversely impact our operations and financial condition. Moreover, our financing agreements may contain restrictive covenants, including requirements to maintain certain financial ratios and restrictions on incurring additional debt, creating encumbrances, or undertaking new projects. Breach of these covenants could result in the acceleration of repayment obligations.

While we believe we will be able to service our borrowings from our internal accruals and cash flows from operations, there can be no assurance that we will continue to have sufficient liquidity to meet our debt obligations on time and under favorable terms. Any such inability could materially and adversely affect our business, financial condition, cash flows, and results of operations.

As of March 31, 2025, our total secured borrowings (comprising long-term and short-term borrowings) amounted to ₹5,590.17 lakhs, including secured term loans from banks and working capital facilities such as cash credit. Our indebtedness has several important consequences, including the following:

- A portion of our cash flows will be utilized towards repayment of debt and servicing of interest, which reduces the availability of funds for our working capital requirements, capital expenditure, and other general corporate purposes;
- The existence of encumbrances on certain of our assets, provided as security to lenders, may constrain our operational flexibility. In the event of an enforcement of security on account of an event of default (if not waived or cured), our ability to continue operations at affected locations may be restricted;

- Fluctuations in interest rates may affect our cost of borrowing, since a substantial portion of our borrowings is at floating rates of interest.

Our financing arrangements contain certain financial and restrictive covenants, including requirements to maintain specified financial ratios, restrictions on additional indebtedness, and periodic reporting obligations. Any failure to comply with such covenants, or to obtain timely waivers or consents from lenders, may result in lenders declaring an event of default. This could, in turn, lead to acceleration of repayment obligations, an increase in applicable interest rates, or trigger cross-default or cross-acceleration clauses in other financing agreements.

Although we have not experienced any disruption or default in our loan facilities in the past three years, any termination of, or enforcement action under, our current or future financing agreements (if not waived or cured) may adversely affect our ability to raise additional funds, renew or refinance maturing borrowings, and finance our ongoing operations and growth initiatives. This could have a material adverse effect on our business, results of operations, and financial condition.

Our Company relies heavily on short-term borrowings, including cash credit facilities from banks and current maturities of long-term borrowings, to fund its day-to-day working capital requirements. Based on our Restated Financial Statements, our cash credit borrowings from banks increased from ₹1,348.49 lakhs as at March 31, 2023 to ₹2,497.93 lakhs as at March 31, 2024, and further to ₹4,323.40 lakhs as at March 31, 2025. This reflects a significant rise in our dependence on short-term bank finance for operations.

Such borrowings are generally repayable on demand and are subject to periodic review by lenders. Any delay or failure in renewing or enhancing our working capital limits, or withdrawal of such facilities by lenders, may materially affect our ability to meet our short-term liquidity requirements. Further, an increase in interest rates, changes in credit terms, or tightening of credit availability by banks and financial institutions may increase our finance costs and adversely impact our profitability.

In addition, any default or delay in repayment of our short-term obligations could adversely affect our credit ratings, restrict our ability to raise additional financing, and potentially result in lenders enforcing their security interests over our assets. Our reliance on short-term debt also exposes us to refinancing risks and heightened vulnerability to fluctuations in cash flows.

While we believe we will continue to have access to such working capital facilities in the ordinary course of business, there can be no assurance that our lenders will continue to extend these facilities on terms favorable to us, or at all. Any disruption in our access to short-term financing could materially and adversely affect our operations, liquidity, and overall financial performance.

For further details of our Company's borrowings, see "Financial Information" on page 267 of this Draft Prospectus.

13. Our business is dependent on timely execution and delivery of orders, and any failure to adhere to delivery schedules may adversely affect our customer relationships and business prospects.

Our business operations require us to execute and deliver customer orders within agreed timelines. Any delay in order execution or delivery due to operational disruptions, supply chain constraints, logistics issues, power shortages, labour disruptions, equipment breakdowns or other unforeseen circumstances may adversely affect our reputation, customer relationships and future business opportunities. Further, any failure to meet delivery schedules may result in cancellation of orders, loss of repeat business, imposition of penalties or claims by customers and could adversely affect our revenues and profitability.

While we have not recorded any material instances of delay attributable to the Company and have not incurred any late delivery penalties during the preceding three financial years, there can be no assurance that such delays will not occur in the future. Any significant delay in timely fulfilment of orders may have a material adverse effect on our business, financial condition and results of operations.

14. Our top ten suppliers contribute a significant portion of our purchases. Any loss of business with one or more of them may adversely affect our business operations and profitability.

Our Company is significantly dependent on a limited number of suppliers for its raw material requirements. Based on audited restated financial statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, our Purchase from top one (1), top three (3), top five (5) and top ten (10) Suppliers are as follows:

Sr. No.	Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
		Amount (₹ in lakhs)	Share in Purchase (%)	Amount (₹ in lakhs)	Share in Purchase (%)	Amount (₹ in lakhs)	Share in Purchase (%)
1.	Revenue from top one (1) Supplier	12,830.17	43.08%	4,492.45	17.70%	7,360.25	43.04%
	Revenue from top three (3) Supplier	18,462.69	62.00%	12,849.84	50.62%	10,260.12	60.00%
2.	Revenue from top five (5) Suppliers	23,415.64	78.63%	17,929.51	70.63%	12,282.20	71.82%
3.	Revenue from top ten (10) Suppliers	27432.01	92.12%	21809.16	85.91%	14644.93	85.64%

* Share in Purchase (%) is calculated as Amount (excluding GST Rs. In Lacs) divided by restated purchase of raw material minus purchase return plus purchase of Stock-in-trade.

For Fiscal 2025, our top ten suppliers includes **Vinod Cotfab Private Limited**, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 12,830.17 lakhs, representing 43.08% of net purchase, For Fiscal 2024, our top ten suppliers includes **Vinod Cotfab Private Limited**, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 3962.28 lakhs, representing 15.61% of net purchase and For Fiscal 2023, our top ten suppliers includes **Vinod Cotfab Private Limited**, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 392.45 lakhs, representing 2.29% of net purchase.

Our supplier base is concentrated, and we rely on a few significant suppliers for the majority of our purchases. Consequently, the loss of one or more of these suppliers, or a reduction in the volume of supplies from them (including but not limited to disputes, disqualification, capacity constraints, adverse market conditions, or financial difficulties), could materially and adversely affect our ability to procure raw materials in a timely, cost-effective manner. This in turn may disrupt our production schedules, business operations, and profitability.

Although we believe we have maintained long-standing and cordial relationships with our suppliers, we do not have long-term, binding agreements with them that obligate continued supply on favorable terms, or at all. There can be no assurance that such suppliers will continue to engage with us in the future on commercially favorable terms, or at all. The concentration of our purchases with relatively few suppliers increases our exposure to risks such as price fluctuations, supply shortages, and extended credit terms.

Our top ten suppliers may vary from period to period depending on demand, pricing, and supply conditions. Accordingly, the composition of such suppliers and the purchases made from them is subject to change as we continue to expand and diversify our supplier base in the normal course of business. However, in the past three years, our top suppliers have not remained consistent, and there have been fluctuations in the percentage of purchases contributed by them.

Any disruption in supply or loss of one or more such suppliers could have a material adverse effect on our purchases, business operations, cash flows, and overall financial performance.

For further details, please refer to the chapter titled “Our Business” beginning on Page 177 of this Draft Prospectus.

15. Our Promoters have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters named Mr. Harsh Mittal and Mr. Yash Mittal have provided personal guarantees in relation to certain loan facilities of Rs. 5576.63 lakhs sanctioned to us as on March 31, 2025.

For Further details related to Principal terms of Secured Loans and Assets charged as Security, please refer to chapter titled “Financial Information” beginning on Page 267 of this Draft Prospectus.

Following is the list of the secured loan and borrowing (short term and long term) in which personal guarantee has been given by the promoter:

<i>Amount (Rs. In Lakhs)</i>								
Sr No.	Name of Lender	Loan/ Agreement A/c No./Ref. No.	Purpose	Amount Sanctioned (Rs. In Lakhs)	Rate of interest (%)	Primary & Collateral Security	Re-Payment Schedule as per Sanction Letter	Outstanding amount as on March 31,2025
1.	SBI Bank	39366217578	Term Loan	51.00	9.25%	Hypothecation of company's entire current assets including stocks of	Repayable in 36 monthly instalments of Rs. 1,41,667/-	-
2.	SBI Bank	39189076511	Term Loan	550.00	2.50% + MCLR	raw materials, stocks in process, finished goods, stores and spares, book - debts	Repayable in 90 monthly structured instalments	255.79
3.	SBI Bank	40950195895	Term Loan	750.00	1.75% + EBLR	and other current assets. Documents to title to goods and charge on the entire	Repayable in 90 monthly structured instalments	614.83
4.	SBI Bank	42737977963	Term Loan	300.00	2.60% + EBLR	current assets. Hypothecation of entire plant & machinery purchased	Repayable in 69 monthly instalments of Rs. 5,00,000/-	282.23
5.	SBI Bank	39188967893	Term Loan	33.00	0.30% + MCLR	out of bank finance and other unencumbered plant and machinery both	Repayable in 66 monthly instalments of Rs. 50,000/-	10.08
6.	SBI Bank	40577416141	Term Loan	165.00	EBLR+75bps	present and future. Hypothecation of entire plant & machinery pertaining	Repayable in 36 monthly instalments of Rs. 4,58,333/-	90.30
7.	SBI Bank	33808585589	Working capital Cash Credit	4500.00 (Previous year- 2500.00)	9.50% p.a.	to the solar Rooftop project purchased out of bank finance. And other collateral securities	Payable on demand	4,323.40
Total								5576.63

In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

For further details, please refer to the chapter titled “**Financial Information**” and “**Financial Indebtedness**” beginning on page 267 and 337 respectively of this Draft Prospectus.

16. The Company’s trading operations expose it to certain risks which may impact its profitability and financial performance.

(Amount in Lakhs)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Revenue from Manufacturing of goods	18,231.45	22,348.19	28,216.58
Revenue from Traded goods	118.10	4,290.31	5,316.94
Revenue from job work operations	1,717.35	510.30	23.41
Total Revenue	20,066.90	27,148.80	33,556.93

In addition to its manufacturing operations, the Company is engaged in trading of textile products, the contribution of which has increased significantly in recent periods. Revenue from traded goods increased from ₹118.10 lakhs in Fiscal 2023 to ₹4,290.31 lakhs in Fiscal 2024 and ₹5,316.94 lakhs in Fiscal 2025, constituting approximately 0.59%, 15.80%, and 15.85% of total revenue from operations, respectively. Trading activities generally involve lower margins compared to manufacturing and expose the Company to risks such as dependency on third-party suppliers, price fluctuations, and supply disruptions. Further, such operations may require higher working capital due to inventory holding and receivables. Any inability to effectively manage these risks may adversely affect the Company’s business, results of operations, and financial condition.

18. The depository account(s) of certain Promoter Group member(s) have been frozen in the past. Any continuation or recurrence of such actions may adversely affect investor perception and the market price of our Equity Shares.

The depository account(s) of certain Promoter Group member(s), namely Mr. Satyanarayan J. Kabra and Mr. Kailash S. Kabra of the Company were frozen pursuant to regulatory / compliance-related actions (including non-compliance with applicable regulatory requirements, as may be applicable). Such freezing of accounts may restrict the ability of the concerned Promoter Group member(s) to transfer securities held by them during the period of such freeze.

The aforesaid depository accounts have since been unfrozen and there are no subsisting restrictions as on date. Although such freezing does not have a direct impact on the day-to-day operations or financial performance of the Company, any continuation, recurrence or adverse regulatory action involving Promoter Group member(s) may adversely affect investor confidence, reputation of the Company and the market price of our Equity Shares. The Company confirms that it complies with applicable laws and regulations and continues to take necessary steps to ensure regulatory compliance by its Promoters and Promoter Group members.

19. Supply Chain Disruptions or dependence on s and agents without formal agreements may adversely affect our sales, operations, and profitability.

Our Company primarily distributes its products through a network of dealers and agents who facilitate the sale of our fabrics to customers. However, we currently do not have formal written agreements with these intermediaries, and our arrangements are largely based on long-standing business relationships, trust, and

mutual understanding. While this model has worked for us in the past, the absence of binding contractual agreements exposes us to risks such as:

- Discontinuation or termination of services by any dealer or agent at short notice;
 - Diversion of business by dealers/agents to competitors, particularly in case of better incentives or terms being offered by others;
 - Disputes relating to pricing, commissions, or delivery timelines, which could disrupt operations;
 - Lack of control over end-customer relationships, since dealers and agents act as the primary interface; and
 - Geographical limitations in scaling operations if agents are unwilling or unable to expand their outreach.
- following is the details of number of such dealers and agents during the preceding three financial years:

Particulars	2022-23	2023-24	2024-25
No. of Dealers and Agents	24	30	42
% Change	—	25%	40%

Any breakdown in our distribution arrangements may result in loss of sales, delays in supply of goods to customers, higher operating expenses (if we are required to set up alternate channels), and a consequent impact on our profit margins and working capital cycle. Over time, sustained disruptions in supply chain and dealer relationships could also erode our overall profitability and adversely affect our liquidity ratios, which are critical for assessing financial health.

While in the past, we have not experienced any material supply chain disruption, there can be no assurance that such events will not occur in the future. Any prolonged disruption in supply chain or dealer/agent relations may have a material adverse effect on our business operations, financial condition, and results of operations.

RF 20 We rely on affidavits provided by our promoter group and group companies regarding shareholding in other entities

This Risk Factor has been removed from Chapter Titled “Risk Factors” of this Draft Prospectus.

20. We have not identified any alternate source of raising the working capital mentioned as our ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.

Our Company has not identified any alternate source of funding for our working capital requirement and for general corporate purposes and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of working capital or may require our Company to borrow funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the Company.

For further details of our Object for the Issue, please refer chapter titled “Object for the Issue” beginning on Page 122 of this Draft Prospectus.

23. Our working capital cycle has deteriorated in recent periods, which has resulted in negative operating cash flows and increased reliance on short-term borrowings. Any further deterioration may adversely affect our liquidity and financial condition.

Our business is working capital intensive in nature, primarily due to the requirement to maintain inventory of raw materials and finished goods and to extend credit to our customers.

Our working capital cycle has increased from approximately **47 days in Fiscal 2023 to 85 days in Fiscal 2025**. The increase in the working capital cycle has been primarily attributable to higher levels of trade receivables and inventory, driven by growth in operations, changes in product mix and extended credit terms to certain customers.

As a result of the increased working capital requirements, we have reported **negative cash flows from operating activities** in recent fiscal years. To meet our operational funding requirements, we have relied on internal accruals and **short-term borrowings**, including working capital facilities from banks and financial institutions.

Any further increase in receivable days, inventory holding period or overall working capital cycle may result in:

- Additional borrowing requirements
- Increased finance costs
- Pressure on liquidity and cash flows
- Potential constraints on our ability to fund operations and future growth.

Further, in the event of any tightening of credit facilities, increase in interest rates, or inability to renew or enhance working capital limits, our business operations, financial condition, cash flows and results of operations may be adversely affected.

25. Majority of revenue contribution comes from the Gujarat which contributed 64.60%, 61.41% and 49.38% of our revenue from operations for the Fiscal 2025, 2024 and 2023, respectively.

Our operations are susceptible to local and regional factors, including accidents, political developments, economic conditions, weather patterns, natural disasters, demographic shifts, outbreaks of infectious diseases, and other unforeseen events and circumstances. Such factors may have a material impact on demand, supply chain, and overall business performance in the regions where we operate.

The table below sets forth the revenues generated from various states/union territories and their contribution as a percentage of our revenue from operations for the Financial Years indicated:

(Amount in Lakhs)

S. No.	Place	For the period ended 31 st March, 2025	% of revenue	For the period ended 31 st March, 2024	% of revenue	For the period ended 31 st March, 2023	% of revenue
DOMESTIC							
1.	Punjab	4,570.79	13.63%	4,699.00	17.31%	6,432.71	32.06%
2.	Haryana	0	0.00%	2.82	0.01%	0	0.00%
3.	Delhi	1,694.97	5.05%	1,080.59	3.98%	958.34	4.78%
4.	Rajasthan	32.12	0.10%	9.87	0.04%	88.02	0.44%
5.	Uttar Pradesh	657.74	1.96%	418.04	1.54%	688.14	3.43%
6.	West Bengal	2,328.58	6.94%	1,989.88	7.33%	1,092.91	5.45%
7.	Jharkhand	2.10	0.01%	0	0.00%	0	0.00%
8.	Madhya Pradesh	531.81	1.59%	287.40	1.06%	55.54	0.28%
9.	Gujarat	21,664.49	64.60%	16,672.40	61.41%	9,909.48	49.38%
10.	Maharashtra	715.34	2.13%	502.94	1.85%	58.30	0.29%
11.	Karnataka	527.78	1.57%	242.60	0.89%	158.90	0.79%
12.	Tamil Nadu	38.49	0.11%	96.19	0.35%	12.04	0.06%
13.	Telangana	15.48	0.05%	40.22	0.15%	1.79	0.01%
14.	Andhra Pradesh	425.95	1.27%	621.91	2.29%	440.68	2.20%

TOTAL (A)		33,205.64	99.01%	26,663.86	98.21%	19,896.87	99.15%
EXPORT							
1.	Nepal	331.28	0.99%	484.94	1.79%	170.03	0.85%
Total (B)		331.28	0.99%	484.94	1.79%	170.03	0.85%
TOTAL (A+B)		33,536.93	100.00%	27,148.80	100.00%	20,066.90	100.00%

Note: Percentage of sales is calculated on the basis of total sales.

**As certified by our Peer Review Auditors, M/s S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRD4159.*

A significant portion of our revenue is concentrated in the state of Gujarat. Based on our audited restated financial statements, Gujarat contributed **49.38%**, **61.41%**, and **64.60%** of our revenue from operations for the Fiscals 2023, 2024 and 2025 respectively. This increasing reliance on a single state exposes us to concentration risks. Any adverse economic, political, regulatory or other developments in Gujarat, including changes in local demand patterns, may materially and adversely affect our business, financial condition, and results of operations.

Further, our revenue contribution from Punjab has declined substantially from **32.06% in Fiscal 2023** to **17.31% in Fiscal 2024** and **13.63% in Fiscal 2025**. Such a decline indicates weakening contribution from a previously significant market, thereby increasing our dependence on Gujarat and a limited number of other states.

Further, any change in governmental policies or occurrence of natural disasters in any of this states/ union territory may impact our impact on our business, results of operations and cash flows.

Our ability to sustain and grow revenues will depend on maintaining and expanding our presence across multiple geographies. If we are unable to diversify our customer base across states or if we lose demand in Gujarat or Punjab, our business, results of operations, and financial performance may be adversely affected.

However, In the past three years, no such adverse instances have occurred in our Company.

27. Our inability to manage inventory in an effective manner could affect our business.

Our business model requires us to maintain adequate levels of raw material and finished goods inventory in order to meet present and anticipated customer orders. Based on our audited financial statements, our inventory turnover ratio for the for FY 2022-23, FY 2023-24, FY 2024-25 was 8.58, 6.82 and 5.35 respectively, which we believe is sufficient to cater to the current demand.

However, in the future, underestimation of customer demand may lead to inventory shortages and potential loss of business opportunities. Conversely, overestimation of demand may result in excess stocking, leading to increased holding costs and potential risk of obsolescence or deterioration of goods. In the textile industry, processed fabrics and raw materials are particularly vulnerable to quality deterioration if stored for prolonged periods, which may further aggravate such risks.

Any mismanagement in maintaining optimum inventory levels could adversely affect our operations, profitability, and financial condition. In the past three years, no such adverse instances have occurred in our Company.

However, In the past three years, no such adverse instances have occurred in our Company.

29. Certain statutory filings made with the Registrar of Companies in the past may contain defects, and we may be required to re-file such forms, which could result in additional costs, penalties, or delays.

We have identified that certain statutory forms (e-forms) previously filed with the Registrar of Companies ("RoC") may contain defects due to historical clerical errors, incomplete disclosures, or other inadvertent omissions. While these issues may not have been identified as non-compliant at the time of filing, there can be no assurance that they will not be scrutinized in the future by regulatory authorities, including the RoC.

If any such defects are identified, whether by us or by the RoC, we may be required to re-file the relevant forms and make appropriate disclosures. This could result in additional costs, penalties, or fines and may also lead to delays in obtaining approvals, completing corporate actions, or progressing with other regulatory or legal matters. In certain cases, adjudication proceedings may be initiated by the RoC.

The full extent of the implications of such non-compliances, if any, cannot be ascertained at this stage, and any regulatory action in this regard could adversely affect our business operations, reputation, or proposed transactions under this Offer.

following are the details of the statutory forms:

Sr. No.	Particulars of forms	Financial year	Discrepancies
1.	ADT-1 (Casual Vacancy)	2016-17	Period stated in the form is not correctly mentioned.
2.	ADT-1 (Subsequent Auditor)	2017-18	period of appointment not correctly Mentioned.
3.	MGT-7	2014-15	Non-disclosure of one meeting.
4.	MGT-7	2016-17	Non-disclosure of one meeting.
5.	AOC-4	2016-17	Inadvertent mistake in disclosure.
6.	AOC-4 XBRL	2017-18	Inadvertent mistake in disclosure.
7.	MGT-7	2018-19	Non-disclosure of one meeting.
8.	MGT-7	2021-22	Non-disclosure of one meeting.

As part of strengthening internal controls, the company has implemented a comprehensive compliance calendar specifically for ROC related filings. To ensure timely and accurate compliance, a dedicated Compliance Officer has been appointed to oversee and monitor all statutory requirements. The officer is responsible for rectifying any previously missed deadlines and ensuring that all future filings are made within the prescribed timelines with correctness. Further the company has filed some revised forms with ROC with additional fees.

33. Our operations are subject to environmental laws and regulations, and any failure to comply with applicable environmental standards, including requirements relating to effluent treatment and hazardous waste management, may result in penalties, operational disruptions, or closure of our manufacturing facilities.

Our manufacturing operations involve fabric processing activities such as dyeing, washing, printing and finishing, which require significant consumption of water, chemicals and energy and result in the generation of industrial effluents, sludge and other hazardous waste. Accordingly, our operations are subject to various environmental laws, regulations and approvals issued by central, state and local authorities, including, but not limited to:

- The Water (Prevention and Control of Pollution) Act, 1974
- The Air (Prevention and Control of Pollution) Act, 1981
- The Environment (Protection) Act, 1986
- Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016

- Applicable guidelines and directions issued by the Gujarat Pollution Control Board (“GPCB”) and other regulatory authorities.

We are required to obtain and maintain valid Consent to Establish and Consent to Operate from the relevant pollution control authorities and to comply with prescribed standards relating to effluent discharge, air emissions, noise levels and waste disposal.

Our manufacturing facility is equipped with an Effluent Treatment Plant (“ETP”) to treat industrial effluents generated during the manufacturing process prior to discharge, in accordance with applicable environmental norms. We are also required to handle, store, transport and dispose of hazardous waste through authorized agencies and maintain prescribed records and reporting.

However, environmental regulations in India have become increasingly stringent, particularly for textile processing units due to concerns relating to water usage, chemical discharge and environmental impact. Any of the following events may adversely affect our business:

- Failure or malfunction of our ETP or related environmental control systems
- Non-compliance with prescribed discharge or emission standards
- Delay or failure in renewal of environmental approvals or consents
- Improper handling or disposal of hazardous waste
- Changes in environmental laws or more stringent regulatory requirements
- Increased capital or operating costs required to meet revised environmental standards.

In the event of non-compliance with applicable environmental laws or permit conditions, regulatory authorities may impose fines, penalties, directions for corrective actions, suspension of operations, or closure of our manufacturing facility. Any such action could disrupt our operations, result in loss of production, increase compliance costs and adversely affect our financial condition and results of operations. Additionally, any adverse environmental incident or regulatory action may harm our reputation and impact our relationships with customers, particularly those who require compliance with environmental and sustainability standards.

Further, any future expansion of our manufacturing capacity may require additional environmental approvals, installation of enhanced pollution control equipment and higher compliance costs, which may affect our profitability and operational flexibility.

Accordingly, our business, financial condition, cash flows and results of operations may be adversely affected if we are unable to comply with applicable environmental laws and regulatory requirements. However, In the past three years, no such adverse instances have occurred in our Company.

47. Our Company enters into related party transactions, which are conducted on an arm’s length basis, and there can be no assurance that such transactions will not give rise to conflicts of interest or that we could not have achieved more favorable terms if such transactions had been entered into with unrelated parties.

Our Company has entered, and may continue to enter, into transactions with our related parties, including our Promoters, group entities, and other companies under common control. While we believe that all such transactions have been undertaken on an arm’s length basis and in the ordinary course of business, there can be no assurance that such transactions, individually or in the aggregate, will always be on terms as favorable as those that could have been obtained from unrelated third parties.

Although our Audit Committee and Board of Directors monitor related party transactions to ensure compliance with applicable laws, including the Companies Act, 2013 and SEBI regulations, potential conflicts of interest may still arise. Any perception of preferential treatment, non-arm’s length dealings, or dependence on related parties for critical business operations could have an adverse effect on our reputation, governance standards, financial condition, and results of operations.

We confirm that **all such transactions have been undertaken on an arm's length basis** and in the ordinary course of business, in accordance with applicable provisions of the Companies Act, 2013.

For further details of related party transactions, please refer to the chapter titled "Related Party Transactions" beginning on page 263 of this Draft Prospectus.

52. The Company may not be able to obtain sufficient quantities or required quality of raw materials in a timely manner for manufacturing operations, which could have an impact on the timelines for supplying products to customers.

Our manufacturing operations require a continuous and timely supply of raw materials of specified quality standards. We are exposed to risks relating to supply shortages, transportation delays, logistical constraints, dependency on limited or key suppliers, quality inconsistencies, geopolitical developments and other supply chain disruptions.

Any inability to procure sufficient quantities of raw materials, delays in receipt of supplies, or procurement of materials that do not meet required quality specifications may result in interruption of manufacturing processes, lower capacity utilisation, increased rejection rates, delay in fulfilment of customer orders, potential contractual liabilities and reputational harm. Consequently, our business, results of operations, cash flows and financial condition may be materially and adversely affected. However, In the past three years, no such adverse instances have occurred in our Company.

53. Compliance with and changes in, safety, health and environmental laws and related laws and regulations impose additional costs and may adversely affect results of operations and financial condition.

Our operations are subject to central, state and local laws and regulations relating to occupational health and safety, environmental protection, pollution control, waste management and other related matters. We are required to obtain and maintain various approvals, consents, licenses and permits for our operations.

Compliance with applicable laws may require us to incur significant capital and operating expenditures. Any failure to comply with applicable regulations, or any delay in obtaining or renewing required approvals, may result in penalties, fines, suspension or closure of operations, revocation of licenses, litigation, or other regulatory actions. Additionally, any changes in safety, health or environmental laws, or stricter enforcement thereof, may impose additional compliance burdens and costs. Such events could materially and adversely affect our business, results of operations and financial condition. However, In the past three years, no such adverse instances have occurred in our Company.

54. Some of the financing agreements require prior consent of lenders for undertaking a number of corporate actions.

Certain of our existing financing arrangements contain restrictive covenants that, among other things, require prior consent of lenders for undertaking specified corporate actions, including incurring additional indebtedness, making investments, creating security interests or undertaking other strategic transactions.

Any inability to obtain the required approvals in a timely manner, or at all, may restrict our ability to pursue growth opportunities, undertake corporate restructuring, raise additional capital, or respond effectively to market conditions. Further, breach of such covenants may result in acceleration of repayment obligations or enforcement of security by lenders, which could materially and adversely affect our business and financial condition.

The Company has obtained necessary approvals/consents from its lenders in connection with the proposed public issue, as required under the terms of its financing arrangements.

55. The business and prospects may be adversely affected if the Company is unable to maintain and grow the image of its brand.

Our continued growth and competitive positioning depend significantly on our ability to maintain and strengthen our brand image, product quality perception, and customer trust.

Any adverse publicity, product quality issues, customer dissatisfaction, negative media coverage, regulatory action, or failure to effectively differentiate our products in a competitive market may damage our brand and reputation. Loss of brand value or customer confidence may result in reduced sales, loss of market share, pricing pressure, and adverse impact on our business, results of operations and financial condition. However, In the past three years, no such adverse instances have occurred in our Company.

56. In the event the Company is unable to procure adequate amounts of raw materials, at competitive prices the business, results of operations and financial condition may be adversely affected.

Prices of key raw materials are subject to fluctuations due to changes in demand and supply dynamics, global commodity trends, inflationary pressures, currency exchange rate movements, regulatory developments and other macroeconomic factors beyond our control.

If raw material prices increase and we are unable to pass on such increases to our customers in a timely manner or at all, our cost of production may rise, which may adversely impact our operating margins and profitability. Further, any inability to procure raw materials at competitive prices may reduce our competitiveness in the market. As a result, our business, results of operations and financial condition could be materially and adversely affected. However, In the past three years, no such adverse instances have occurred in our Company.

57. Any failure of information technology systems could adversely affect business and operations.

We rely on information technology systems for various aspects of our operations, including production planning, inventory management, financial reporting, procurement, sales tracking and communication.

Our IT systems may be vulnerable to system failures, cyber security incidents, malware attacks, data breaches, hardware or software malfunctions, power outages, or other disruptions. Any significant failure or security breach may result in data loss, operational downtime, financial loss, regulatory exposure, reputational damage, or disruption of business continuity. Such incidents could materially and adversely affect our business, results of operations and financial condition. In the past three years, no such adverse instances have occurred in our Company. However, In the past three years, no such adverse instances have occurred in our Company.

58. Fluctuation in raw material prices may adversely affect our business, results of operations and financial condition.

Our operations are dependent on the timely and cost-effective procurement of raw materials, including fabrics, dyes and chemicals, the prices of which are subject to volatility due to factors beyond our control, such as changes in supply-demand dynamics, fluctuations in input costs, regulatory changes and other market conditions.

Any significant increase in raw material prices may increase our cost of production. In the event we are unable to pass on such cost increases to our customers in a timely manner, our margins and profitability may be adversely affected. Further, any disruption in the availability or supply of raw materials, or sustained price volatility, may impact our production schedules and overall business operations. However, In the past three years, no such adverse instances have occurred in our Company. However, In the past three years, no such adverse instances have occurred in our Company.

59. The directors of our company don't have the experience of the listed company and the requirements of being a listed company may strain our resources.

Except for Mr. Harsh Vinod Mittal, Whole-time Director, none of the other Directors of the Company have prior experience serving on the board of a listed company. As a listed entity, we will be subject to enhanced regulatory and disclosure requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the listing requirements of the Stock Exchanges, including periodic financial reporting, corporate governance and other compliance obligations.

Compliance with such requirements will result in additional legal, accounting, corporate governance and administrative costs and will require us to strengthen our disclosure controls, internal financial controls and reporting systems. This may require significant management oversight and resources and may divert management's attention from day-to-day business operations.

Further, we may need to engage additional legal, secretarial and accounting professionals with experience in listed company compliance, and we cannot assure that such resources will be available in a timely manner. Any inability to effectively comply with applicable listing and regulatory requirements may adversely affect our business, financial condition, results of operations and reputation.

However, our Promoters have substantial experience in the textile industry.

80. Although we have consistently received payments from our customers on or before the due date, we cannot assure that such timely payments will continue in the future, and any delay or default in collection of trade receivables may adversely affect our cash flows and financial condition.

Our Company is engaged in the manufacturing and processing of fabrics, wherein we extend credit facilities to our customers in the ordinary course of business. For the last three financial years ended March 31, 2023, March 31, 2024, March 31, 2025, our trade receivables have been as under:

(Rs In lakhs)			
Particulars	As at 31 st March, 2025	As at 31 st March, 2024	As at 31 st March, 2023
Trade Receivables	8,736.77	7,648.96	6,533.00

Further, our **trade receivables turnover ratio** for the respective periods has been as under:

Particulars	As at 31 st March, 2025	As at 31 st March, 2024	As at 31 st March, 2023
Trade Receivables turnover ratio (In times)	4.09	3.83	3.62

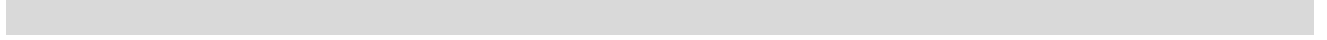
There can be no assurance that our customers will continue to meet their payment obligations in a timely manner in the future. The ability of our customers to make timely payments depends on several factors, including their financial condition, prevailing market and economic conditions, sectoral performance, working capital availability, and unforeseen operational disruptions.

Additionally, our trade receivables ratio has shown volatility across the reporting periods, which indicates variations in the efficiency of receivable collections. Any significant delay in realization of trade receivables or default by customers may lead to a mismatch in our working capital cycle, strain our liquidity position, and adversely affect our cash flows. This, in turn, may impact our ability to meet operational expenses, service debt obligations, and fund future growth plans.

Although we follow credit policies, perform periodic monitoring of receivables, and undertake follow-up procedures for collections, these measures may not fully mitigate the risk of delayed or non-recovery. Any such eventuality could materially and adversely affect our business operations, profitability, and overall financial condition.

However, In the past three years, no such adverse instances have occurred in our Company.

For further details please refer to chapter titled “Financial Information” beginning on page 267 of the draft Prospectus.



GENERAL INFORMATION

BOARD OF DIRECTORS

Name of Directors	Designation	Address	DIN
Mrs. Sweta Yash Mittal	Non - Executive Director	33, Golden Tulip Bunglows, Manek Baug, B/H Shreyas Foundation, Satellite, Ahmadabad City, Ahmadabad, Gujarat – 380015.	10770026

STATUTORY AUDITOR OF OUR COMPANY

M/s. Rajiv Shah & Associates

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions: Our Company has received written consent dated September 09, 2025 from M/s. Rajiv Shah & Associates, Chartered Accountants, , to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft 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 Statutory Auditors.

CAPITAL STRUCTURE

(C) MRS. SWETA YASH MITTAL

21. Promoter's Contribution and Locked- in Details

Nature of Allotment / Transfer	Number of Equity Shares locked-in*(1)(2)(3)	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Issue paid-up capital	Period of lock-in
HARSH VINOD MITTAL							
Transfer from Mr. Mukeshbhai Sindhav	150,000.00	05 December, 2016	10	10	Cash	0.93%	3 years
Transfer from Mr. Sureshbhai Sindhav	150,000.00	09 December, 2016	10	10	Cash	0.93%	3 years
Transfer from Mr. Mukeshbhai Sindhav	150,000.00	02 January, 2017	10	10	Cash	0.93%	3 years
Transfer from Mr. Sureshbhai Sindhav	100,000.00	27 January, 2017	10	10	Cash	0.62%	3 years
Transfer from Mr. Sureshbhai Sindhav	100,000.00	31 January, 2017	10	10	Cash	0.62%	3 years
Transfer from Mr. Khodabhai Bharwad	92,550.00	07 February, 2017	10	10	Cash	0.57%	3 years
Transfer from Mr. Khodabhai Bharwad	35,000.00	04 March, 2017	10	10	Cash	0.22%	3 years
Transfer from Mr. Khodabhai Bharwad	5,100.00	04 March, 2017	10	10	Cash	0.03%	3 years
Transfer from Mr. Khodabhai Bharwad	207,450.00	04 March, 2017	10	10	Cash	1.28%	3 years
Transfer from Mr. Sureshbhai Sindhav	150,000.00	04 March, 2017	10	10	Cash	0.93%	3 years
Transfer from Tribute Trading & Finance Pvt Ltd	145,000.00	16 May, 2017	10	10	Cash	0.90%	3 years
Right Issue	309,585.00	27 March, 2018	10	10	Cash	1.92%	3 years

Total	1,594,685.00					9.87%	3 years
YASH VINOD MITTAL							
Transfer from Mr. Khodabhai Bharwad	150,000.00	09 July, 2016	10	10	Cash	0.93%	3 years
Transfer from Mr. Sureshbhai Sindhav	100,000.00	23 December, 2016	10	10	Cash	0.62%	3 years
Transfer from Mr. Khodabhai Bharwad	100,000.00	25 December, 2016	10	10	Cash	0.62%	3 years
Transfer from Mr. Khodabhai Bharwad	100,000.00	05 January, 2017	10	10	Cash	0.62%	3 years
Transfer from Mr. Khodabhai Bharwad	100,000.00	12 January, 2017	10	10	Cash	0.62%	3 years
Transfer from Mr. Khodabhai Bharwad	100,000.00	17 January, 2017	10	10	Cash	0.62%	3 years
Transfer from Mr. Sureshbhai Sindhav	100,000.00	21 January, 2017	10	10	Cash	0.62%	3 years
Transfer from Mr. Khodabhai Bharwad	200,000.00	07 March, 2017	10	10	Cash	1.24%	3 years
Transfer from Mr. Sureshbhai Sindhav	150,000.00	07 March, 2017	10	10	Cash	0.93%	3 years
Transfer from Mr. Ramesh Bhai Mewada	50,000.00	16 March, 2017	10	10	Cash	0.31%	3 years
Transfer from Mr. Mukeshbhai Sindhav	30,000.00	19 May, 2017	10	10	Cash	0.19%	3 years
Transfer from Mr. Sureshbhai Sindhav	25,000.00	19 May, 2017	10	10	Cash	0.15%	3 years
Transfer from Mr. Sureshbhai Sindhav	105,000.00	19 May, 2017	10	10	Cash	0.65%	3 years
Right Issue	219,808.00	27 March, 2018	10	10	Cash	1.36%	3 years
Total	1,529,808.00					9.47%	3 years
MRS. SWETA YASH MITTAL							
Right Issue	5,000.00	27 March, 2018	10	10	Cash	0.03%	3 years

Right Issue	50,000.00	10 February, 2020	10	10	Cash	0.31%	3 years
Right Issue	52,116.00	30 March, 2022	10	10	Cash	0.32%	3 years
Total	107,116.00					0.66%	3 years

It is hereby confirmed that, on the basis of receipt of documents and details provided by the company, all allotments are done by the Company in compliance with Companies Act 2013/1956.

OBJECTS OF THE ISSUE

Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

Rationale for Expansion of the Dyeing Plant

1. Market Potential

India is a significant exporter of 100% cotton, polyester/cotton, and polyester/viscose blended yarns. With the rising global demand for garments, there is substantial growth potential in both domestic and international markets. Blended yarns are increasingly used in knitting, woven fabrics, towels, and home furnishings—creating a strong case for enhanced dyeing capacity to meet this growing demand.

(Source: <https://www.ibef.org/industry/textiles> & <https://texmin.nic.in/textile-data?utm>)

Installed Capacity

Pursuant to the proposed capital expenditure the installed capacity shall be as follows:

Product	Existing Capacity (as on March 31, 2025)	Proposed Additional Capacity	Proposed Capacity
Installed capacity	2,25,00,000 (MTR, P.A)	39,00,000 (MTR, P.A)	2,64,00,000 (MTR, P.A)
Total	2,25,00,000 (MTR, P.A)	39,00,000 (MTR, P.A)	2,64,00,000 (MTR, P.A)

**As per the chartered engineer certificate dated 1st September, 2025 issued by M/s Pranav Parikh & Associates, Chartered Engineer.*

Notes:

- Above estimates are exclusive of GST.
- Above mentioned cost is exclusive of installation and other miscellaneous cost.
- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them.
- The actual cost of procurement and actual supplier/dealer may vary.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Any cost escalation would be met out of our internal accruals.
- The cost can be differed at the time of placing order therefore we have taken the margin in comparison to the quotation.
- It is hereby clarified that there is no second-hand machinery will be purchased by the from the issue proceeds.

2. Repayment of portion of loan availed by our Company

Our Company obtained a cash credit limit from the State Bank of India to fund working capital requirements as on September 30, 2025 outstanding balance for this facility is Rs. 4,279.51 lakhs. A sum of Rs. 650 Lakhs from the net proceeds will be utilized to prepay this loan. Our Company's cash accruals can then be utilized for further business expansion, reducing the debt service coverage ratio and increasing reserves and surplus will enhance our eligibility for bidding on larger projects. Prepayment charges, if any, will be paid from our Internal Accruals.

The details of the loan are as follows:

Name of Lender	State Bank- of India
Purpose	Working Capital Loan
Date of Sanction of Loan	September 27, 2024
Date of Disbursement of Loan	September 27, 2024
Amount Sanctioned	Rs. 4,500.00 Lakhs
Repayment Schedule	Payable on Demand
Principal Amount Outstanding as on March 31, 2025	Rs. 4,323.40 Lakhs
Principal Amount Outstanding as on August 31, 2025	Rs. 4,466.78 Lakhs
Rate of Interest	9.50% per annum
Tenure of Borrowings	Payable on Demand
Primary Security	Hypothecation of company's entire current assets including stocks of raw materials, stocks in process, finished goods, stores and spares, book - debts and other current assets.

To meet the Working Capital Requirement

Rationale for increase in working capital requirements:

From FY 2022-23 to FY 2023-24

Shift in Business Model: During the year, the Company raised capital of ₹200 lakhs through the issue of 4,76,200 equity shares at a premium of ₹32 per share on March 28, 2023. The infusion of funds enabled the Company to reduce its dependence on the job work model and transition towards direct procurement and in-house manufacturing operations.

As a result of this strategic shift, job work sales declined from ₹1,717.35 lakhs in FY 2022–23 to ₹510.30 lakhs in FY 2023–24. Consequently, the Company's raw material inventory increased from ₹499.66 lakhs to ₹1,286.07 lakhs. In addition, inventories of work-in-progress and finished goods also rose significantly.

Overall, the Company's total inventory increased from ₹2,193.37 lakhs as on March 31, 2023, to ₹4,556.36 lakhs as on March 31, 2024. This substantial increase in inventory levels resulted in higher working capital requirements during FY 2023–24.

From FY 2023-24 to FY 2024-25

Lower Trade Payables: During the year, the Company benefited from improved cash flow availability due to an increase in its cash credit limit from the bank. This enhanced liquidity position enabled the Company to make early payments to trade payables, resulting in a reduction in outstanding trade payables.

Consequently, trade payables as a percentage of revenue from operations declined from 26.74% in the previous year to 20.99% in FY 2024–25. While this reflects stronger supplier relationships and better financial discipline, it also led to an increase in working capital requirements during the year.

Reduction in job work: In line with its strategic shift towards direct manufacturing, the Company further reduced its dependence on the job work model during FY 2024–25. Job work sales declined sharply from ₹510.30 lakhs in FY 2023–24 to ₹23.41 lakhs in FY 2024–25.

This transition enabled the Company to enhance its capacity utilization, which increased from 162.58 lakh meters per annum in FY 2023–24 to 198.41 lakh meters per annum in FY 2024–25. Consequently, higher in-

house production led to an increase in inventory levels, with total inventory rising from ₹4,556.36 lakhs as on March 31, 2024, to ₹6,032.76 lakhs as on March 31, 2025.

In Estimated Period

Increase in installed capacity due to Capex Installation:

The Company has proposed an expansion of its existing dyed and printed fabric plant by an additional 39 lakh meters per annum. This capacity enhancement is expected to further increase revenue from operations in the coming years and will consequently require additional working capital to support higher production and sales volumes.

As reflected in the projections, the net working capital requirement as a percentage of revenue from operations is expected to remain in the similar range during FY 2024–25 to FY 2026–27. This indicates a nominal year-on-year growth in working capital requirements, consistent with the Company's planned operational expansion and revenue growth.

Justification:

Holding Period	During FY 2022–23 – 47 Days The Company primarily operated under a job work-based model, undertaking processing of grey fabrics for external customers. ➤ In this model, raw materials were largely supplied by customers, and the Company's involvement was limited to processing activities. ➤ Consequently, the Company did not need to maintain significant levels of raw material or finished goods inventory. ➤ The business had faster turnaround cycles and lower working capital needs. Hence, the inventory holding period remained low at approximately 47 days. FY 2023–24 – 67 Days In FY 2023–24, the Company began transitioning from job work to in-house manufacturing, supported by an equity infusion of ₹200 lakhs in March 2023. ➤ This capital enabled the Company to procure its own raw materials and undertake direct manufacturing for sale in the open market. ➤ As a result, job work revenue declined from ₹1,717.35 lakhs in FY 2022–23 to ₹510.30 lakhs in FY 2023–24. ➤ Simultaneously, inventory levels increased as the Company began purchasing and maintaining stock of raw materials, work-in-progress, and finished goods. This transition led to an increase in the holding period to 67 days, reflecting the buildup of inventory required for independent manufacturing operations. FY 2024–25 – 85 Days In FY 2024–25, the Company substantially reduced its dependence on job work, with revenue from job work declining sharply to ₹23.41 lakhs. ➤ The operations became fully in-house manufacturing oriented, supported by enhanced working capital limits from banks. ➤ Inventory levels increased further (₹4,556.36 lakhs → ₹6,032.76 lakhs) due to higher production volumes and wider product offerings. ➤ Capacity utilization improved from 162.58 lakh meters to 198.41 lakh meters, requiring more input stock and finished goods inventory.
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	These factors collectively resulted in a higher holding period of 85 days. FY 2025–26 (Estimated) – 91 Days and FY 2026-27 (Estimated) – 94 Days For the estimated period FY 2025–26, the holding period is projected to increase moderately to 91 days, primarily due to capacity expansion and volume growth. ➤ The Company plans to install an additional capacity of 39 lakh meters per annum of dyed and printed fabric. ➤ With this expansion, inventory requirements are expected to rise proportionately to support higher production and sales volumes. ➤ Despite the increase, the holding period is projected to remain stable at around 90 days, demonstrating efficient working capital utilization even during growth.
Net Working Capital	Working Capital Cycle in the FY 2022-23, 2023-24 and 2024-25 was 47,67 and 85 days respectively. And now we are estimating working capital cycle to be 91 and 94 days in year 2025-26 and 2026-27. The increase in working capital during FY 2023–24 and FY 2024–25 is primarily due to higher production and revenue growth. The Company’s production increased significantly from 84,08,733 MTRS/annum in FY 2023 to 1,62,57,755 MTRS/annum in FY 2024, resulting in higher levels of inventories and trade receivables. During the same period, the Company reduced its trade payable holding period from 120 days to 108 days, leading to higher net working capital. The Company deployed its cash accruals back into the business to reduce dependence on trade payables and strengthen supplier relationships. In FY 2024–25, production further increased to 1,98,40,507 MTRS/annum, driving a proportionate increase in trade receivables and inventories in absolute terms. Despite a 23.53% increase in revenue, the holding periods of receivables and inventories remained stable, demonstrating efficient working capital management. Moreover, the Company further improved its payables cycle, reducing trade payable days from 108 days in FY 2024 to 88 days in FY 2025, highlighting continued efforts to optimize liquidity and maintain healthy supplier terms.

Additional Justification:

The increase in trade receivables and inventories over the past periods and estimated period is primarily attributable to the following factors:

1. **Gradual Reduction of Job Work Component:**
 - The Company’s business earlier included a limited portion of job work income (approximately 9% of total sales in FY 2022–23).
 - In subsequent periods, this component was progressively reduced to negligible levels by FY 2024–25, as the Company shifted focus toward its core in-house manufacturing and direct sales operations.
 - This transition necessitated higher procurement and maintenance of raw materials, work-in-progress, and finished goods, leading to an increase in inventory levels.
2. **Expansion of Operations and Capacity Utilization:**

- The Company has progressively enhanced its installed and utilized capacity, which has resulted in higher production volumes and larger stock levels to support continuous operations.
 - Increased production has also necessitated higher levels of raw material inventory to ensure uninterrupted supply and timely fulfillment of customer orders.
3. **Growth in Sales and Customer Base:**
- As the Company's sales volumes expanded with the shift to direct manufacturing, credit sales to customers also increased.
 - This has resulted in higher trade receivables in absolute terms, consistent with the overall revenue growth and expansion of the customer base across multiple regions.
4. **Extension of Credit Terms in Line with Industry Practice:**
- To maintain competitive positioning and strengthen relationships with distributors and institutional buyers, the Company has extended standard credit terms consistent with industry norms.
 - Although trade receivables have increased in absolute terms, the credit period remains reasonable and within the normal business cycle for the textile and fabric processing industry.
5. **Capacity Expansion and Future Growth:**
- The Company has proposed to install an additional 39 lakh meters per annum of dyed and printed fabric manufacturing capacity.
 - This expansion will require proportionate buildup of inventories (both raw materials and finished goods) and is expected to result in higher trade receivables corresponding to the projected increase in turnover.
6. **Efficient Working Capital Management:**
- The rise in trade receivables and inventories is proportionate to revenue growth and operational expansion.
 - The Company continues to monitor credit exposure and inventory levels closely to maintain an efficient working capital cycle in line with its growth plan.

Conclusion

The increase in trade receivables and inventories is a direct consequence of the Company's operational expansion, capacity enhancement, and transition from a job work service provider to a fully integrated manufacturing entity.

The levels remain within industry norms and are commensurate with the scale and nature of the Company's business.

BASIS FOR ISSUE PRICE

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- b) Financial Performance with Improving Profitability but Negative Operating Cash Flows
- f) Scalable Manufacturing Model with Working Capital Sensitivity

7. Key Performance Indicator

The KPI Certificate of our Company have been included under the heading “Material Documents” of the chapter titled “Material Contracts and Documents for Inspection” in this Draft Prospectus.

9. Comparison of KPI with listed industry peers:

(Rs. in Lakhs, except EPS, % and ratios)

Financial Performance	Vinod Texworld Limited			Jakharia Fabric Ltd			Borana Weaves Ltd		
	(FY 2024-25)	(FY 2023-24)	(FY 2022-23)	(FY 2024-25)	(FY 2023-24)	(FY 2022-23)	(FY 2024-25)	(FY 2023-24)	(FY 2022-23)
Revenue from Operations	33,536.93	27,148.80	20,066.90	6,272.45	8,822.89	8,611.69	29,031.04	19,905.56	13,539.90
Growth in Revenue from Operations	23.53%	35.29%	-	(28.91) %	2.45%	14.66%	45.84%	47.02%	219.87%
Total Income	33,556.04	27,165.39	20,073.23	6,421.49	8,880.27	8,734.50	29,509.70	19,960.47	13,552.83
Growth in Total Income	23.52%	35.33%	-	(27.69)%	1.67%	15.82%	47.84%	47.28%	219.93%
EBITDA	2,099.00	1,229.09	480.24	688.48	410.44	54.20	6,244.68	4,082.91	1,791.47
EBITDA Margin	6.26%	4.53%	2.39%	10.98%	4.65%	0.63%	21.51%	20.51%	13.23%
PAT	920.76	529.68	67.65	327.39	33.67	(217.34)	4,020.25	2,362.61	1,640.01
Growth in PAT	73.83%	682.97%	-	30.43%	(115.49)%	(85.00)%	70.16%	44.06%	793.60%
PAT Margin	2.75%	1.95%	0.34%	5.22%	0.38%	(2.52)%	13.85%	11.87%	12.11%
EPS	7.94	4.62	0.61	8.06	0.83	(5.35)	20.14	11.83	8.23
NAV	27.57	19.84	14.92	54.52	46.46	45.63	43.91	23.92	17.17
Return on Equity	33.63%	26.99%	4.47%	14.78%	1.78%	(11.72)%	45.92%	49.53%	67.66%
Return on Capital Employed	34.99%	22.53%	6.12%	18.19%	8.47%	(3.00)%	36.33%	27.74%	35.00%
Debt Equity Ratio	2.07	2.06	2.12	0.36	0.61	0.94	0.67	1.44	1.60
Net Worth	3,198.00	2,277.24	1,647.56	2,215.54	1,888.15	1,854.48	8,754.97	4,769.66	2,424.07

Notes:

- Figures are taken from Standalone financial statements / Annual Reports of the respective companies.
- Growth in Revenue from operations (%) is calculated as Revenue from operations of the relevant period minus Revenue from operations of the preceding period, divided by Revenue from operations of the preceding period.
- Growth in Total Income (%) is calculated as total income of the relevant period minus Total Income of the preceding period, divided by Total Income of the preceding period.

4. EBITDA is calculated as Profit Before Tax (Excluding Exceptional Items) + Depreciation+ Interest.
5. EBITDA Margin is calculated as EBITDA divided by Total Income
6. Growth in PAT (%) is calculated as PAT of the relevant period minus PAT of the preceding period, divided by PAT of the preceding period.
7. PAT Margin is calculated as PAT for the period/year divided by the total income
8. NAV is calculated as Net worth of the relevant period divided by total number of shares of the relevant period.
9. The issuer company has not undertaken any material acquisition or disposition of assets/business for the periods that are covered by the KPIs

COMPARISON FOR KEY FINANCIAL INDICATORS AGAINST ITS PEERS:

The Company's Debt-to-Equity ratio of 2.07 is higher than that of its peers, primarily due to higher working capital borrowings utilized to support business scale-up, inventory holding requirements and credit extended to customers. The textile industry in which the Company operates is working capital intensive in nature. The management believes that the current leverage level reflects the Company's growth phase and funding strategy. The Company proposes to utilize a portion of the Issue proceeds towards repayment/prepayment of certain borrowings, which is expected to improve the leverage profile going forward.

Further, the Company's PAT Margin of 2.75% in FY2025 is lower than certain peers. This is attributable, inter alia, to (i) higher finance costs arising from elevated leverage, (ii) competitive pricing strategy adopted to expand market presence, and (iii) product mix differences. The Company has demonstrated improvement in operational performance over the years and expects margin expansion through better capacity utilization, cost optimization initiatives and reduction in finance costs post the Issue.

We hereby provide the draft disclosure to be included in prospectus under the head "Management Discussion and Analysis"

KEY PERFORMANCE INDICATORS OF OUR COMPANY

For further detail on Key Performance Indicators of our company along with peers comparison of the same, please refer Chapter Titled "Basis of Issue Price" on page 136 of this Draft Prospectus.

10. Weighted average cost of acquisition ("WACA"), floor price and cap price:

c) Weighted average cost of acquisition

Peer Review Auditor of our Company M/s. S N Shah & Associates, Chartered Accountants, pursuant to their certificate dated September 15, 2025 UDIN: 25144892BMHWQY8687 have certified Weighted average cost of acquisition for Primary and Secondary Issuance.

STATEMENT OF POSSIBLE TAX BENEFITS

CERTIFICATE ON SPECIAL TAX BENEFITS FOR THE COMPANY, MATERIAL SUBSIDIARIES AND ITS MATERIAL SHAREHOLDERS

We, M/s S N Shah & Associates , peer review auditors to the Company, Firm Registration Number 109782W, hereby confirm that the enclosed Annexure A and B provides the special tax benefits available to the Company, its shareholders and to its material subsidiaries identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (such entities referred to as “Material Subsidiaries”), pursuant to (i) the Income Tax Act, 1961, as amended by the Finance Act, 2025 and read with the rules, circulars and notifications issued in relation thereto; and applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto i.e. applicable for the Financial Year 2025-26 presently in force in India for inclusion in Draft Prospectus and Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”).

SECTION V - ABOUT THE COMPANY

INDUSTRY OVERVIEW

Market size and growth

The Indian textiles and apparel industry is large and expanding: the domestic textile and apparel production was reported at approximately US\$ 175.7 billion, and textile & apparel exports were ~US\$ 34.4 billion in 2023–24 (apparel constituted ~42% of exports). Ministry of Textiles.

Industry projections prepared by the Government-linked promotional agency indicate the broader Indian textile and apparel market is expected to grow at roughly a 10% CAGR toward US\$ 350 billion by 2030, driven by rising domestic apparel retail demand and export opportunities — a trajectory that underpins demand for fabrics used in fast-fashion apparel. India Brand Equity Foundation (IBEF).

Segment dynamics relevant to fast fashion (fabric types & supply)

Fast-fashion apparel in India predominantly sources cotton and man-made fibre (MMF) fabrics, with recent policy and industry emphasis on MMF fabrics (polyester/viscose blends, knitted and woven MMF fabrics) due to cost, scalability and rapid turn-around manufacturing. India currently produces large volumes of MMF — government data shows production on the order of ~1,700 million kg of man-made fibres and extensive filament output, and MMF fabric/yarn segments have shown steady production and export activity.

Office of the Textile Commissioner statistics (capacity and production tables) show year-on-year changes in fibre and yarn production that directly affect fabric availability and pricing for the fast-fashion value chain; prospective investors should note MMF availability and domestic MMF competitiveness as key inputs to margins and sourcing strategy. Office of the Textile Commissioner.

Growth drivers & government support

Key government interventions intended to scale MMF fabric production and improve competitiveness include the Production Linked Incentive (PLI) Scheme for Textiles (notified 24-Sep-2021, outlay ~₹10,683 crore) that specifically targets MMF apparel, MMF fabrics and technical textiles. The PLI program is being actively administered and periodically reopened to new applicants to accelerate capacity additions and attract investment into MMF fabric manufacturing — a structural support that benefits companies focused on fast-fashion fabric production.

Other central initiatives and cluster development schemes aim to modernize textile clusters, improve productivity and promote exports; these measures reduce industry fragmentation and improve the ability of organized manufacturers to scale fast-fashion fabric supply.

Sustainability, circularity & regulatory focus

The Government has signalled an increasing emphasis on sustainability and circularity across the textile value chain. The Textiles Committee is partnering with international agencies (for example UNEP) and implementing programs to promote circularity, sustainable product standards and better waste management practices — factors that fast-fashion fabric producers will face as regulatory, customer and buyer (exporter/brand) expectations evolve. Compliance and investments in sustainable processes (waste management, water treatment, recycling) are therefore a relevant operating cost consideration and potential differentiator. Textiles Committee.

Competitive environment & risks

The Indian fast-fashion fabric market consists of a mix of organized large/medium mills (vertical players, MMF fabric specialists) and a substantial unorganized cluster-based supplier base (small dyeing/printing/processing units). Government analysis and policies (cluster development, PLI) reflect both (a) an intent to formalize and scale organized production and (b) recognition of persistent fragmentation in processing clusters, which can

lead to uneven quality, price variability and regulatory/compliance heterogeneity. These characteristics affect raw-material procurement, pricing pressure, and the speed at which individual firms can scale.

Principal investor takeaways and material factors affecting our business

1. Demand drivers: Rapidly expanding domestic apparel retail (projected rise in apparel retail value) and export recovery support sustained demand for low-cost, high-turnover fabrics used in fast-fashion.
2. Input & supply risk: Volatility in cotton vs MMF raw material prices and relative international price competitiveness of PSF/VSF can affect margins; MMF price/availability dynamics are a critical sensitivity.
3. Policy tailwinds: PLI and other cluster/modernization schemes materially improve incentives for MMF fabric producers — this may accelerate consolidation among organized players and create scale advantages.
4. Sustainability/regulatory compliance: Buyers (domestic brands and international retailers) and government initiatives are increasing focus on circularity and environmental compliance — compliance costs and required capital expenditure for sustainable processing are material to near-term planning.

Government / authority sources (links)

1. Ministry of Textiles — press release / overview on textiles & apparel exports (exports and industry contribution): PIB press release “Threads of Progress” (Apr 2025).
Link: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2117470>.
2. India Brand Equity Foundation (IBEF) — Textiles industry profile and apparel retail projections (govt-promotional body).
Link: <https://www.ibef.org/industry/textiles>.
3. Office of the Textile Commissioner — Textile statistics, capacity & production tables (official statistics portal).
Link: <https://www.txcindia.gov.in/html/textilestatistics.htm>.
4. Ministry of Textiles — Report on Man-Made Fibre textile industry (MMF production statistics).
Link: <https://www.texmin.gov.in/static/uploads/2025/07/d399550c9eabb734d36b943abe762531.pdf>.
5. Ministry of Textiles — Production Linked Incentive (PLI) Scheme for Textiles (official scheme page & notifications).
Link: <https://pli.texmin.gov.in/> and scheme details at <https://www.texmin.gov.in/offerrings/schemes-and-services/details/pli-IzNzMTMtQWa>.

Textiles Committee (Ministry of Textiles body) — sustainability / UNEP cooperation (projects to promote circularity).

Link: <https://pib.gov.in/PressReleasePage.aspx?PRID=1867109> and <https://www.textilescommittee.nic.in/>

Indian Dyeing & Printing (Textile Processing) Sector

The textile and apparel industry is one of India’s largest industrial sectors and a significant contributor to exports and employment. As per the **Ministry of Textiles, Government of India**, the sector accounted for approximately **8.2% of India’s total exports in FY 2023-24**, underscoring its importance to the national economy. The Government has projected continued medium-term growth in the textiles and apparel market,

supported by domestic demand and export opportunities. (Source: Ministry of Textiles, Government of India – Annual Report, available at: <https://www.texmin.gov.in>)

Dyeing and printing, commonly referred to as textile “processing,” constitute a critical downstream segment of the textile value chain. While the Government does not publish a standalone monetary estimate exclusively for the dyeing and printing sub-sector, official cluster data from the **Office of the Textile Commissioner** indicate the extensive presence of processing units across India. For instance, government cluster documentation reports approximately **600 dyeing units in Ludhiana** and around **150 dyeing units in the Sircilla cluster**, reflecting the fragmented and predominantly small-scale nature of the sector. (Source: Office of the Textile Commissioner – Cluster Reports, available at: <https://www.txcindia.gov.in>)

The competitive landscape of the dyeing and printing industry is bifurcated between organized, integrated textile companies with modern processing infrastructure and environmental compliance systems, and a large unorganized segment comprising small and medium job-work dye houses. Organized players typically benefit from scale efficiencies, technological upgrades and stronger compliance capabilities, while the unorganized sector competes primarily on pricing and turnaround time, resulting in significant pricing pressure in commoditized processing segments.

Environmental regulation is a defining feature of the dyeing and printing sector due to its water- and chemical-intensive operations. The **Central Pollution Control Board (CPCB)** and State Pollution Control Boards prescribe treated effluent discharge standards relating to parameters such as BOD, COD, TSS, pH and heavy metals. Processing units are required to install and operate Effluent Treatment Plants (ETPs) or connect to Common Effluent Treatment Plants (CETPs) to comply with these standards. In certain regions, stricter norms and Zero Liquid Discharge (ZLD) requirements have been implemented. (Source: CPCB / MoEF&CC Guidelines on CETP and Effluent Standards, available at: <https://cpcb.nic.in> and <https://moef.gov.in>)

In summary, the Indian dyeing and printing industry operates within a large and growing textile ecosystem, characterized by fragmented competition, increasing environmental compliance requirements, and evolving cost structures. Processing units with established environmental compliance systems and operational efficiencies are better positioned to serve organized textile manufacturers and export-oriented customers.

Indian Textile Processing Industry – Domestic Market Focus

The Company operates in the textile processing segment, which involves value-added activities such as dyeing, printing and finishing of fabrics. Textile processing is a critical stage in the textile value chain, enhancing the aesthetic, functional and commercial value of grey fabrics before they are supplied to garment manufacturers, traders, brands and other downstream users.

The Company’s business is primarily focused on the **domestic market**, with approximately **99% of its revenue derived from domestic customers** for the Financial Year 2025. Accordingly, the Company’s performance is closely linked to trends in domestic textile consumption rather than export demand.

The demand for processed fabrics in India is driven by:

- Growth in domestic apparel consumption supported by rising income levels and urbanization;
- Expansion of organized retail, e-commerce and branded apparel segments;
- Increasing demand for fashion-oriented and value-added fabrics;
- Growth in home textiles, technical textiles and institutional consumption.

The Indian textile processing industry is **highly fragmented**, with a large presence of small and unorganized players. However, increasing environmental regulations, compliance requirements, quality standards and customer preference for reliable suppliers are gradually supporting a shift towards organized and compliant processing units.

Fabric processors typically operate in a **working capital-intensive environment**, given the need to maintain inventory, offer credit to customers and manage input cost fluctuations.

While India's textile and garment exports form part of the broader industry landscape, the Company's operations are largely aligned with the **domestic fabric processing market**, and its growth is primarily dependent on domestic demand dynamics.

OVERVIEW MANUFACTURING AND PROCESSING OF FABRICS.

The fabric manufacturing and processing segment occupies a critical midstream position within this value chain, contributing substantially to value addition and overall industry output. Fabric production in India is carried out through both mill and decentralized sectors, with the decentralized sector, including powerloom and handloom units, accounting for a significant share of total fabric output due to its low capital requirements, labour-intensive nature, and operational flexibility. As per data and reports of the Office of the Textile Commissioner, the powerloom sector dominates fabric production in India, while knitting and non-woven segments are gradually expanding.

The fabric processing segment, which includes dyeing, printing, bleaching, and finishing, is also largely fragmented and concentrated in textile clusters such as Surat, Ahmedabad, and Ludhiana. This segment plays a crucial role in enhancing the aesthetic, functional, and commercial value of fabrics and is subject to various regulatory standards, including environmental compliance requirements prescribed by government authorities. The industry structure is supported by a mix of large integrated textile players, mid-sized regional manufacturers, and a significant number of micro, small, and medium enterprises (MSMEs), leading to intense competition and pricing pressures across segments.

The competitive landscape of the fabric manufacturing and processing industry in India is characterized by the presence of numerous players operating at different scales, resulting in a highly competitive and fragmented market environment. Large integrated players benefit from economies of scale, advanced processing capabilities, and established export linkages, whereas mid-sized and smaller players primarily compete on cost efficiency, flexibility, and proximity to textile clusters. Key competitive factors in the industry include product quality, processing capabilities, cost competitiveness, turnaround time, and customer relationships. The industry is also witnessing a gradual shift toward value-added and technical textiles, supported by policy initiatives of the Government of India, including the Production Linked Incentive (PLI) Scheme and PM MITRA Parks, which aim to promote scale, integration, and global competitiveness.

From a structural standpoint, the industry exhibits moderate barriers to entry in the decentralized segment due to relatively low capital requirements; however, entry into large-scale integrated operations and advanced processing facilities requires significant capital investment and compliance with stringent environmental regulations. The bargaining power of suppliers remains moderate to high due to the dependence on raw materials such as cotton and man-made fibres, the prices of which are subject to market volatility. Buyers, including large export houses and global brands, possess relatively high bargaining power owing to the availability of multiple suppliers and price sensitivity in the market. The threat of substitutes remains moderate, with substitution possible between natural and synthetic fibres as well as between different fabric types, while the level of industry rivalry is high due to the large number of participants, low product differentiation in commoditized segments, and minimal switching costs for customers.

The industry is exposed to several risks, including fluctuations in raw material prices, regulatory and environmental compliance requirements, and intense competition from both domestic and international players. In particular, fabric processing units face stringent pollution control norms, and non-compliance may result in operational disruptions or penalties. Additionally, the fragmented nature of the industry limits economies of scale for smaller players, while global competition from countries such as China, Bangladesh, and Vietnam, which benefit from cost advantages and export incentives, continues to exert pressure on margins. The industry is also subject to technological changes, with increasing adoption of automation and sustainable processing

techniques, requiring continuous capital investment. Demand for textile products is linked to domestic consumption patterns as well as global economic conditions, leading to cyclical fluctuations in demand.

Notwithstanding these challenges, the outlook for the fabric manufacturing and processing industry in India remains positive, driven by strong domestic demand, increasing export opportunities, and continued policy support. Initiatives undertaken by the Ministry of Textiles, including infrastructure development through integrated textile parks and targeted incentive schemes, are expected to enhance the scale, efficiency, and competitiveness of the industry, thereby positioning India as a key global player in textile manufacturing and processing.

(Sources: [*Ministry of Textiles, Government of India, Press Information Bureau \(PIB\) – Textile Industry Overview*](#), [*Press Information Bureau \(PIB\) – Contribution of Textile Sector*](#), [*Press Information Bureau \(PIB\) – Year End Review \(Textiles\)*](#), [*Invest India – Textile & Apparel Sector Overview*](#))

COMPANY'S PRODUCT OVERVIEW

We have removed the company product overview from the chapter titled “Industry Overview”.

OUR BUSINESS

OVERVIEW

- **About Us**

"Vinod Texworld Limited" is engaged in the business of manufacturing, processing, supplying textile products and **trading of textile products**. The company operates in India and caters to both domestic and international markets. Its core operations include dyeing and printing of greige fabric, which is subsequently marketed and sold. The company's product portfolio includes cotton, polyester, and blended fabrics.

- **Our Promoter**

We have removed the Our Promoter from the chapter titled "Our Business".

- **Business Overview**

In addition to its manufacturing operations, the Company is also engaged in **trading of textile products**, which involves procurement of finished goods from third-party suppliers and sale of such goods to customers. The trading activity complements the Company's manufacturing business by enabling it to offer a wider range of products and cater to diverse customer requirements.

- **Job Work Business**

In addition to manufacturing and selling its own dyed and printed fabrics, Our Company undertakes job work assignments for third parties. These primarily include dyeing, printing, and finishing of fabrics supplied by customers. The Company charges processing fees depending on the fabric type and process requirements. The job work business enables better utilization of installed capacity and contributes to steady cash flow.

FINANCIAL SNAPSHOT

Details of Total Revenue and Profits on Standalone basis are as under:

Amount (Rs. in Lakhs unless otherwise stated)

Particulars	For the financial year ended 31.03.25	For the financial year ended 31.03.24	For the financial year ended 31.03.23
Net Profit before Tax	1,237.30	708.31	92.73

OUR COMPETITIVE STRENGTHS AND STRATEGIES

- **Established Client Relationships and Customer Retention**

The Company has maintained long-standing relationships with key customers, contributing to repeat business and a stable revenue base. These relationships have facilitated customer retention and have been instrumental in supporting consistent order inflow from various categories, including retailers, semi-wholesalers, and wholesalers.

Customer data:

following are the details of number of customers for the previous three financial years:

Particulars	2022-23		2023-24		2024-25	
	Number	Sales (Rs. In lakhs)	Number	Sales (Rs. In lakhs)	Number	Sales (Rs. In lakhs)
Repeated Customers	81	10,244.41	161	18,757.48	243	28,950.52

New Customers	193	9,822.49	224	8,391.32	183	4,586.41
Total Customers	274	20,066.90	385	27,148.80	426	33,536.93

Relationship with wholesalers, retailers and semi wholesalers

the Company has maintained long-standing relationships with several key customers (i.e. wholesalers and retailers), ranging from 3.5 to 9 years, reflecting consistent business engagement and repeat orders. Following is the details of Revenue generated from the wholesalers and retailers having long standing relationship in last 3 years:

(Amount in Lakhs inclusive of GST)

Name of wholesalers and retailers	Relationship in Number of Years	Revenue Generated			Category Bifurcation
		2022-23	2023-24	2024-25	
Wholesaler 1	9.5 Years	-	3,908.73	5,469.71	Wholesalers / Large Scale Fabric Traders
Wholesaler 2	2.5 Years	-	4,163.50	4,019.20	Wholesalers / Large Scale Fabric Traders
Wholesaler 3	3.5 Years	-	1,030.47	1,500.14	Wholesalers / Large Scale Fabric Traders
Wholesaler 4	6.5 Years	698.44	809.73	1,225.67	Wholesalers / Large Scale Fabric Traders
Wholesaler 5	1.5 Years	-	-	1,113.79	Wholesalers / Large Scale Fabric Traders
Wholesaler 6	2.5 Years	-	-	989.21	Wholesalers / Large Scale Fabric Traders
Wholesaler 7	3.5 Years	-	976.01	922.80	Wholesalers / Large Scale Fabric Traders
Wholesaler 8	5.5 Years	-	-	649.42	Wholesalers / Large Scale Fabric Traders
Wholesaler 9	6.5 Years	-	-	593.22	Wholesalers / Large Scale Fabric Traders
Wholesaler 10	6.5 Years	-	-	577.22	Wholesalers / Large Scale Fabric Traders
Wholesaler 11	9.5 years	-	1,309.10	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 12	3.5 Years	601.89	807.43	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 13	6.5 Years	1,094.62	626.49	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 14	3.5 Years	-	625.83	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 15	5.5 Years	-	614.10	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 16	5.5 Years	1,787.15	-	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 17	7.5 Years	1,508.93	-	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 18	9.5 Years	1,328.27	-	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 19	9.5 Years	1,105.71	-	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 20	5.5 Years	614.95	-	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 21	5.5 Years	527.87	-	-	Wholesalers / Large Scale Fabric Traders
Wholesaler 22	3.5 Years	510.95	-	-	Wholesalers / Large Scale Fabric Traders
Total		9,778.78	14,871.39	17,060.38	

Notes:

1. We unable to disclose the names of individual customers (Wholesaler) since information is Commercially sensitive to our business.
2. The above details pertain only to parties with whom the company maintains long-term business relationships.

• Customer-Centric Operations

The average duration from manufacturing to delivery generally ranges from 15 to 20 days, depending upon product type, dyeing/printing process, and customer requirements.

The Company has an organized sales structure comprising a dedicated sales team, allowing customers to directly communicate with the Sales Manager or the Directors, who are actively involved in the day-to-day operations

of the business. For any concerns or complaints, customers can reach out through email or phone, and their issues are addressed promptly through a well-defined complaint redressal mechanism, wherein all complaints, if any, are systematically recorded by the marketing and sales team, reviewed by the quality control and production departments, and resolved through appropriate corrective actions and continuous feedback monitoring to maintain customer satisfaction and improve product quality.

- **Timely Order Fulfilment and Operational Efficiency**

Timely delivery is critical in the textile sector. The Company has implemented business processes to ensure adherence to delivery schedules while seeking to improve cost efficiency. Continuous monitoring of supply chain processes supports this objective. The Company has not incurred any late delivery charges, nor experienced any material delays in delivery schedules attributable to it, during the preceding three financial years.

- **Resource Optimization**

The Company is situated at a single location and has its own internal checks in place. The Company continuously monitors and evaluates its processes with respect to utilization of human, power, energy and other resources essential for the functioning of the business. The evaluation is carried out on an ongoing basis through internal review mechanisms to ensure optimal use of resources

- **Supplier and Stakeholder Relationships**

The Company maintains long-standing relationships with several key suppliers, ranging from 2.5 to 9.5 years, which ensures consistent supply and operational stability. Details of supplier relationship as on 30th September, 2025 are as follows:

Name of supplier	Number of Years of Relationship
Supplier 1	6.5 Years
Supplier 2	2.5 Years
Supplier 3	5.5 Years
Supplier 4	6.5 Years
Supplier 5	3.5 Years
Supplier 6	2.5 Years
Supplier 7	3.5 Years
Supplier 8	5.5 Years
Supplier 9	5.5 Years
Supplier 10	7.5 Years
Supplier 11	4.5 Years
Supplier 12	3.5 Years
Supplier 13	7.5 Years
Supplier 14	5.5 Years
Supplier 15	9.5 Years

** The above details pertain only to parties with whom the company maintains long-term business relationships.*

- **Capacity Expansion**

The Company plans to enhance its production capacity by acquiring and installing new machinery, particularly in the Dye House segment. Expansion efforts are aimed at meeting increasing demand and supporting future business growth.

For more details, please see chapter titled Object to the issue of this Draft prospectus.

- *Supplier Identification process*

the Company identifies suppliers based on parameters such as product quality, reliability, timely delivery, past performance, and cost competitiveness. New suppliers are evaluated through a sampling process and approved after quality verification by the Company's procurement and production teams. The final selection is made after obtaining necessary internal approvals.

SWOT ANALYSIS OF OUR COMPANY

STRENGTHS

- Quality Assurance and Standards;
- Experienced Management Team;
- Established customer relationships supported by customer centric product and timely delivery;
- Scalable Manufacturing Model;
- Established operations and proven track record;
- Focus on Sustainability, Quality, Innovation and Technology;
- Sourcing, Production & Delivery;
- Strong Industry Relationship.

SALES AND MARKETING

In addition to stitched pants, we also provide samples of our fabrics and other finished clothing articles, ensuring that customers have a comprehensive understanding of the versatility and quality of our product.

The Company appoints sales agents on a non-exclusive and need-based basis, depending upon market requirements and order volumes. Accordingly, the number of agents is not fixed and may vary from time to time. During Fiscal 2023, Fiscal 2024, Fiscal 2025 and as on date, the number of agents engaged by the Company on a rolling basis were approximately 24, 30, 42 and 29 respectively.

We also participate in several trade fairs and exhibitions, which serve as an important avenue for networking, attracting new customers, and showcasing the Company's latest product developments. Additionally, referrals from existing satisfied customers form a significant source of new business, with trial lots and product samples provided to prospective clients to establish long-term business relationships. *The Company participated in 2 (Two) exhibitions in Fiscal 2023, 2 (Two) exhibitions in Fiscal 2024, and 1 (One) exhibition in Fiscal 2025.*

#Images captured at Gartex Texprocess exhibition held at Yashobhoomi, Dwarka, Delhi, India

PRODUCT WISE REVENUE BREAKUP

Our Company is engaged in the manufacturing of fabrics, which are primarily sold within the textile industry for use in the manufacturing of apparels and other fabric-based products. All of the Company's revenue is

derived from sales within the textile industry, as its products serve as raw materials for manufacturers of finished goods made out of fabric.

- **Strategic Shift in Business Model**

Over the last three fiscal years, the Company has witnessed a gradual shift in its revenue mix from job work activities towards direct manufacturing and sales of finished products.

The Company's utilized production increased to 19,840,507 meters per annum in FY 2024–25 from 16,257,755 meters per annum in FY 2023–24, reflecting a growth of 22.04%. The increase in production utilization contributed to a 23.53% increase in revenue in FY 2024–25 over FY 2023–24.

With the installation of additional machinery in prior years and improved operational efficiencies, the Company enhanced its capacity to manufacture finished products and supply directly to customers. Concurrently, the Company strengthened its direct sales network through focused marketing initiatives and industry outreach, resulting in an increase in active dealers from 30 in FY 2023–24 to 42 in FY 2024–25.

Consequently, the contribution of job work revenue declined from 8.56% of total revenue in FY 2022–23 to 0.07% in FY 2024–25. The Company has strategically reduced its dependence on job work activities and increased its focus on direct sales, which generally provide relatively better margins and improved control over pricing and customer relationships.

This transition has resulted in a change in the Company's revenue mix and operational profile. While direct sales may involve greater exposure to market demand fluctuations and customer concentration risks compared to job work arrangements, the Company believes that this model supports higher value addition, scalability and long-term profitability.

Accordingly, the entire revenue of the Company for the preceding three financial years pertains to the textile industry.

Amount (Rs. in Lakhs unless otherwise stated)

Sl. No.	Product	For the period ended 31 st March, 2025	% of revenue	For the period ended 31 st March, 2024	% of revenue	For the period ended 31 st March, 2023	% of revenue
1	Cotton Dyed Fabrics	24,461.83	72.94%	18,895.45	69.60%	12,448.64	62.04%
2	Cotton Print Fabrics	9,047.55	26.98%	7,717.83	28.43%	5,858.19	29.19%
3	Job Work Sales	23.41	0.07%	510.30	1.88%	1,717.35	8.56%
4	Wash Liquor [#] Sales	4.14	0.01%	14.68	0.05%	34.75	0.17%
5	Scrap Sale	-	0.00%	10.54	0.04%	7.97	0.04%
	Total	33,536.93	100.00%	27,148.80	100.00%	20,066.90	100.00%

**As certified by our Statutory Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated September 15, 2025 vide UDIN: 25144892BMHWRQ1723.*

The Merceriser Machine, during the caustic lye process carried out on RFD (Ready for Dyeing) fabric, a wastewater by-product is generated. This by-product is commonly referred to in the textile industry as "Wash Liquor." The wash liquor is collected and sold to authorized industrial recyclers or processor.

SEGMENTWISE REVENUE BIFURCATION

(Amount in Lakhs)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Revenue from Manufacturing of goods	18,231.45	22,348.19	28,216.58
Revenue from Traded goods	118.10	4,290.31	5,316.94
Revenue from job work operations	1,717.35	510.30	23.41
Total Revenue	20,066.90	27,148.80	33,556.93

Revenue from traded goods increased from ₹118.10 lakhs in Fiscal 2023 to ₹4,290.31 lakhs in Fiscal 2024 and ₹5,316.94 lakhs in Fiscal 2025, constituting approximately 0.59%, 15.80%, and 15.85% of total revenue from operations, respectively.

RAW MATERIALS

Our company has sourced the raw materials from Domestic sources. The list of raw materials is as follows:

List of Raw Material (Net Quantity Purchased FY 2022-23)

Sr. No.	Material	Quantity Mtr/KGS	Amount (in lacs)	Per Unit Value
1	Grey	9,152,466.53	15689.86	171.43
2	Colour	238,375.00	388.14	162.83
3	Chemicals	3,550,873.70	904.57	25.47
4	Dyed Fabrics	57,391.00	118.10	205.77

List of Raw Material (Net Quantity Purchased FY 2023-24)

Sr. No.	Material	Quantity Mtr/KGS	Amount (in lacs)	Per Unit Value
1	Grey	17,940,352	24104.20	134.36
2	Colour	232,545.00	381.99	164.27
3	Chemicals	3,556,163.00	771.58	21.70
4	Dyed Fabrics	58,274.70	127.51	218.80

List of Raw Material (Net Quantity Purchased FY 2024-25)

Sr. No.	Material	Quantity Mtr/KGS	Amount (in lacs)	Per Unit Value
1	Grey	20,981,224.14	28351.18	135.13
2	Colour	157,400.00	368.76	234.28
3	Chemicals	3,664,748.00	876.10	23.91
4	Dyed Fabrics	103,882.90	183.95	177.08

During the preceding three financial years, there were no material instances of raw-material rejection. Minor quantity rejections, wherever occurred, were operational in nature and were replaced by suppliers without financial impact

PROCUREMENT PROCESS

Identification of suppliers

The Company identifies suppliers based on parameters such as product quality, reliability, timely delivery, past performance, and cost competitiveness. New suppliers are evaluated through a sampling process and approved after quality verification by the Company's procurement and production teams. The final selection is made after obtaining necessary internal approvals.

Quality Inspection on Delivery

There have been no material instances of rejection of final products during the preceding three financial years. minor rejections, wherever occurred, were operational in nature and were rectified through re-processing without any material financial impact.

TOP 10 CUSTOMERS*

Note: 1. We unable to disclose the names of individual customers since information is Commercially sensitive to our business.

*2. For Fiscal 2025, our top customer was **Vinod Denim Limited**, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 5,469.71 lakhs, representing 16.30% of our revenue from operations and For Fiscal 2024, our second top customer was **Vinod Denim Limited**, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 3908.73 lakhs, representing 14.39% of our revenue from operations.*

TOP 10 SUPPLIERS

Note: 1. We unable to disclose the names of individual Supplier since information is Commercially sensitive to our business

*2. For Fiscal 2025, our top ten suppliers includes **Vinod Cotfab Private Limited**, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 12,830.17 lakhs, representing 43.08% of net purchase, For Fiscal 2024, our top ten suppliers includes **Vinod Cotfab Private Limited**, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 3962.28 lakhs, representing 15.61% of net purchase and For Fiscal 2023, our top ten suppliers includes **Vinod Cotfab Private Limited**, a Group Company and Related Party, to whom we recorded sales aggregating to ₹ 392.45 lakhs, representing 2.29% of of net purchase.*

THE FLOWCHART TO PROCESS THE GREY FABRIC IS AS UNDER

A. Grey Fabric* Inspection (Grey Checking): Upon receipt, the grey fabric undergoes a thorough inspection using a grey checking machine. This process ensures the detection of any defects such as spots, damage, or fungus before the fabric is released for further processing.

**The term "Greige Fabric" will be clarified as "also known as Grey Fabric" as per industry terms.*

REPAIR AND MAINTENANCE

This heading has been shifted after the heading of plant and machinery.

LAND AND PROPERTY

*The Company confirms that it has **not entered into any agreements with related parties**. The **agreement** for the premises occupied by the Company has been executed with an **unrelated party**, and the said agreement is **duly registered** with the competent authority.*

HUMAN RESOURCE

Details of Employees' Provident Fund and Employees State Insurance Corporation for last three years.

Amount in lakhs except no. of employees

Particulars	For the year ended March 31		
	2025	2024	2023
Contribution to Provident & Pension/Other Funds*	3.42	3.51	3.47
% of Total Revenue	Negligible	Negligible	Negligible
Total employees (as at year end)	102	90	78
No of employees at the end of the year in Employees' Provident Fund ("EPF")	75	71	63
No of employees at the end of the year in Employees State Insurance Corporation("ESIC")	97	87	75

**Notes: 1. Contribution to Provident & Pension/Other Funds include Employees' Provident Fund ("EPF") and Employees State Insurance Corporation("ESIC").*

2. We hereby confirms that we complies with the applicable provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948, wherever applicable.

3. The number of employees covered under statutory social security schemes such as the Employees' Provident Fund (EPF) and the Employees' State Insurance (ESIC) differs from the total headcount due to the following reasons:

- Statutory eligibility criteria: Certain employees whose wages exceed the prescribed statutory limits are not required to be covered under ESIC, in accordance with applicable regulations.*
- Higher salary employees / excluded employees: Certain employees drawing salary above the statutory threshold at the time of joining and qualifying as "excluded employees" under the EPF regulations are not covered under the EPF scheme.*
- Employee option (where permitted): In cases where employees qualify as excluded employees under applicable laws, such employees may opt not to participate in the EPF scheme.*

(A) RELATED TO OUR BUSINESS

(xii) Amended Technology Up-Gradation Fund Scheme

The Amended Technology Up-Gradation Fund Scheme (ATUFS) is a flagship initiative of the Government of India aimed at catalysing modernization and technology upgradation in the textiles and apparel sector. Introduced in 2016 as a successor to the earlier TUFS framework, ATUFS seeks to promote the adoption of state-of-the-art machinery, enhance productivity, and strengthen global competitiveness across the value chain. The scheme provides credit-linked capital investment subsidies to eligible entities in segments such as garmenting, weaving, knitting, processing, jute, silk, and technical textiles. By incentivising modern equipment and automated systems, the scheme intends to improve quality, reduce labour intensity in critical processes, and support the transition to advanced manufacturing standards that align with international benchmarks.

ATUFS categorises the textile value chain into two major segments for subsidy purposes: (i) garmenting, technical textiles, and segments considered employment-intensive or high-value; and (ii) weaving, spinning, and processing units. Depending on the category, beneficiaries are eligible for either a capital subsidy or a combination of capital subsidy and interest reimbursement, subject to predefined caps. The scheme is administered through an online platform to ensure transparency and timely processing of applications. By reducing the financial burden associated with technology upgradation, ATUFS plays a key role in facilitating industry growth, value addition, and export competitiveness while enabling MSMEs and larger units to scale sustainably.

(xiii) National Textile Policy, 2000

The National Textile Policy, 2000 was formulated to position India as a leading global player in textiles and garments by modernising the sector, enhancing competitiveness, and ensuring balanced growth across the value chain. The policy aimed to strengthen fibre security, promote technology upgradation, streamline labour laws, and create world-class infrastructure to boost productivity and quality standards. Recognising textiles as one of India's largest employment-generating and export-oriented industries, the policy emphasised integration of the entire value chain—from fibre to fashion—while encouraging the use of diverse raw materials such as cotton, silk, wool, jute, and man-made fibres. It also sought to enhance training, skill development, and human resource capabilities to meet the growing demand for skilled labour.

A key objective of the policy was to stimulate investment through fiscal incentives, technology support schemes, and market-oriented reforms. It promoted modernization through initiatives like the Technology Upgradation Fund Scheme (TUFS), facilitated the growth of textile machinery manufacturing, and aimed to attract FDI in high-value segments. The policy further focused on boosting exports by supporting quality improvement, branding, and market diversification. With an emphasis on sustainability, social compliance, and global competitiveness, the National Textile Policy, 2000 laid the foundation for long-term development of the Indian textile industry and shaped several subsequent reforms and schemes.

(xiv) Production-Linked Incentive Scheme in Textiles Products

The Production-Linked Incentive (PLI) Scheme for Textile Products, launched in 2021 by the Government of India, aims to strengthen India's manufacturing capacity in man-made fibres (MMF) and technical textiles—segments where India has traditionally been underrepresented. The scheme is designed to attract large-scale investment, promote innovation, enhance value addition, and position India as a key global supplier in advanced textile categories. By offering financial incentives on incremental production over a period of five years, the PLI scheme encourages companies to scale operations, adopt modern technologies,

and integrate into global supply chains. It also seeks to reduce import dependence and create high-quality employment across the sector.

Under the scheme, two investment tiers have been created to accommodate both large enterprises and mid-sized manufacturers. Eligible entities investing in new plant and machinery for MMF apparel, MMF fabrics, or technical textiles can receive incentives ranging from 3% to 11%, based on incremental turnover and investment thresholds. The scheme is expected to generate significant new jobs, boost exports, and foster the creation of integrated textile parks and manufacturing hubs. By focusing on high-growth and high-value products, the PLI Scheme is a critical step toward modernising the textile industry, improving global competitiveness, and achieving India's vision of becoming a major player in advanced textile manufacturing.

(xv) Textile Development and Regulation Order, 2001

The Textile Development and Regulation Order, 2001 was introduced by the Government of India under the Essential Commodities Act with the objective of ensuring orderly development, transparency, and regulation of the textile sector. The Order sought to streamline various activities related to production, manufacture, and quality control across textile units, including spinning, weaving, knitting, and processing. It mandated the registration of textile undertakings engaged in specified operations and required them to furnish periodic returns and production data to designated authorities. By monitoring production capacities, fibre consumption, and operational efficiency, the Order aimed to create a reliable framework for policy planning, supply-chain management, and market stabilisation within the sector.

The Regulation Order also empowered the government to issue directions to textile units for maintaining essential standards, ensuring optimal utilisation of raw materials, and preventing unfair trade practices or artificial shortages. It provided the legal basis to intervene in cases of non-compliance, thereby safeguarding the interests of both industry stakeholders and consumers. Furthermore, the Order played a crucial role in enabling accurate assessment of national textile capacity, forecasting industry requirements, and shaping targeted schemes for modernization and export promotion. Overall, the Textile Development and Regulation Order, 2001 helped establish a structured regulatory environment to support sustainable growth and orderly functioning of the Indian textile industry.

Workmen's Compensation Act, 1923, The Textile Undertakings (Nationalization) Act, 1995 and The Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertakings) Act, 1986 has been removed from the chapter titled "Industry Overview".

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

MAJOR EVENTS AND MILESTONES IN THE HISTORY OF THE COMPANY

Financial Year	Key Events/ Milestone/ Achievements
2018-2019	The company has acquired the factory land situated at 185/2, Saijpur, Gopalpur, Opp. Shanti Process, Piplaj Pirana Road, Ahmedabad, Gujarat, India, 38240.

OUR MANAGEMENT

Our Board of Directors

Name, Designation, DIN, Date of Birth, Address, Qualification, Experience, Occupation, Term, Period of Directorship and Nationality	Age (years)	Other Directorships and Designated Partnerships
Mr. Harsh Vinod Mittal DIN: 02333392 Date of Birth: June 18, 1988 Designation: Whole Time Director Address: 33, Golden Tulip Bungalows, Manek Baug, B/H Shreyas Foundation, Satellite, Ahmadabad City, Ahmadabad, Gujarat – 380015. Qualification: Post Graduation Diploma in Management-Business Entrepreneurship Experience: 14 Years Occupation: Business Term: For a period of 5 years w.e.f. November 25, 2024 Period of Directorship: Director since July 30, 2016 and appointed as Whole-Time Director on November 25, 2024. Nationality: Indian	37	COMPANY: 1.Vinod Spinners Private Limited; 2. Siddhyug Textiles Private Limited; 3.Vinod Cotfab Private Limited; & 4.Ratnakar Securities Limited. LLP: 1.Vinod Texspin LLP.
Ms. Nikita Sinha DIN: 11126745 Date of Birth: September 07, 1989 Designation: Non-Executive Independent Director Address: Flat No. S2 Building No. 9/2/16 Sai Kripa Apartment, Street 2 judge Colony, Near Apex Green Valley, Vaishali Sector 9, I.E. Sahibabad, Ghaziabad, Uttar Pradesh – 201010. Qualification: Company Secretary. Experience: 1.6 Years Occupation: Professional Term: For a period of 5 consecutive years with effect from September 10, 2025 Period of Directorship: Director since September 10, 2025 Nationality: Indian	36	COMPANY: 1.Kotia Enterprises Limited; 2.Rodec Pharma Limited; 3.All About Content Limited; 4.Anvi Publishing Limited; & 5.Kabra Drugs Limited. LLP: NIL.

BRIEF PROFILE OF DIRECTOR

Mr. Harsh Vinod Mittal, aged 37 years, is the Whole Time Director of Vinod Texworld Limited and Promoter of the Company. He was appointed as the on the Board of our Company on July 30, 2016. He has gained the qualification of Post Graduation Diploma in Management - Business Entrepreneurship. He has 14 years of demonstrated exemplary expertise and strategic leadership in the textile industry. Mr. Harsh Vinod Mittal currently serving as the Director Vinod Spinners Private Limited, Vinod Cotfab Private Limited, Mangalya Soft-Tech Limited, Siddhyug Textiles Private Limited and Designated Partner in Vinod Texspin LLP. He was appointed as Whole Time Director of the company for a period of 5 years w.e.f. November 25, 2024.

Mrs. Sweta Yash Mittal, aged 39 years, is a Non-Executive Director on the Board of Vinod Texworld Limited since 25th October, 2024. She holds a Bachelor of Commerce, which has equipped her with a strong foundation in critical thinking and strategic analysis. *She is having 9 months of experience of Operations in the Vinod Texworld Limited.* She In her upcoming role Mrs. Sweta Yash Mittal will bring her expertise and insights to

help guide Vinod Texworld Limited towards continued success and growth. Prior to this, there is no employment in any company.

Mr. Saket Jagdishchandra Agarwal, aged 54 years, is Non-Executive Independent Director on the Board of Vinod Texworld Limited since October 25, 2024. He holds a Bachelor of Commerce. **Mr. Saket Jagdishchandra Agarwal is having experience in manufacturing industry of more than 20 years** in Ratnam Laminates Private Limited in company's operations, Decision making and Implementation of policies and demonstrate leadership, strategic vision and a strong commitment to the growth and success of the organization. He is proficient in overseeing the company operations, decision-making and implementing policies that have contributed significantly to the Company's achievements. His professionalism, dedication and expertise have been highly valued by the management and his colleagues.

Ms. Nikita Sinha, aged 36 years, has been appointed as Non-Executive Independent Director on the Board of our Company with effect from September 10, 2025. She is a qualified Company Secretary and has approximately 1.6 years of experience in the field of corporate secretarial and legal compliance. Prior to joining our Board, she was associated with Raipur Power and Steel Limited as a Company Secretary.

NATURE OF FAMILY RELATIONSHIP BETWEEN DIRECTORS AND KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT

Except as stated below, none of the Directors or Director and Key Managerial Personnel or Senior Management of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

Name of the Director	Designation	Relationship with other Directors
Mr. Yash Vinod Mittal	Managing Director	Brother of Mr. Harsh Vinod Mittal and Husband of Mrs. Sweta Yash Mittal
Mr. Harsh Vinod Mittal	Whole Time Director	Brother of Mr. Yash Vinod Mittal and Brother-in-law of Mrs. Sweta Mittal
Mrs. Sweta Yash Mittal	Non- Executive Director	Spouse of Mr. Yash Vinod Mittal and Sister-in-law of Mr. Harsh Vinod Mittal

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

S. No.	Name of the Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
3)	Mrs. Sweta Yash Mittal (Director)	2,95,000	2.54%

MANAGEMENT ORGANIZATION STRUCTURE

Set forth is the management organization structure of our Company



OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTERS

Details of our Promoters are as follows:

Mr. Harsh Vinod Mittal, aged 37 years, is the promoter of our Company. He is acting as the Whole Time Director of our Company. He has gained the qualification of Post Graduate Diploma in Management - Business Entrepreneurship and brings his demonstrated exemplary expertise and strategic leadership in the textile industry. The Permanent Account Number of Mr. Harsh Vinod Mittal is ARTPM6199G and Passport Number is S5712701.

For complete profile of Mr. Harsh Vinod Mittal, along with details of his date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “Our Management” on page 230 of this Draft Prospectus.

3. Mrs. Sweta Yash Mittal

INTERESTS OF PROMOTER

(b) Further, Mr. Harsh Vinod Mittal, Mr. Yash Vinod Mittal and Mrs. Sweta Yash Mittal are also interested in our Company in the capacity of our Whole Time Director, Managing Director & Non-Executive Director respectively, and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see “Our Management” on page 230 For further details of interest of our Promoters in our Company, see “Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements –Note AB– Statement of Related Party Transactions” on page 305

OUR GROUP COMPANIES

DETAILS OF GROUP COMPANY

DETAILS OF GROUP COMPANY

1. Vinod Cotfab Private Limited

The Shareholding Pattern of Vinod Cotfab Private Limited:

S. No.	Shareholders name	No. of shares	Percentage (%) *
Equity Share Holding			
1.	Shri Vinod M. Mittal	58,074	11.17%
2.	Shri Yash V. Mittal	53,749	10.34%
3.	Shri Harsh V. Mittal	56,749	10.92%
4.	Mrs. Sweta Yash Mittal	16,000	3.08%
5.	Mrs. Radha V. Mittal	16,000	3.08%
6.	Yash V. Mittal HUF	13,000	2.50%
7.	Minor Siddh Yash Mittal	8,000	1.54%
8.	Anil Exports (India)	7,700	1.48%
9.	Mrs. Shilpa Gagan Mittal	8,000	1.54%
10.	United Polyfab (P) Ltd.	48,000	9.23%
11.	Buoyant Infrastructure Services (P) Ltd.	50,000	9.62%
12.	Poonam Harsh Mittal	16,869	3.24%
13.	Meeran Textile Private Limited	30,435	5.85%
14.	Harsh V. Mittal HUF	15,000	2.89%
15.	Flaxen Textile Private Limited	19,000	3.65%
16.	Citadel Textile Private Limited	20,000	3.85%
Total (A)		4,36,576	83.98%
Preference Share Holding			
17.	Siddhant Commercial Private Limited (Previously known as Teesta Retail Pvt. Ltd)	83,300	16.02%
Total (B)		83,300	16.02%
TOTAL (A+B)		519,876	100.00%

**The percentage shareholding disclosed herein has been computed on the basis of the total paid-up share capital of the Company as on the date of this Draft Prospectus. Any discrepancies in the aggregate percentages are due to rounding off.*

2. Vinod Denim Limited

The Shareholding Pattern of Vinod Denim Limited as on the date March 31, 2025 is as follows:

S. No.	Shareholders Name	No. of shares	Percentage (%) *
Equity Share Holding			
1.	Suresh Mittal	1,25,760	7.17%
2.	Suresh Mittal HUF	34,195	1.95%
3.	Nirmal Mittal	1,17,910	6.73%
4.	Nirmal Mittal HUF	77,360	4.41%
5.	Anil Mittal	1,35,860	7.75%
6.	Anil Mittal HUF	41,980	2.39%
7.	Vinod Mittal	83,900	4.79%
8.	Vinod Mittal HUF	92,300	5.27%

9.	Vinod Fabrics Pvt Ltd	35,000	2.00%
10.	Piyush Mittal	78,400	4.47%
11.	Gagan Mittal	78,000	4.45%
12.	Yash Mittal	79,300	4.52%
13.	Harsh Mittal	79,000	4.51%
14.	Aditi A Mittal	4,115	0.23%
15.	Parul S Mittal	5,075	0.29%
16.	Mansi N Mittal	2,400	0.14%
17.	Shilpa G Mittal	79,250	4.52%
18.	Kamala A Mittal	80,090	4.57%
19.	Radha V Mittal	80,795	4.61%
20.	Urmilla N Mittal	79,515	4.54%
21.	Kusum S Mittal	79,970	4.56%
22.	Aarti P Mittal	78,160	4.46%
23.	Mangalchand Mittal HUF (Karta Suresh M HUF)	4,850	0.28%
24.	Dhaval A Mittal	79,680	4.55%
25.	Parul Enterprise (P.Firm) – Suresh Mittal & Parul S Mittal	1,20,000	6.85%
Total (A)		17,52,865	100%
Preference Share Holding			
1.	-	Nil	Nil
Total (B)		Nil	Nil
TOTAL (A+B)		17,52,865	100%

**The percentage shareholding disclosed herein has been computed on the basis of the total paid-up share capital of the Company as on the date of this Draft Prospectus. Any discrepancies in the aggregate percentages are due to rounding off.*

3. Vinod Fabrics Pvt Ltd

The Shareholding Pattern of Vinod Fabrics Private Limited as on the date March 31, 2025 is as follows:

S. No.	Shareholders Name	No. of shares	Percentage (%) *
Equity Share Holding			
1.	Suresh Kumar Mangalchand Mittal	2,106	2.32%
2.	Nirmal Kumar Mangalchand Mittal	4,606	5.07%
3.	Vinod Kumar Mangalchand Mittal	5,236	5.77%
4.	Anil Kumar Mangalchand Mittal	5,037	5.55%
5.	Smt. Kusum Devi Mangalchand Mittal	3,770	4.15%
6.	Smt. Urmila Devi Nirmalkumar Mittal	2,900	3.19%
7.	Smt. Radha Vinodkumar Mittal	3,500	3.85%
8.	Smt. Kamala Anilkumar Mittal	2,870	3.16%
9.	Piyush Sureshkumar Mittal	4,000	4.41%
10.	Gagan Nirmalkumar Mittal	4,000	4.41%
11.	Yash Vinodkumar Mittal	4,000	4.41%
12.	Urvashi Nirmalkumar Mittal	500	0.55%
13.	Nirmal Kumar Mittal HUF	6,020	6.63%
14.	Suresh Kumar Mittal HUF	5,690	6.27%
15.	Vinod Kumar Mittal HUF	6,330	6.97%
16.	Anil Kumar Mittal HUF	5,560	6.12%
17.	Mangalchand Mittal HUF	4,110	4.53%
18.	Mansi Nirmalkumar Mittal	120	0.13%
19.	Aditi Anilkumar Mittal	80	0.09%
20.	Parul Sureshkumar Mittal	200	0.22%

21.	Harsh V. Mittal	4,048	4.46%
22.	Dhaval Anil Mittal	4,510	4.97%
23.	Parul Enterprise (Partnership Firm) – Suresh Mittal and Parul Mittal	11,600	12.78%
Total (A)		90,793	100.00%
Preference Share Holding			
1.	-	Nil	Nil
Total (B)		Nil	Nil
TOTAL (A+B)		90,793	100.00%

**The percentage shareholding disclosed herein has been computed on the basis of the total paid-up share capital of the Company as on the date of this Draft Prospectus. Any discrepancies in the aggregate percentages are due to rounding off.*

COMMON PURSUITS

There are no common business pursuits between our Company and its Group Companies, namely Vinod Fabrics Private Limited, Vinod Denim Limited and Vinod Cotfab Private Limited. However, to mitigate any potential conflict of interest, our Company has entered into Non-Compete Agreements with the aforesaid entities. The Company shall continue to take necessary measures, in compliance with applicable laws, to address any potential conflict situations, if and when they arise.

STEPS UNDERTAKEN TO PREVENT CONFLICT OF INTEREST

To ensure there is no conflict of interest between the Issuer Company and its group companies, the following structural, operational and governance safeguards have been implemented:

A. Distinct Business Lines:

Each entity operates in clearly different business segments (greige weaving, denim manufacturing, job-work processing, value-added finishing), ensuring no competitive or operational overlap.

B. Separate Production Facilities & Machinery:

All companies maintain independent production units with their own machinery, workforce and infrastructure.

C. Separate Financial Controls & Books of Accounts:

Each company maintains independent accounting systems, bank accounts, internal controls and financial decision-making.

D. Non-Compete Agreement:

VTL has entered into a Non-Compete Agreement with all group companies to ensure clear business demarcation and avoid any overlap.

E. No Controlling Shareholding in Group Companies:

Promoters of VTL do not hold majority shareholding in VCPL, VDL or VFPL, thereby preventing any control or influence over their operations.

F. Independent Customer Segments:

Each company caters to different customer bases, preventing any direct or indirect conflict of interest.

UNDERTAKING / CONFIRMATION BY OUR GROUP COMPANY

None of our Group Companies is listed on any stock exchange, nor have any of the Group Companies made any public and/or rights issue of securities in the preceding three years.

RELATED PARTY TRANSACTIONS

Details of Nature of Related Party Transactions

Amount (RS. in Lakhs)

Nature of Transaction	FY 2024-25	% of Revenue from Operations	FY 2023-24	% of Revenue from Operations	FY 2022-23	% of Revenue from Operations
Remuneration	29.5	0.09%	24	0.09%	24	0.12%
Salary	13.58	0.04%	2.58	0.01%	1.94	0.01%
Purchase net of Returns	12,835.40	38.27%	4,001.59	14.74%	522.60	2.60%
Rent Received	2.3	0.01%	3.18	0.01%	3.18	0.02%
Sales net off Returns (Exclusive of GST)	5,476.76	16.33%	4,401.77	16.21%	1,724.05	8.59%
Loans Taken	868.04	2.59%	139.49	0.51%	260.4	1.30%
Loans Repaid	868.8	2.59%	291.98	1.08%	240.68	1.20%
Interest paid on Loan	15.99	0.05%	4.08	0.02%	14.23	0.07%
Corporate guarantee given to the Vinod Cotfab Private Limited, Entity in which Appointed director interested as at end of the year.	7,627.00	22.74%	7,789.00	28.69%	0.00	0.00%
TOTAL	27737.37	82.71%	16657.67	61.36%	2791.08	13.91%

Rationale of Related Party Transaction with respect to Sales and purchases.

Sales to Vinod Denim Limited:

Particulars	31 st March, 2025	31 st March 2024	31 st March, 2023*
Sales (₹ in lakhs)	5,469.71	3,908.73	392.21
% from Total Revenue from operations	16.31%	14.40%	1.95%

**The sales made to Vinod Denim Limited during FY 2022-23 pertained only to the period from February 2023 to March 2023, as the Company commenced production following the expansion of its manufacturing facilities in February 2023. Accordingly, the sales recorded during FY 2022-23 do not represent a full financial year of operations.*

The Company sells finished fabric to Vinod Denim Limited, which does not have fabric manufacturing facilities similar to those of the Company. Vinod Denim Limited is located in close proximity to the Company, which results in reduced ancillary costs such as transportation and logistics. Owing to these operational efficiencies, Vinod Denim Limited procures fabric from the Company. All such transactions are conducted on an arm's length basis and in the ordinary course of business.

Sales to Anil Exports (India):

Particulars	31 st March, 2025	31 st March, 2024	31 st March, 2023
Sales (₹ in lakhs)	0.00	493.04	1,331.84
% from Total Revenue from operations	-	1.82%	6.64%

Purchases from Vinod Cotfab Private Limited:

Particulars	31 st March, 2025	31 st March 2024	31 st March 2023
Purchases (₹ in lakhs)	12,830.59	3,962.28	392.45
% from Total Purchases	43.08%	15.61%	2.29%

**The purchase from Vinod Cotfab Private Limited during FY 2022-23 pertained only to the period from February 2023 to March 2023, as the Company commenced production following the expansion of its manufacturing facilities in February 2023. Accordingly, the purchase recorded during FY 2022-23 do not represent a full financial year of operations.*

Vinod Cotfab Private Limited is in the business of manufacturing Greige Fabric which acts as a raw material for the company. Due to benefits of reduced ancillary costs and material of exact required quality at arm's length price, the company purchases from Vinod Cotfab Private Limited.

For details on related party transactions of our company, please refer to Note AB beginning on page 305 of "restated financial information" under the section titled, 'Financial information' of this Draft Prospectus.

LOAN FROM RELATED PARTY

Our Company take loans from related parties, which were availed purely for business purposes, primarily towards meeting working capital requirement.

(Amount in Rs. Lakhs)

Sr No.	Name of Lender	Purpose	Repayment Schedule	Outstanding amount as on March 31, 2024	Outstanding amount as on March 31, 2025	Rate of Interest
1	Harsh V Mittal	Business purpose	Payable after 1 year	19.14	10.85	2%
2	Yash V Mittal	Business purpose	Payable after 1 year	12.9	7.35	9%
3	Vinod M. Mittal	Business purpose	Payable after 1 year	3.42	2.83	9%
4	Poonam H. Mittal	Business purpose	Payable after 1 year	8.78	16.67	9%
5	Radha V. Mittal	Business purpose	Payable after 1 year	0.4	6.39	9%
6	Sweta Y. Mittal	Business purpose	Payable after 1 year	0.22	14.41	9%
TOTAL				44.86	58.5	

SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

VINOD TEXWORLD LIMITED
(Formerly known as VINOD TEXWORLD PRIVATE LIMITED)
CIN: U17200GJ2012PLC071210

ANNEXURE - I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

Sr. No.	Particulars	Notes	As at March 31,		
			2025	2024	2023
	EQUITY AND LIABILITIES				
1)	<u>Shareholders' Funds</u>				
	a. Share Capital	A	1,160.12	1,160.12	1,147.62
	b. Reserves & Surplus	B	2,037.88	1,117.12	499.94
			3,198.00	2,277.24	1,647.56
2)	<u>Non-Current Liabilities</u>				
	a. Long Term Borrowings	C	1,747.63	1,946.95	1,923.76
	b. Deffered Tax Liabilities	D	22.55	33.40	20.40
	c. Long Term Provisions	E	35.36	26.03	18.70
			1,805.54	2,006.38	1,962.86
3)	<u>Current Liabilities</u>				
	a. Short Term Borrowings	F	4,880.13	2,753.96	1,564.03
	b. Trade Payables	G			
	- MSME		888.79	1,424.99	1,150.80
	- Others		6,149.53	5,835.18	4,458.04
	c. Other Current Liabilities	H	390.69	896.07	825.96
	d. Short Term Provisions	I	408.63	227.41	98.47
			12,717.77	11,137.61	8,097.30
	T O T A L		17,721.31	15,421.23	11,707.72
	ASSETS				
1)	<u>Non-Current Assets</u>				
	a. Property, Plant & Equipment and Intangible Assets	J			
	i. Property, Plant and Equipment		4,233.40	4,190.12	3,349.87
	ii. Capital Work-in-progress		5.77	62.38	321.56
	Less: Accumulated Depreciation		1,837.20	1,668.03	1,374.19
	Net Block		2,401.97	2,584.47	2,297.24
	b. Non-current Investments	K	3.55	2.82	2.82
	c. Other Non-Current Assets	L	15.42	17.31	92.83
	Total (A)		2,420.94	2,604.60	2,392.89

2)	Current Assets				
	a. Inventories	M	6,032.76	4,556.36	2,193.37
	b. Trade Receivables	N	8,736.77	7,648.96	6,533.00
	c. Cash and Cash Equivalents	O	21.04	13.94	217.28
	d. Short Term Loans & Advances	P	509.80	597.37	371.18
	Total (B)		15,300.37	12,816.63	9,314.83
TOTAL			17,721.31	15,421.23	11,707.72
For, S. N Shah & Associates Chartered Accountants Firm Registration No.:109782W		For and on behalf of the Board Vinod Texworld Limited			
		-SD-		-SD-	
		Harsh Mittal (DIN: 2333392) Whole-Time Director		Yash Mittal (DIN: 02294797) Managing Director	
-SD- CA Priyam Shah Partner Membership No. 144892 Place: Ahmedabad Date: 15th September, 2025 UDIN:25144892BMHWRS1126		-SD-		-SD-	
		Foram Deep Parikh Company Secretary		Anchal Tulsyan Chief Financial Officer	

ANNEXURE - II
RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lacs)

Sr. No.	Particulars	Notes	For the year ended March 31,		
			2025	2024	2023
A	INCOME				
	Revenue from Operations	Q	33,536.93	27,148.80	20,066.90
	Other Income		19.11	16.59	6.33
	Total Income (A)		33,556.04	27,165.39	20,073.23
B	EXPENDITURE				
	Cost of Material Consumed	R	23,771.58	20,308.55	16,945.39
	Purchase of Stock-in-trade	S	5,316.93	4,290.31	118.10
	Change in Inventories	T	(764.20)	(1,580.80)	(486.77)
	Employee benefit expenses	U	395.45	318.72	258.26
	Finance costs	V	526.62	262.44	130.59
	Depreciation and amortisation expense	W	387.58	293.84	268.09
	Other Expenses	X	2,684.78	2,564.01	2,746.84
	Total Expenses (B)		32,318.74	26,457.09	19,980.50
C	Profit before exceptional, extraordinary items and tax		1,237.30	708.31	92.73
	Exceptional items		-	-	-

D	Profit before extraordinary items and tax		1,237.30	708.31	92.73
	Extraordinary Expenses		-	-	-
E	Profit before tax		1,237.30	708.31	92.73
	<i>Tax expense :</i>				
	(i) Current tax	Y	327.39	165.62	14.08
	(il) Deferred tax	Z	(10.85)	13.00	11.00
F	Total Tax Expense		316.54	178.62	25.09
G	Profit after tax (E-F)		920.76	529.68	67.65
	Earning per equity share(face value of Rs. 10/- each): Basic and Diluted (Rs.)		7.94	4.62	0.61

For, S. N Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Vinod Texworld Limited

-SD-

-SD-

Harsh Mittal
(DIN: 2333392)
Whole-Time Director

Yash Mittal
(DIN: 02294797)
Managing Director

-SD-

CA Priyam Shah

Partner

Membership No. 144892

Place: Ahmedabad

Date: 15th September, 2025

UDIN:25144892BMHWRS1126

-SD-

-SD-

Foram Deep Parikh
Company Secretary

Anchal Tulsyan
Chief Financial Officer

ANNEXURE III RESTATED STATEMENT OF CASH FLOWS

(Rs. in Lacs)

Particulars	As at 31st March		
	2025	2024	2023
Cash flow from operating activities:			
Net Profit before tax as per Profit and Loss A/c	1,237.30	708.31	92.73
Adjusted for:			
Addition			
Depreciation & Amortisation	387.58	293.84	268.09
Interest & Finance Cost	526.62	262.44	130.59
Rent income	(2.30)	(3.18)	(3.18)
Profit/Loss on Sale of Assets	4.69	7.89	15.34
Operating Profit Before Working Capital Changes	2,153.88	1,269.30	503.58
Adjusted for (Increase)/ Decrease:			
Long Term Provision	9.32	7.33	2.08
Short Term Provision	47.30	10.25	(0.92)
Trade Receivables	(1,087.81)	(1,115.96)	(1,979.54)
Trade Payables	(221.84)	1,651.33	1,265.68

Other Current Liabilities	(505.37)	70.11	130.19
Inventories	(1,476.40)	(2,362.99)	(519.44)
Short term loan and Advances	87.57	(226.19)	107.55
Other Non Current Assets	1.89	75.52	(56.53)
Cash Generated From Operations	(991.46)	(621.30)	(547.36)
Direct Tax Paid	(193.47)	(46.94)	(38.88)
Net Cash Flow from/(used in) Operating Activities: (A)	(1,184.93)	(668.25)	(586.24)
Cash Flow From Investing Activities:			
Purchase of Fixed Assets	(236.89)	(591.23)	(621.90)
Proceeds from Sale of Fixed Assets	27.13	2.27	25.52
Rent Income	2.30	3.18	3.18
(Purchase)/Sale of Investments	(0.73)	-	(0.42)
Net Cash Flow from/(used in) Investing Activities: (B)	(208.19)	(585.77)	(593.62)
Cash Flow from Financing Activities:			
Proceeds From Share Capital & Share Premium	-	100.00	200.00
Proceeds / (Repayment) from Long Term Borrowing (Net)	(199.32)	23.19	99.48
Change in Short term Borrowings	2,126.17	1,189.93	1,211.23
Interest & Finance Cost	(526.62)	(262.44)	(130.59)
Net Cash Flow from/(used in) Financing Activities (C)	1,400.23	1,050.68	1,380.12
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	7.12	(203.35)	200.25
Cash & Cash Equivalents As At Beginning of the Year	13.93	217.28	17.03
Cash & Cash Equivalents As At End of the Year	21.05	13.93	217.28

1. Statement of cash flow has been prepared under the indirect method as set out in S-3 on statement of cashflows specified under Sec-133 of Companies Act,2013 read with Companies (Accounts) Rules, 2014.
2. Reconciliation of Cash & Cash Equivalents as per the statement of cash flow

Balances with Banks			
Current Account	0.11	0.12	17.24
Cash on hand	5.16	2.56	1.04
FD with Banks	15.77	11.27	199.00
Cash and Cash Equivalents at the End of the Period	21.04	13.94	217.28
For, S. N Shah & Associates Chartered Accountants Firm Registration No.:109782W	For and on behalf of the Board Vinod Texworld Limited -SD- Harsh Mittal (DIN: 2333392) Whole-Time Director	-SD- Yash Mittal (DIN: 02294797) Managing Director	
-SD- CA Priyam Shah Partner Membership No. 144892 Place: Ahmedabad Date: 15th September, 2025 UDIN:25144892BMHWRS1126	-SD- Foram Deep Parikh Company Secretary	-SD- Anchal Tulsyan Chief Financial Officer	

7 OTHERS

For, S. N Shah & Associates
Chartered Accountants
Firm Registration No.:109782W

For and on behalf of the Board
Vinod Texworld Limited

-SD-
CA Priyam Shah
Partner
Membership No. 144892
Place: Ahmedabad
Date: 15th September, 2025
UDIN:25144892BMHWRS1126

-SD-

Harsh Mittal
(DIN: 2333392)
Whole-Time Director

-SD-

Yash Mittal
(DIN: 02294797)
Managing Director

-SD-

Foram Deep Parikh
Company Secretary

-SD-

Anchal Tulsyan
Chief Financial Officer

NOTE M – DETAIL OF INVENTORIES AS RESTATED

(Rs. in Laacs)

Particulars	2025	2024	2023
Raw material	1,977.55	1,286.07	499.66
WIP	2,365.23	1,799.44	954.18
Finished Goods	1,664.28	1,465.87	730.34
Packing Material	6.62	2.96	5.70
Coal Stock	9.67	2.01	3.49
Stores and spares	9.40	-	-
TOTAL	6,032.76	4,556	2,193.37

NOTE Q - DETAILS OF REVENUE FROM OPERATIONS AND OTHER INCOME AS RESTATED

(Rs. in Laacs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Sales of Products (Net of returns)			
Local - Manufacturing	27,861.16	21,838.02	18,018.70
Local - Trading	5,316.94	4,290.31	118.10
Exports	331.28	484.94	170.03
Job Work Sales	23.41	510.30	1,717.35
Wash Liquor Sales	4.14	14.68	34.75
Sale of Scrap and other items	-	10.54	7.97
Total Sales	33,536.93	27,148.80	20,066.90
Total Net Sales	33,536.93	27,148.80	20,066.90
OTHER INCOME			
Interest Income	10.07	9.86	1.15
Kasar / balance written off	3.73	1.28	2.00
Rent Income	2.30	3.18	3.18
Profit on Sale of Machinery	3.02	2.27	-

Total of Other Income	19.11	16.59	6.33
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NOTE R - DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED

(Rs. in Lacs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Opening Stock	1,286.07	499.66	462.48
Add : Purchases	24,516.14	21,105.60	16,997.60
Less : Closing Stocks	1,977.55	1,286.07	499.66
Less: Purchase Returns	53.09	10.64	15.03
	23,771.58	20,308.55	16,945.39

NOTE S - DETAILS OF PURCHASE OF STOCK IN TRADE AS RESTATED

(Rs. in Lacs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Purchase of Stock-in-trade	5,316.93	4,290.31	118.10
Net Increase / (Decrease)	5,316.93	4,290.31	118.10

NOTE T - DETAILS OF CHANGES IN INVENTORY AS RESTATED

(Rs. in Lacs)

Particulars	For the year ended March 31,		
	2025	2024	2023
Closing Stock			
WIP	2,356.23	1,799.44	954.18
FINISHED GOODS	1,664.28	1,465.87	730.34
	4029.51	3,265.31	1,684.52
Opening Stock			
WIP	1,799.44	954.18	798.85
FINISHED GOODS	1,465.87	730.34	389.80
	3,265.31	1,684.52	1,197.75
Net Increase / (Decrease)	764.20	1,580.80	486.77



MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

BUSINESS OVERVIEW

In addition to our manufacturing operations, our Company also undertakes trading of textile products to supplement its product offerings and meet diverse customer requirements. Revenue from such trading activities has contributed approximately 15% to 16% of our revenue from operations in recent periods. These activities generally yield lower margins and are not a material contributor to our overall profitability.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

- Around 15% to 16% of our revenue from operations is derived from trading activities, which generally carry relatively lower margins and, therefore, have no material impact on our overall results of operations

DISCUSSION ON RESULT OF OPERATION

SIGNIFICANT DISCUSSION ON INCREASE IN SALES TO VINOD DENIMS LIMITED

During the periods under review, the Company has experienced a substantial increase in sales to Vinod Denim Limited (“VDL”), which is a Group Company and a related party. As per the Restated Financial Statements, sales to VDL constituted approximately 1.95% of Revenue from Operations in FY 2022–23, increased to approximately 14.40% in FY 2023–24 and further increased to approximately 16.31% in FY 2024–25. This growth reflects VDL’s expanding denim manufacturing operations and its increased requirement for dyed and processed fabrics, which align with the Company’s product capabilities and enhanced production capacity.

The business relationship with VDL is conducted in the ordinary course of business based on purchase orders placed from time to time in line with VDL’s production requirements. The Company does not have any exclusive supply arrangement with VDL, and transactions are carried out on commercially negotiated terms similar to those applicable to other unrelated customers in the textile industry. Pricing for sales to VDL is determined based on prevailing market prices for comparable products, input costs (including greige fabric, dyes, chemicals, processing costs, power and fuel), volume considerations, and delivery timelines. The Company follows a consistent pricing policy for both related and unrelated customers and periodically reviews pricing to ensure that transactions with VDL are at arm’s length.

The increase in sales to VDL is also attributable to the Company’s strategic shift from job-work processing to direct manufacturing and sale of its own products, along with capacity expansion through installation of new machinery. This has enabled the Company to meet higher order volumes from key customers such as VDL while maintaining quality standards and delivery schedules.

While sales to VDL constitute a material portion of the Company’s revenue in recent periods, Management views this as a commercially driven outcome rather than structural dependence. The Company continues to supply products to multiple domestic customers across Gujarat, Punjab, Haryana, Delhi, Rajasthan, Uttar Pradesh, West Bengal and other states, as well as to select export markets such as Nepal. The Company is actively pursuing opportunities to further diversify its customer base and reduce concentration risk over time.

Nevertheless, reliance on a significant customer such as VDL may expose the Company to risks including reduced order volumes, renegotiation of prices, delayed payments, or business disruptions at the customer’s end, which could have an adverse impact on the Company’s revenues, cash flows, and profitability.



To mitigate these risks, the Company is focusing on:

- expanding its customer portfolio,
- increasing direct sales to non-related parties,
- enhancing product offerings in dyed and printed fabrics, and
- maintaining strong operational capabilities to serve a broader customer base.

Revenue Bifurcation

Segment-Wise bifurcation

Segment-wise bifurcation is mentioned under chapter titled ‘our business’ on page 177 of this Draft Prospectus under the head ‘Segment wise revenue breakup’.

DETAILS OF FINANCIAL YEAR ENDING MARCH 31, 2025 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2024 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

◆ Total Income

Total Income for the Financial Year 2024-25, stood at Rs. 33,556.04 Lakhs whereas in Financial Year 2023-24 it stood at Rs. 27,165.39 Lakhs representing an increase of 23.53%, as the Company’s utilized production increased to 19,840,507 meters per annum in FY 2024–25, from 16,257,755 meters per annum in FY 2023–24, reflecting a 22.04% growth in production. This increase in production capacity utilization has directly contributed to a 23.53% rise in revenue during FY 2024–25 over FY 2023–24.

During the year, the Company continued to strengthen its direct sales channel through enhanced marketing initiatives and improved industry relationships. As a result, the Company expanded its customer base, increasing the number of active dealers from approx. 30 in FY 2023–24 to approx. 42 in FY 2024–25. This expansion enabled deeper market penetration and diversification of the customer portfolio.

With higher production capability arising from the installation of new machinery in previous years, the Company has been able to cater to customer demand more efficiently and supply products in required quantities. Consequently, the Company strategically focused on increasing direct sales, which offer higher margins compared to job work activities performed for external parties. This shift in strategy has supported both revenue growth and improved profitability during FY 2024–25.

1. Revenue from operations

Total revenue from operations for FY 2024–25 stood at ₹33,536.93 lakhs, compared to ₹27,148.80 lakhs in FY 2023–24, registering a growth of 23.53%. The increase was primarily driven by higher manufacturing capacity, which rose from 190 lakh meters per annum in FY 2023–24 to 225 lakh meters per annum after new machinery costing ₹812.58 lakhs, commissioned mid-FY 2023–24, operated for the full FY 2024–25. Revenue from manufacturing of goods increased from ₹22,348.19 lakhs in FY 2023–24 to ₹28,216.58 lakhs in FY 2024–25. Additionally, revenue from traded goods contributed ₹4,290.31 lakhs and ₹5,316.94 lakhs in FY 2023–24 and FY 2024–25, respectively, reflecting expansion in our trading activities

Expenditure

8. Restated Profit before Tax

The restated profit before tax For the Financial Year 2024-25 stood at Rs. 1,237.30 Lakhs. Whereas for the Financial Year 2023-24, it stood at Rs. 708.30 Lakhs, representing an increase of 74.69%. As new boilers was installed in middle of FY 2023-24 having capacity of 8 steam TPH generation, which operates turbine efficiently and can save up to 150 units per hour.

It significantly reduced power and fuel cost from 3.74% of revenue from operations in FY 2023-24 to 2.84% of revenue from operations in FY 2024-25.

FISCAL YEAR ENDED MARCH 31, 2024 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

◆ Total Income

1. Revenue from operations

Revenue from operations for the Financial Year 2023–24 stood at ₹27,148.80 lakhs, as compared to ₹20,066.90 lakhs for the Financial Year 2022–23, representing an increase of 35.29%. This growth was primarily driven by an increase in production during the Financial Year 2023–24 to 162.58 lakh meters from 84.09 lakh meters in the Financial Year 2022–23, indicating a growth of 93.34% in production. Revenue from manufacturing of goods increased from ₹18,231.45 lakhs in the Financial Year 2022–23 to ₹22,348.19 lakhs in the Financial Year 2023–24. Additionally, revenue from traded goods increased significantly from ₹118.10 lakhs in the Financial Year 2022–23 to ₹4,290.31 lakhs in the Financial Year 2023–24, reflecting expansion in trading activities.

***Note:** Any impact arising from trading activities on the 'Cost of Materials Consumed' and 'Purchase of Stock-in-Trade' shall be duly incorporated in chapter titled 'Management, Discussion and Analysis' and will be appropriately disclosed in the Prospectus upon finalization of the revised restated financial statements*

Relevant Balance Sheet Items

Trade Receivables

Analysis of Trade Receivables and Collection Efficiency. Our trade receivables stood at ₹8,736.77 lakhs, ₹7,648.96 lakhs, and ₹6,533.00 lakhs for the Financial Years 2025, 2024, and 2023, respectively. We have achieved a consistent improvement in our collection cycle, with trade receivable days reducing from 119 days in FY 2023 to 103 days in FY 2024, and further to 95 days in FY 2025.

Balanced View on Industry Norms: Despite this improvement, our collection period remains significantly higher than the textile industry average, which typically ranges between 30 to 45 days.

Reasons for Variance: This variance is primarily driven by the following factors:

- **Customer Profile:** Our supply chain primarily consists of traders and exporters who typically demand higher credit periods to manage their own working capital cycles.

- **Strategic Market Expansion:** To support our shift from a "Job Work" model to a "Purchase and Process" (direct manufacturing) model, we have strategically offered competitive credit terms to increase business volumes and capture market share.

Steps to Align with Industry Norms: Management is committed to progressively aligning our collection periods with industry standards through the following measures:

- **Tighter Credit Management:** We have implemented more rigorous credit approval policies and periodic monitoring of outstanding receivables.
- **Enhanced Follow-up Procedures:** We are streamlining our internal follow-up procedures for recoveries to ensure timely realizations.
-

Stabilization Goal: Based on these initiatives, we estimate our trade receivable days will stabilize at 91 days for the Financial Year 2025-26.

Inventory

Analysis of Inventories for the Financial Year 2023-24

Our total inventories increased by ₹2,362.99 lacs, representing a growth of 107.73%, from ₹2,193.37 lacs as of March 31, 2023, to ₹4,556.36 lacs as of March 31, 2024. This increase is a direct result of a strategic shift in our core business model and the corresponding growth in our operational scale.

1. Strategic Business Model Transition: From Job Work to Direct Manufacturing. During FY 2024, the Company significantly shifted its focus toward direct manufacturing and sales, whereby we independently procure raw materials, process them into finished products, and sell them directly to our customers. Evidence of this shift is reflected in our revenue mix:

- **Job Work Sales:** Decreased sharply by 70.29%, from ₹1,717.35 lacs in FY 2023 to ₹510.30 lacs in FY 2024.
- **Direct Sales of Products (Local & Exports):** Increased by 45.37%, from ₹18,306.82 lacs in FY 2023 to ₹26,613.27 lacs in FY 2024.

2. Quantified Impact on Inventory Holdings: The transition to a direct manufacturing model necessitated significantly higher stock levels across all categories to support larger self-owned production volumes and maintain a ready supply for a growing customer base. The impact on specific categories as of March 31, 2024, compared to March 31, 2023, is as follows:

- **Raw Materials:** Increased by ₹786.41 lacs (157.39%), from ₹499.66 lacs to ₹1,286.07 lacs, to secure essential inputs (greige fabric) required for our expanded direct manufacturing operations.
- **Work-in-Progress (WIP):** Increased by ₹845.26 lacs (88.58%), from ₹954.18 lacs to ₹1,799.44 lacs, reflecting the higher volume of goods under active processing.
- **Finished Goods:** Increased by ₹735.53 lacs (100.71%), from ₹730.34 lacs to ₹1,465.87 lacs, ensuring adequate stock to fulfill rising demand under the new direct sales model.

3. Analytical Context and Historical Performance Review: While the absolute inventory levels doubled, this growth was aligned with our expanded capacity and revenue performance.

- Revenue Scale: Our revenue from operations grew by 35.29% in FY 2024, reaching ₹27,148.80 lacs.
- Inventory Turnover Ratio: Adjusted from 8.58 in FY 2023 to 6.82 in FY 2024. This change is consistent with moving from a low-inventory, service-led model (Job Work) to a more asset-intensive manufacturing model, which management believes provides higher long-term value-add.

Management maintains that the inventory increase is productive and essential for supporting the higher manufacturing capacity, which rose from 100 lakh meters in FY 2023 to 190 lakh meters in FY 2024

Cash Flows

Qualitative Analysis

The negative operating cash flows over the last three financial years primarily reflect the Company's phase of rapid scale-up rather than any weakness in its core operations or profitability. The business model is working-capital intensive, and as the Company expanded its installed capacity, reduced reliance on job work, and transitioned to a higher proportion of direct sales, it consciously invested in higher inventories and extended credit to select customers to secure long-term relationships and larger order volumes. This growth-led working capital absorption, combined with a tighter supplier payment cycle and increased reliance on short-term borrowings, created a timing mismatch between accrual-based profits and actual cash realisation. Management views this as a temporary phenomenon typical of high-growth manufacturing businesses.

Quantitative paragraph

In FY 2024–25, the Company generated a Profit Before Tax of ₹1,237.30 lakhs and operating profit before working capital changes of ₹2,153.88 lakhs, but reported net cash used in operating activities of ₹(1,184.93) lakhs. This divergence was largely driven by an increase in trade receivables to ₹8,736.77 lakhs (from ₹7,648.96 lakhs in FY 2023–24) and inventories to ₹6,032.76 lakhs (from ₹4,556.36 lakhs in FY 2023–24), reflecting higher production of 162.58 lakh metres and capacity utilisation of 88.18% to support 23.53% revenue growth. Trade payables remained broadly stable at ₹7,038.33 lakhs while declining as a percentage of purchases, and short-term borrowings increased to ₹4,880.13 lakhs, leading to higher finance costs of ₹526.62 lakhs — together contributing to negative operating cash flow despite strong profitability.

Off-balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements except contingent liabilities as of **March 31, 2026** which is mentioned below:

Amount (₹ in Lakhs unless stated otherwise)

Particulars	Rs. in Lakhs*
I. GST Demand	22.86
II. Bank Guarantee includes Performance Guarantee and advance Receipt Bank Guarantee	88.85
III. Corporate Guarantee to Private Limited Company	1,733.00
TOTAL	1,844.71

Note: 1. * Amount as on March 31, 2026 is based on the certificate issued by our Peer Reviewed Auditors, M/s. S N Shah & Associates, Chartered Accountant, vide their certificate dated April 13, 2026 vide UDIN: 26144892QDGQQD9095.



2. The aggregate contingent liability of the Company as on March 31, 2026, is 0.42 times of its net worth. If invoked, such guarantees could materially and adversely affect the Company's liquidity, financial condition, cash flows, and overall operations. For further details, kindly refer to Risk Factor no. 02 of this Draft Prospectus.



SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Litigation where the value or expected impact in terms of value, exceeds the lower of the following:

- (i) two percent (2%) of turnover, as per the latest annual restated financial statements of the issuer being 670.74 Lakhs as on 31st March, 2025.; or
- (ii) two percent (2%) of net worth, as per the latest annual restated financial statements of the issuer, except in case the arithmetic value of the net worth being 63.96 Lakhs as on 31st March, 2025; or
- (iii) five percent (5%) of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer being 25.30 Lakhs as on 31st March, 2025.

Accordingly, Rs. 25.30 Lakhs being the lowest of the above-mentioned criteria as, the Board has adopted a material threshold of Rs. 25.30 lakhs.

Litigations involving our Company

A. Against our Company

2. Litigation involving Civil Matters:

a) Vimlesh Shree Kuvarpal Yadav vs Vinod Texworld Private Limited (RECO33C2 LC/0000601/2024)

The Applicant, Mr. Vimlesh Shreekunvar Pal Yadav, has filed Recovery Application No. 601/2024 under Section 33C(2) of the Industrial Disputes Act before the Labour Court, Ahmedabad, claiming unpaid salary for the period January 2024 to July 2024 amounting to Rs. 2,66,000/- from Vinod Taxworld Pvt. Ltd., where he worked as Dyeing Staff for 1.6 years. He alleges that despite the establishment being covered under the I.D. Act and other labour laws, the employer failed to issue statutory records such as attendance cards and wage slips, terminated his services on 01.08.2024 upon demanding compliance, and withheld statutory dues including salary, leave encashment, overtime wages, and bonus. He prays for issuance of a recovery certificate with ten-fold penalty, production of statutory registers, and costs.

The company asserted that the present recovery application filed by the applicant is wholly misconceived and devoid of merits. The applicant, Mr. Vimlesh Shrikuwar Pal Yadav, voluntarily abandoned his employment without giving any prior intimation, notice or information to the company. At no point was his service terminated by the opponent, as falsely alleged. After leaving the job on his own accord, the applicant has initiated the present proceedings with incorrect and misleading assertions regarding termination, unpaid salary and alleged labour law violations. It is respectfully submitted that all payments due to the applicant, including salary and final settlement, were duly made, and no outstanding amount is payable by the company. The claim of unpaid wages from January 2024 to July 2024 is false and contrary to the actual records. In view of the above facts, the application lacks any pre-existing right as mandated under Section 33C(2) of the Industrial Disputes Act and is therefore not maintainable. The recovery proceedings are liable to be dismissed at the threshold.

The matter is currently pending and the next date in the matter is **15.07.2026**.

b) Vimlesh Shree Kuvarpal Yadav vs Vinod Texworld Private Limited (REFERENCE T LC/0000094/2025)

In the present matter, the workman has not yet filed his Statement of Claim. However, the management submits that the employee, Mr. Vimlesh Shrikunvar Pal Yadav, had voluntarily abandoned his employment without giving any prior intimation or notice to the company. At no point was he terminated from service by the management. The management further states that all lawful payments and full and final settlement dues were already released to him, and no amount whatsoever remains outstanding or payable to the applicant.

The matter is currently pending and the next date in the matter is **08.07.2026**.

B. By our Company

1. Litigation involving Criminal Matters: NIL

2. Litigation involving Civil Matters:

a) Umya Engineering Works vs Government of Gujarat & Ors Vinod Texworld Private Limited (CR A/0000314/2024)

The present Criminal Appeal has been filed by Umiya Engineering Works and its proprietor Mr. Ashok Panchal under Section 374 of the Cr.P.C., challenging the judgment dated 21.03.2024 passed by the Addl. Chief Metropolitan Magistrate, Ahmedabad (NI Act Court No. 30) in Criminal Case No. 1705/2020, whereby the appellant was convicted under Section 138 of the Negotiable Instruments Act and sentenced to one year's simple imprisonment, along with a direction to pay Rs. 3,00,000/- as compensation, failing which he was to undergo an additional three months' simple imprisonment. The conviction arose from a complaint filed by Mr. Hifzul Mansuri, Authorized Officer of Vinod Texworld Pvt. Ltd., alleging dishonour of a cheque issued by the appellant towards repayment of an advance payment for machinery that was allegedly not supplied as per order.

In the appeal, the appellant contends that the impugned order is illegal, erroneous, and contrary to law, as the complainant failed to prove that the cheque was issued towards a legally enforceable debt or liability. The appellant asserts that there was no outstanding due amount, that the cheque was misused by the complainant due to strained business relations, and that the trial court failed to properly evaluate the documentary and oral evidence. It is therefore prayed that the conviction and sentence be set aside, the impugned order be declared null and void, and the appellant be acquitted of all charges under Section 138 of the NI Act.

The appeal has been dismissed by the judgement of Hon'ble Additional Sessions Judge, Ahmedabad in Criminal Appeal No. 314 of 2024 dated February 20, 2026

IV LITIGATIONS RELATING TO THE SUBSIDIARY COMPANY

This section has been removed from the chapter titled **“Outstanding Litigations and Material Developments”**.

I. Material developments occurring after last balance sheet date, that is, March 31, 2025.

Except as disclosed in the section titled –Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company beginning on page number 314 of this Draft Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

We certify that except as stated herein above:

- a. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- b. There is no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- c. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- d. There is no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- e. There are no litigations against the Promoters / Directors in their personal capacity.
- f. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- g. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company’s entities, entities promoted by the promoters of our company.
- h. There is no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our directors. Further, none of our directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- i. The issue is in compliance with applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

GOVERNMENT AND OTHER APPROVALS

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities.

MAIN OBJECT OF OUR COMPANY

To carry on business as manufactures, traders, exporters, importers, dealers and processors of cotton, woolen, silk, polyester, polynosic or any other manmade fibre, yarn or filamert or any kind of yarn, fiat yarn, tarpaulin, textures yarn and yarn of any other varieties and of any other fibrous substances fabrics or any kind and to carry on the business of manufacturing, processing and dealing in the same and twisting, texturising, crimping, combing, spinning, doubling, winding, beaming, mercerizing, bleaching, dyeing, carbonizing singeing and such other processing of fibers and yarns of filament and manufacturing, processing and dealing-la fabrics manufactured there from.

The approvals required to be obtained by our Company include the following-

V. BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue/Renewal	Valid Up to
9.	Consent to Establish (CTE) “Authorization for operating a facility for of Hazardous waste as per the hazardous and other waste (Management and transboundary moment), Rules 2016”	Gujarat Pollution Control Board	GPCB/ABD/CCA/NL-237/ID-30668	22.07.2024	31.03.2029
14.	Stability Certificate	Parth Parikh (Government Approved Valuer, Competent person approved by D.I.S.H(Gujarat)	Ref. No. P.P/S.T.C/2025/N-13(2)	13.11.2025	Valid for 5 years

This Note has been removed from Draft Prospectus: **SOME REGISTRATIONS ARE IN THE NAME OF VINOD TEXWORLD PRIVATE LIMITED AND THE COMPANY IS IN PROCESS OF TAKING ALL THE APPROVALS IN THE NEW NAME OF THE COMPANY I.E., VINOD TEXWORLD LIMITED.**



OTHER REGULATORY AND STATUTORY DISCLOSURES

NON-UTILISATION OF NET PROCEEDS FOR REPAYMENT OF PROMOTER OR RELATED PARTY INDEBTEDNESS

Our Company confirms that the Net Proceeds of the Issue shall not be utilized for repayment of any loans or borrowings availed from the Promoters, Promoter Group, or any related parties, whether directly or indirectly.

NSE ELIGIBILITY NORMS:

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of NSE (NSE Emerge): -

There is 1 IPO Draft Offer Documents of Novus Capital Advisors Private Limited (Formerly Known as Fast Track Finsec Private Limited), which has been returned by BSE. Details of the returned IPOs are as follows:

S. NO.	Name of issuer	Date of DRHP filing on BSE	Date of return
1.	Kanone Technologies Limited	September 29, 2025	December 01, 2025

EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinions: Our Company has received written consent dated September 09, 2025 from M/s. Rajiv Shah & Associates, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft 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 Statutory Auditors.