



Please scan this QR code to view this
Draft Red Herring Prospectus

DRAFT RED HERRING PROSPECTUS

100% Book Built Issue

Dated: January 09, 2026

Please read Section 26 and 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus
will be updated upon filing with the RoC)



SHREEDHAR SPINNERS LIMITED

CIN: U17299MH2020PLC351591

| REGISTERED OFFICE | | CONTACT PERSON | | TELEPHONE AND EMAIL | | WEBSITE | | | |
|---|--|---|--|---|--|---|--|--|--|
| 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India | | Mitesh Pravinbhai Patel Company Secretary and Compliance Officer | | Tel. No: +91 22 4515 8777 Email Id: company.sec@shreedhar.com | | www.shreedharspinners.com | | | |
| PROMOTERS OF OUR COMPANY: SHREEDHAR COTSYN PRIVATE LIMITED, DHARMENDRA MOHANDAS GOYAL, VISHAL AGARWAL AND VARESH GOYAL | | | | | | | | | |
| DETAILS OF THE ISSUE | | | | | | | | | |
| TYPE | | FRESH ISSUE SIZE (IN ₹ LAKHS) | | OFFER FOR SALE | | TOTAL ISSUE SIZE (IN ₹ LAKHS) | | ELIGIBILITY AND SHARE RESERVATION AMONGST QIBS, NIIS AND IIS | |
| Fresh Issue | | Upto 58,00,000^ Equity Shares aggregating up to ₹ [●] lakhs | | Not Applicable | | Upto 58,00,000^ Equity Shares aggregating up to ₹ [●] Lakhs | | The issue is being made in terms of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 through Book Building Process in accordance with Regulation 229 (2) and 253(1) and (2) of the SEBI ICDR Regulations. For further details, see “Other Regulatory and Statutory Disclosures - Eligibility of the Issue” on page 264. For details in relation to share reservation among QIBs, NIIs and IIs, see “Issue Structure” on page 287. | |
| ^Subject to finalisation of basis of allotment | | | | | | | | | |
| DETAILS OF OFFER FOR SALE | | | | | | | | | |
| NAME OF THE SELLING SHAREHOLDER | | TYPE | | NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (IN ₹ lakhs) | | WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹) | | | |
| | | | | | | Not Applicable | | | |
| RISK IN RELATION TO THE FIRST ISSUE | | | | | | | | | |
| This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each and the Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager in accordance with SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of Book Building process as stated in chapter titled “Basis for Issue Price” beginning on Page 105, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing. | | | | | | | | | |
| GENERAL RISKS | | | | | | | | | |
| 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on 30 of this Draft Red Herring Prospectus. | | | | | | | | | |
| COMPANY’S ABSOLUTE RESPONSIBILITY | | | | | | | | | |
| The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. | | | | | | | | | |
| LISTING | | | | | | | | | |
| The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India (“NSE Emerge”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received “in-principle” approval letter dated [●] from NSE for using its name in the Red Herring Prospectus / Prospectus for listing of our shares on the Emerge NSE. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge. | | | | | | | | | |
| BOOK RUNNING LEAD MANAGER TO THE ISSUE | | | | | | | | | |
| NAME AND LOGO | | | | CONTACT PERSON | | EMAIL AND TELEPHONE | | | |
|  MARWADI CHANDARANA GROUP Marwadi Chandarana Intermediaries Brokers Private Limited | | | | Radhika Maheshwari / Jigar Desai | | E-mail: mb@marwadichandarana.com Telephone: +91 22-69120027 | | | |
| REGISTRAR TO THE ISSUE | | | | | | | | | |
| NAME AND LOGO | | | | CONTACT PERSON | | EMAIL AND TELEPHONE | | | |
|  MUFG Intime MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) | | | | Shanti Gopalkrishnan | | Tel: +91 810 811 4949 E-mail: shreedharspinners.smeipo@in.mpms.mufg.com | | | |
| BID / ISSUE PERIOD | | | | | | | | | |
| ANCHOR INVESTOR BIDDING ISSUE PERIOD OPENS ON* [●] | | | | BID / ISSUE OPENS ON * [●] | | BID / ISSUE CLOSES ON *** [●] | | | |

* Our Company, in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Issue Opening Date.

** Our Company, in consultation with the BRLM, may decide to close the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date, in accordance with the SEBI (ICDR) Regulations.

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



Please scan this QR code to view this Draft Red Herring Prospectus



SHREEDHAR SPINNERS LIMITED

DRAFT RED HERRING PROSPECTUS

100% Book Built Issue

Dated: January 09, 2026

Please read Section 26 and 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

Our company was originally incorporated and registered as a private limited company under Companies Act, 2013 in the name and style of 'Shreedhar Spinners Private Limited' vide certificate of incorporation dated December 9, 2020 registered number 351591 issued by the Registrar of Companies, Central Registration Centre. Further, pursuant to a resolution passed by our Board on October 06, 2025 and a resolution passed by our shareholders on November 01, 2025 our Company was converted into a public limited company. Consequently, the name of our Company was changed to "Shreedhar Spinners Limited", and a fresh certificate of incorporation dated November 17, 2025 issued by Registrar of Companies, Central Processing Centre. For details pertaining to the changes of name of our company and change in registered office please refer to the chapter titled 'History and Corporate Structure' on page no. 162 of this Draft Red Herring Prospectus.

Registered Office: 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India; **Tel. No.:** +91 22 4515 8777; **E-mail:** company.sec@shreedhar.com; **Website:** www.shreedharspinners.com; **Company Secretary and Compliance Officer:** Mitesh Pravinbhai Patel

PROMOTERS OF OUR COMPANY: SHREEDHAR COTSYN PRIVATE LIMITED, DHARMENDRA MOHANDAS GOYAL, VISHAL AGARWAL AND VARESH GOYAL

INITIAL PUBLIC OFFER OF UPTO 58,00,000[^] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF SHREEDHAR SPINNERS LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹[•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [•] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹[•] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [•] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[•] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [•] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[•] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[•] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [•] % AND [•] % RESPECTIVELY OF THE POST- ISSUE PAID- UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [•] EDITION OF [•] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [•] EDITION OF [•] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND MARATHI EDITION OF [•], REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NSE LIMITED("NSE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

[^]Subject to finalisation of basis of allotment

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), forty per cent of the anchor investor portion, shall be reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds; Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders out of which (a) one third of such portion was reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 10,00,000 provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of IBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 291 of this Draft Red Herring Prospectus, the words "retail individual investors" shall be read as words "individual investors who applies for minimum application size".

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each and the Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager in accordance with SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of Book Building process as stated in chapter titled "Basis for Issue Price" beginning on Page 105 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page 30 of this Draft Red Herring Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received "in-principle" approval letter dated [•] from NSE for using its name in the Red Herring Prospectus / Prospectus for listing of our shares on the Emerge Platform of NSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the NSE EMERGE.

BOOK RUNNING LEAD MANAGER



MARWADI
CHANDARANA
GROUP

Marwadi Chandarana Intermediaries Brokers Private Limited

X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India

Telephone: 022-69120027

E-mail: mb@marwadichandarana.com

Investors Grievance e-mail: mbgrievances@marwadichandarana.com

Contact Person: Radhika Maheshwari / Jigar Desai

Website: ib.marwadichandaranagroup.com

SEBI Registration Number: INM000013165



MUFG Intime

MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)

C-101, 247 Park, 1st Floor, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India.

Telephone Number: +91 810 811 4949

Website: www.in.mpmu.mufg.com

E-mail: shreedharspinners.smeipo@in.mpmu.mufg.com

Investor Grievance Email: shreedharspinners.smeipo@in.mpmu.mufg.com

Contact Person: Shanti Gopalakrishnan;

SEBI Registration No.: INR000004058

ISSUE PROGRAMME*

ANCHOR INVESTOR BIDDING DATE * [•]

BID / ISSUE OPENS ON * [•]

BID / ISSUE CLOSES ON ** [•]

* Our Company, in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Issue Opening Date.

** Our Company, in consultation with the BRLM, may decide to close the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date, in accordance with the SEBI (ICDR) Regulations.

Contents

| | |
|---|------------|
| SECTION I – GENERAL | 2 |
| DEFINITIONS AND ABBREVIATIONS | 2 |
| PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA CERTAIN CONVENTIONS | 17 |
| FORWARD LOOKING STATEMENTS | 19 |
| SECTION II -SUMMARY OF THE OFFER DOCUMENT | 21 |
| SECTION III: RISK FACTORS | 30 |
| SECTION IV – INTRODUCTION | 57 |
| SUMMARY OF FINANCIAL INFORMATION | 57 |
| THE ISSUE | 61 |
| GENERAL INFORMATION | 63 |
| CAPITAL STRUCTURE | 74 |
| SECTION V – PARTICULARS OF THE OFFER..... | 91 |
| OBJECTS OF THE ISSUE | 91 |
| BASIS FOR ISSUE PRICE | 105 |
| STATEMENT OF SPECIAL TAX BENEFIT..... | 115 |
| SECTION VI – ABOUT THE COMPANY | 120 |
| INDUSTRY OVERVIEW | 120 |
| OUR BUSINESS..... | 135 |
| KEY INDUSTRY REGULATIONS AND POLICIES | 153 |
| HISTORY AND CERTAIN CORPORATE MATTERS..... | 162 |
| OUR MANAGEMENT..... | 166 |
| OUR PROMOTER AND PROMOTER GROUP | 180 |
| OUR GROUP COMPANY | 186 |
| DIVIDEND POLICY | 189 |
| SECTION VII- FINANCIAL INFORMATION | 190 |
| RESTATED FINANCIAL STATEMENTS | 190 |
| OTHER FINANCIAL INFORMATION | 226 |
| FINANCIAL INDEBTEDNESS..... | 227 |
| MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS | 231 |
| SECTION VIII- LEGAL AND OTHER INFORMATION | 249 |
| OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT | 249 |
| GOVERNMENT AND OTHER APPROVALS | 256 |
| OTHER REGULATORY AND STATUTORY DISCLOSURES..... | 264 |
| SECTION IX- ISSUE RELATED INFORMATION..... | 277 |
| TERMS OF THE ISSUE..... | 277 |
| ISSUE STRUCTURE..... | 287 |
| ISSUE PROCEDURE | 291 |
| RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES | 326 |
| SECTION X- MAIN PROVISIONS OF THE ARTICLE OF ASSOCIATION | 328 |
| SECTION XI: OTHER INFORMATION | 351 |
| MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION | 351 |
| DECLARATION | 353 |

SECTION I – GENERAL DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Possible Tax Benefits*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provisions of the Articles of Association*” on page 115, 190, 249, 153 and 328 respectively of this Draft Red Herring Prospectus, shall have the meanings ascribed to such terms in the respective sections.

GENERAL TERMS

| Term | Description |
|---|---|
| The Company / Our Company / The Issuer / Shreedhar Spinners Limited | Shreedhar Spinners Limited, a company incorporated in India under the Companies Act, 2013 having its Registered Office at 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India |
| We / us / our | Unless the context otherwise indicates or implies, refers to our Company |
| you / your / yours | Prospective Investors in this Issue |

COMPANY RELATED TERMS

| Term | Description |
|--|--|
| AOA /Articles of Association / Articles | The Articles of Association of or Company, as amended, from time to time |
| Audit Committee | The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Audit Committee</i> ” on page 171 of this Draft Red Herring Prospectus. |
| Auditor / Statutory Auditor | M R B & Associates, Chartered Accountants, having their office A-102, 1st Floor, Shraddha Heights, Telly Gully Cross Road, Andheri (East), Mumbai, Maharashtra, India, 400069 |
| Board of Directors/ the Board/ our Board | The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof. For further details of our Directors, please refer to section titled “ <i>Our Management</i> ” beginning on page 166 of this Draft Red Herring Prospectus. |
| Chief Financial Officer/CFO | Chief financial officer of our Company, Varesh Goyal. For details, see “ <i>Our Management</i> ” on page 166 of this Draft Red Herring Prospectus. |
| Company Secretary and Compliance Officer | Company Secretary and Compliance Officer of our Company being, Mitesh Pravinbhai Patel. For details, see “ <i>Our Management</i> ” beginning on page 166 of this Draft Red Herring Prospectus |
| Companies Act | The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force. |
| Corporate Promoter | Corporate Promoter being the holding company, Shreedhar Cotsyn Private Limited |
| CIN | Corporate Identification Number of our company i.e., U17299MH2020PLC351591 |
| Director(s) | Directors on our Board as described in “ <i>Our Management</i> ”, beginning on page 166 of this Draft Red Herring Prospectus. |
| Equity Shares | The equity shares of our Company of face value of ₹ 10 each. |
| Executive Directors | Executive Directors of our Company as appointed from time to time |
| Group Companies | Companies with which there were related party transactions as disclosed in the |

| Term | Description |
|---|---|
| | Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the Issuer as disclosed in “Our Group Companies” on page 186 of this Draft Red Herring Prospectus |
| Independent Directors | Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” beginning on page 166 of this Draft Red Herring Prospectus. |
| Individual Promoter(s) | The promoters of our Company, being Dharmendra Mohandas Goyal, Vishal Agarwal and Varesh Goyal. For details, see “ <i>Our Promoter and Promoter Group</i> ” on page 180 of this Draft Red Herring Prospectus. |
| ISIN | International Securities Identification Number. In this case being INE0K3301012 |
| KMP/Key Managerial Personnel | Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <i>Our Management- Key Managerial Personnel of our Company</i> ” on page 176 of this Draft Red Herring Prospectus. |
| Materiality Policy | The policy adopted by our Board of Directors on December 11, 2025 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus. |
| MoA/ Memorandum of Association | The Memorandum of Association of our Company, as amended, from time to time |
| Managing Director | Managing Director of our Company being, Dharmendra Mohandas Goyal |
| Nomination and Remuneration Committee | Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee</i> ” on page 175 of this Draft Red Herring Prospectus |
| Non-Executive Director(s) | Non-executive directors on our Board, as described in “ <i>Our Management</i> ”, beginning on page 166 of this Draft Red Herring Prospectus |
| Promoter(s) | Corporate Promoter and Individual Promoter(s) shall be collectively called as Promoter(s) |
| Promoter Group | Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoter and Promoter Group</i> ” on page 180 this Draft Red Herring Prospectus. |
| Registered Office | 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India |
| Restated Financial Statements/ Restated Financial Information | The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows for the period ended September 30, 2025 and for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023 and along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. |
| RoC/Registrar of Companies | Registrar of Companies, Mumbai at Maharashtra |
| Shareholder(s) | Shareholders of our Company, from time to time. |
| Senior Managerial Personnel | Senior management personnel of our Company in terms of Regulation 2(1)(b) of the SEBI ICDR Regulations as described in “ <i>Our Management – Senior Management Personnel of our Company</i> ” on page 177 of this Draft Red Herring Prospectus. |
| Stakeholders Relationship Committee | Stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management</i> ”, beginning on page 166 of this Draft Red Herring Prospectus. |

ISSUE RELATED TERMS

| Term | Description |
|---|--|
| Acknowledgement Slip | The slip or document issued by a Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form |
| Abridged Prospectus | Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf. Abridged Prospectus is to be issued under SEBI ICDR Regulations and appended to the Application Forms. |
| Allot/ Allotment/ Allotted | Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Applicants. |
| Allotment Advice | A note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |
| Applicant(s)/Investor | Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant. |
| Application Form | The Form (with and without the use of UPI, as may be applicable), in terms of which the prospective investors shall apply for our Equity Shares in the Issue. |
| Allottee | A successful Applicant to whom the Equity Shares are Allotted |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs. |
| Application Supported by Blocked Amount/ ASBA | An application, whether physical or electronic, used by ASBA Applicant to make an application and authorising an SCSB to block the Bid Amount in the specified bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue. |
| ASBA Account | A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form. |
| ASBA Applicant(s) | Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application Form including through UPI mode (as applicable). |
| ASBA Bid | A Bid made by an ASBA Bidder |
| ASBA Form(s) | An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus |
| Banker(s) to the Issue and Refund Banker | Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [●] |
| Basis of Allotment | Basis on which Equity Shares will be Allotted to successful Applicants under the Issue, as described in “ <i>Issue Procedure</i> ” beginning on page 291 of this Draft Red Herring Prospectus. |
| Bid | An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Draft Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly. |
| Bid Amount | The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus. |
| Bid cum Application Form | The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus |
| Bidding Centers | The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs |
| Book Running Lead Manager/ BRLM | The Book Running Lead Manager to the Issue, being Marwadi Chandarana Intermediaries Brokers Private Limited. |
| Book Building Process | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made. |

| Term | Description |
|---|--|
| Broker Centres | Broker Centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges. |
| CAN or Confirmation of Allocation Note | The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange |
| Cap Price | The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalised and above which no Bids will be accepted |
| Client ID | The client identification number maintained with one of the Depositories in relation to demat account. |
| Collecting Depository Participant/ CDP | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI. |
| Cut- off Price | Offer Price, authorized by our Company, in consultation with the BRLM, which shall be any price within the Price Band. Only Individual Investor are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price. |
| Circular on Streamlining of Public Issues/ UPI Circular | Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard. |
| Controlling Branches | Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. |
| Demographic Details | Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable |
| Depository | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996 |
| Designated CDP Locations | Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges |
| Designated Date | The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the |

| Term | Description |
|---|---|
| | Prospectus following which Equity Shares will be Allotted in the Issue |
| Designated Intermediaries/ Collecting agent | In relation to ASBA Forms submitted by IBs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs. |
| Designated RTA Locations | Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges. |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by IIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such II using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . Intermediaries or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited (NSE EmERGE) |
| DP ID | Depository Participant's identity number |
| Designated Market Maker | [●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations. |
| Draft Red Herring Prospectus/Draft Red Herring Prospectus | This Draft Red Herring Prospectus dated January 09, 2026 issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulation. |
| Eligible FPI(s) | FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares. |
| Eligible NRI(s) | NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares. |
| Eligible QFIs | QFIs from such jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants. |
| Equity Listing Agreements | The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares. |
| Escrow and Sponsor Bank Agreement | Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account. |
| Escrow Account(s) | Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement |
| Escrow Collection Bank(s) | The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●] |
| Electronic Transfer of Funds | Refunds through ECS, NEFT, Direct Credit or RTGS as applicable |
| First Applicant | The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| Fugitive Economic | An individual who is declared a fugitive economic offender under Section 12 of the |

| Term | Description |
|--------------------------------------|--|
| Offender | Fugitive Economic Offenders Act, 2018 |
| Floor Price | The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price will be finalized and below which no Bids will be accepted. |
| Foreign Venture Capital Investors | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000 |
| FPI / Foreign Portfolio Investor | A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended. |
| Fraudulent Borrower | Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations |
| Fresh Issue | The initial public offer of up to 58,00,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] Lakhs. |
| General Information Document | The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Book Running Lead Manager. |
| Gross Proceeds | The Offer Proceeds |
| IPO/ Offer/ Offer Size/ Public Offer | Initial Public Offering |
| Issue Agreement | The agreement dated December 11, 2025 amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Price / Offer Price | <p>The final price at which Equity Shares will be Allotted to successful ASBA Bidders (except for the Anchor Investors) in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLM in terms of the Red Herring Prospectus and the Prospectus.</p> <p>The Offer Price will be decided by our Company in consultation with the BRLMs on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.</p> |
| Issue Proceeds | The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 91 of this Draft Red Herring Prospectus |
| Issue Opening | The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●] |
| Issue Closing | The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●] |
| Individual Investor(s)/ II(s) | Individual Applicants, who have applied for the Equity Shares for a minimum application size of two lots wherein amount exceeds more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs) |
| Individual Investor Portions | Portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to IBs (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Individual Investor Portion, and the remaining Equity Shares to be Allotted on a proportionate basis. |

| Term | Description |
|---|---|
| Lot Size | The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants. |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited. |
| Market Maker | Market Maker of the Company, in this case being [●] |
| Market Maker Reservation Portion | The Reserved portion of [●] Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] Lakhs for Designated Market Maker in the Public Issue of our Company |
| Market Making Agreement | The Agreement among the Market Maker, the Book Running Lead Manager and our Company dated [●] |
| Mobile App(s) | The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by IIs to submit Bids using the UPI Mechanism |
| Minimum Bid Lot Size | The minimum bid lot size shall of two lots i.e [●] Equity Shares (Minimum two lots) |
| Mutual Funds | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs |
| Net Proceeds | The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” on page 91 of this Draft Red Herring Prospectus. |
| Net QIB Portion | The QIB Portion less the number of Equity Shares allocated to the Anchor Investors |
| Non-Institutional Investors/ Non-Institutional Bidders/ NIB's | All Applicants that are not QIBs or Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Portion | The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price or through such other method of allocation as may be introduced under applicable law |
| Non-Resident | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs |
| NPCI | NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA). |
| Offer document | Includes Draft Red Herring Prospectus/ Red Herring Prospectus and Prospectus to be filed with Registrar of Companies. |
| Offer Proceeds | The proceeds of the Fresh Issue which shall be available to our Company. For further information about use of the Offer Proceeds, see “ <i>Objects of the Issue</i> ” on page 91. |
| Person/Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Prospectus | The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue opening and closing dates, the size of the Issue and certain other information. |
| Public Issue Account(s) | Account to be opened with Banker to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |
| Public Issue Bank | The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●] |

| Term | Description |
|---|--|
| Price Band | Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Offer Opening Date. |
| Pricing Date | The date on which our Company, in consultation with the BRLM, will finalise the Offer Price. |
| Qualified Institutional Buyers/ QIBs | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations |
| QIB Category/ QIB Portion | The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹ [●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors). |
| Qualified Foreign Investors / QFIs | Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI. |
| Registered Brokers | Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI. |
| Red Herring Prospectus / RHP | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. |
| Registrar Agreement | The agreement dated December 11, 2025 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue |
| Registrar and Share Transfer Agents/ RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Registrar to the Issue/ Registrar | MUFG Intime Private Limited |
| Individual Investor(s)/ II(s) | Individual Applicants, who have applied for the Equity Shares for a minimum application size of two lots wherein amount exceeds more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs) |
| Individual Investor Portions | Portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to IBs (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Individual Investor Portion, and the remaining Equity Shares to be Allotted on a proportionate basis. |
| Revision Form | Form used by the Applicants to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Applicants cannot revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date |
| Refund Bank(s) /Refund Banker(s) | Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●]. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. |
| Refund Account | Account to be opened with a SEBI Registered Banker to the Offer from which the refunds of the whole or part of the Application Amount, if any, shall be made. |

| Term | Description |
|--|---|
| Reservation Portion | The portion of the Offer reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018 |
| Reserved Category/ Categories | Categories of persons eligible for making bid under reservation portion |
| SEBI SCORES | Securities and Exchange Board of India Complaints Redress System |
| Self-Certified Syndicate Bank(s) or SCSB(s) | <p>The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a IB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , or at such other websites as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) as updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019</p> |
| “Syndicate” or “Members of the Syndicate” | Together, the BRLM and the Syndicate Members |
| Specified Locations | Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form |
| Sponsor Bank | The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the IBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●] |
| Syndicate Agreement | The agreement to be entered into amongst our Company, the BRLMs and the Syndicate Members, in relation to collection of Bids by the Syndicate. |
| Syndicate Members | Intermediaries (other than BRLMs) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters, namely, [●] |
| Stock Exchange | Emerge Platform of National Stock Exchange of India Limited (NSE EmERGE) |
| Systemically Important Non-Banking Financial Companies | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations. |
| Transaction Registration Slip/ TRS | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid. |
| Underwriters | The [●] who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) |

| Term | Description |
|------------------------|--|
| | Regulations, (Repeal) 2021, as amended from time to time. |
| Underwriting Agreement | The agreement dated [●] among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC. |
| UPI | Unified Payments Interface, which is an instant payment mechanism, developed by NPCI |
| UPI Bidders | Collectively, individual investors applying as (i) Individual Bidders in the Individual Investor Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity) |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI |
| UPI Mandate Request | A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment |
| UPI Mechanism | The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the Issue in accordance with UPI Circulars |
| UPI PIN | Password to authenticate UPI transaction |
| Wilful Defaulter | Wilful defaulter as defined under Regulation 2 (1) (III) of the SEBI ICDR Regulations |
| Working Days | All days on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of the Issue Price; and (b) Issue Period, Term Description. The term “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India is open for business and the time period between the Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI |

INDUSTRY AND BUSINESS RELATED TERMS

| Term | Description |
|---------------------|---|
| CAGR | Compound Annual Growth Rate |
| CPI | Consumer Price Index |
| CY | Current Year |
| DGCI&S | Directorate General of Commercial Intelligence and Statistics |
| ESG | Environmental, Social, and Governance |
| IMF | International Monetary Fund |
| ITMF | International Textile Manufacturers Federation |
| MMF | Man-Made Fibres |
| Ne, Nm, Denier, Tex | Yarn count is the degree of yarn thickness, which can be expressed by means of ‘Ne’, ‘Nm’, ‘Denier’, ‘Tex’ and so on. ‘Ne’ is the British Count and refers to that many 840 yards of the Yarn’s length, which is what the number of yarns counts spun with a pound of cotton under the public moisture regain. The thicker the yarn, the smaller is the ‘Ne’ value. |
| OPEC | Organization of the Petroleum Exporting Countries |

| Term | Description |
|--------------------|---|
| PLI Scheme | Production Linked Incentive Scheme |
| PM MITRA | Pradhan Mantri Mega Integrated Textile Region and Apparel |
| RoW | Rest of the World |
| SAMARTH Initiative | Scheme for Capacity Building in Textile Sector by Government of India |
| T&A | Textile and Apparel |
| UN Comtrade | United Nations Commodity Trade Statistics Database |

CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

| Term | Description |
|------------------------------------|---|
| ₹ or Rs. or Rupees or INR | Indian Rupees |
| A/c | Account |
| AGM | Annual general meeting |
| AIFs | Alternative investment funds as defined in and registered under the SEBI AIF Regulations |
| AS | Accounting Standards issued by the Institute of Chartered Accountants of India |
| CAGR | Compounded Annual Growth Rate |
| Calendar Year or year | Unless the context otherwise requires, shall refer to the twelve month period ending December 31 |
| Category I AIF | AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations |
| Category II AIF | AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations |
| Category III AIF | AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations |
| Category I FPIs | FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations |
| Category II FPIs | FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations |
| CBDT | The Central Board of Direct Taxes |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| Companies Act, 1956 | Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires |
| Companies Act, 2013/ Companies Act | Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder |
| Competition Act | Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires |
| Consolidated FDI Policy | The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time. |
| COVID-19 | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020 |
| CRAR | Capital to Risk Asset Ratio |
| CSR | Corporate social responsibility |
| Demat | Dematerialised |
| Depositories Act | Depositories Act, 1996. |
| Depository or Depositories | NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996. |
| DIN | Director Identification Number |
| DP ID | Depository Participant's Identification Number |
| DP/ Depository | A depository participant as defined under the Depositories Act. |

| Term | Description |
|---|---|
| Participant | |
| DIPP | Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI |
| DPIIT | The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry |
| EBITDA | Earnings before Interest, Tax, Depreciation and Amortisation |
| EGM | Extraordinary general meeting |
| EPF Act | Employees' Provident Fund and Miscellaneous Provisions Act, 1952 |
| EPS | Earnings per share |
| EUR/ € | Euro |
| ESI Act | Employees' State Insurance Act, 1948 |
| FCNR Account | Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA |
| FDI | Foreign direct investment |
| FEMA | Foreign Exchange Management Act, 1999, including the rules and regulations thereunder |
| FEMA Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 |
| Financial Year, Fiscal, FY/ F.Y. | Period of twelve months ending on March 31 of that particular year, unless stated otherwise |
| FPI(s) | A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations |
| Fraudulent Borrower | Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations |
| FVCI | Foreign Venture Capital Investors as defined under SEBI FVCI Regulations |
| FY | Financial Year |
| FPI(s) | Foreign Portfolio Investor, as defined under the FPI Regulations |
| FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 |
| FIPB | The erstwhile Foreign Investment Promotion Board |
| FVCI | Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations |
| FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 |
| GDP | Gross domestic product |
| GoI or Government or Central Government | Government of India |
| GST | Goods and services tax |
| HR | Human resource |
| HUF | Hindu undivided family |
| I.T. Act | The Income Tax Act, 1961, as amended |
| IBC | Insolvency and Bankruptcy Code, 2016 |
| ICAI | The Institute of Chartered Accountants of India |
| ICSI | Institute of Company Secretaries of India |
| IFRS | International Financial Reporting Standards |
| Ind AS or Indian Accounting Standards | The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules |
| Ind AS Rules | Companies (Indian Accounting Standards) Rules, 2015 |
| IGAAP or Indian GAAP | Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 |
| INR | Indian National Rupee |
| IPR | Intellectual property rights |
| IRR | Internal rate of return |
| IPO | Initial public offer |
| IRDAI | Insurance Regulatory Development Authority of India |

| Term | Description |
|--|---|
| ISIN | International Securities Identification Number |
| IST | Indian Standard Time |
| IT | Information technology |
| India | Republic of India |
| KPI | Key Performance Indicators |
| “Listing Regulations” or “SEBI LODR Regulations” | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| Listing Agreement | The equity listing agreement to be entered into by our Company with each of the Stock Exchanges |
| LIBOR | London Inter-Bank Offer Rate |
| MCA | Ministry of Corporate Affairs, Government of India |
| Mn/ mn | Million |
| MSME | Micro, Small, and Medium Enterprises |
| Mutual Fund(s) | A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| N.A. or NA | Not applicable |
| NACH | National Automated Clearing House |
| NAV | Net asset value |
| NCDs | Non-Convertible Debentures |
| NBFC | Non-Banking Financial Company |
| NBFC-ND-SI | Non-Banking Financial Company - Systemically Important Non-Deposit taking Company |
| NBFC-SI Master Directions | Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (Master Direction DNBR. PD. 008/03.10.119/2016-17) dated September 1, 2016 (updated on February 17, 2020) |
| NEFT | National electronic fund transfer |
| NFE | Net foreign exchange |
| NGT | The National Green Tribunal |
| Non-Resident | A person resident outside India, as defined under FEMA |
| NPCI | National payments corporation of India |
| NRE Account | Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016 |
| NRI/ Non-Resident Indian | A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955 |
| NRO Account | Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016 |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB/ Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue |
| P/E Ratio | Price/earnings ratio |
| PAN | Permanent account number allotted under the I.T. Act |
| PAT | Profit after tax |
| PIO | Person of India Origin |
| R&D | Research and development |
| RBI | Reserve Bank of India |
| RBI Act | Reserve Bank of India Act, 1934 |
| Regulation S | Regulation S under the Securities Act |
| RTI | Right to Information, in terms of the Right to Information Act, 2005 |
| RONW | Return on net worth |

| Term | Description |
|--|--|
| Rs./ Rupees/ ₹ / INR | Indian Rupees |
| RTGS | Real time gross settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SARFAESI Act | The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 |
| SEBI | Securities and Exchange Board of India constituted under the SEBI Act |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| SEBI BTI Regulations | Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 |
| SEBI Insider Trading Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| SEBI Merchant Bankers Regulations | Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| SEBI Mutual Regulations | Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| SEBI SBEB Regulations | Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 |
| SEBI Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations |
| State Government | Government of a State of India |
| STT | Securities Transaction Tax |
| SICA | The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985 |
| Systemically Important Non-Banking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations |
| TAN | Tax deduction account number |
| TDS | Tax deducted at source |
| US GAAP | Generally Accepted Accounting Principles in the United States of America |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended |
| USD / US\$ | United States Dollars |
| UT | Union Territory |
| VCFs | Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations |
| w.e.f. | With effect from |
| Willful Defaulter or Fraudulent Borrower | Willful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations |
| WTD | Whole Time Director as defined in Companies Act, 2013 |
| Year/Calendar Year | Unless context otherwise requires, shall refer to the 12 month period ending Dec 31 |

FINANCIAL AND OPERATIONAL KEY PERFORMANCE INDICATORS

| Particulars | Explanation for the KPI |
|---|---|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn help assess the overall financial performance of our Company and size of our business |
| Revenue CAGR (FY 23 to FY 25) | Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising to the power of one divided by the number of compounding period i.e. 2 years and subtracting by one |
| Total Income | |
| EBITDA | EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income. |
| EBITDA Margin | EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations. |
| Profit After Tax (PAT) | PAT Margin is calculated as PAT for the period/year divided by revenue from operations. |
| Profit After Tax Margin | PAT Margin is calculated as PAT for the period/year divided by revenue from operations. |
| ROE (Return on Equity) | Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage. |
| ROCE (Return on Capital Employed) | Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization |
| Fixed Asset Turnover Ratio | Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset |
| Working Capital Turnover Ratio (in Times) | Working Capital Turnover Ratio is calculated as Revenue from operation divided by Working Capital |
| Net Working Capital Days | Working capital days are computed as inventory days plus trade receivable days minus trade payable days. Inventory days = $\text{Inventory} \div \text{COGS} \times 365/182$. Trade receivable days = $\text{Trade receivables} \div \text{revenue from operations} \times 365/182$ days. Trade payable days = $\text{Trade payables} \div \text{COGS} \times 365/182$. |
| Net Debt / Equity | Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities. |
| Return on Assets | Return on Assets is calculated by dividing the total assets by the profit after tax. |
| Current Ratio | Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities. |
| Inventory Turnover Ratio | Cost of Goods Sold (COGS) divide by Average Inventory |
| Trade Receivables Turnover Ratio | Revenue from Operations divide by Average Trade Receivables |
| Trade Payables Turnover Ratio | Purchases divides by Average Trade Payables |

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Key Regulations and Policies in India*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 328, 115, 120, 153, 190, 249 and 291 respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA CERTAIN CONVENTIONS

All references in this Draft Red Herring Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GOI', 'Central Government' or the 'State Government' are to the GOI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

FINANCIAL DATA

Unless stated otherwise, the financial statements in this Draft Red Herring Prospectus are derived from our Restated Financial Statements. The Restated Financial Statements for the period ended September 30, 2025 and for the financial year ended on March 31, 2025, March 31, 2024 and March 31, 2023 has been prepared in accordance with Indian GAAP and the Companies Act, and has been restated in accordance with the SEBI ICDR Regulations. For further information, see please refer section titled "*Restated Financial Statements*" beginning on page 190 of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly, to what extent, the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 30, 135 and 231 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the "*Restated Financial statements*" of our Company as beginning on page 190 of this Draft Red Herring Prospectus.

CURRENCY AND UNITS OF PRESENTATION

All references to "Rupees", "Rs." Or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US\$" or "US Dollars" or "USD" are to United States Dollars, the official currency of the United States of America, EURO or "€" are Euro currency.

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten Lakhs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

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

DEFINITIONS

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page 2 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 328 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry related information and market data contained in this Draft Red Herring Prospectus, including in “*Risk Factors*”, “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 30, 120, 135 and 231, respectively, have been obtained or derived from the report titled “Indian Textile Industry Overview” dated December 26, 2025 that has been prepared by Wazir Advisors Private Limited (“Wazir” and the report prepared by Wazir Advisors Private Limited be referred to as Wazir Advisors Report”) which has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and commissioned by our Company. Wazir Advisors Private Limited does not have direct/ indirect interest or relationship with our Company, Promoters, Directors, KMPs or SMPs of our Company except to the extent of issuing the Wazir Advisors Report. For risks in relation to the Wazir Advisors Report, see “Risk Factor–We have commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data provided in the same and such data has not been independently verified by us.” on page 120. Wazir Advisors Report is available on the website of our Company at www.shreedharspinners.com from the date of this Draft Red Herring Prospectus until the Bid/ Offer Closing Date. In accordance with the SEBI ICDR Regulations the section titled “Basis for Offer Price” on page 105 of this Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on page 105 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 30 of this Draft Red Herring Prospectus.

FORWARD LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to successfully implement our growth strategy and expansion plans;
- Changes in consumer demand
- Significant increases in prices of, or shortages of, or disruption in supply of cotton bales;
- Our ability to attract, retain and manage qualified personnel;
- Economic and business conditions in the Domestic and international markets in which we operate;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our reliance on third parties such as clearing and forwarding agents, transporters etc. for the storage, movement and delivery of our products; and
- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 30, 135 and 231 of this Draft Red Herring Prospectus, respectively.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Forward-looking statements reflect current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise

any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Lead Managers will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

SECTION II -SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this DRHP when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this DRHP, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoter and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure” on pages 30, 61, 74, 91, 120, 135, 180, 190, 249 and 291 respectively of this DRHP.

Summary of the Industry in which the Company operates:

The overall size of India’s textile and apparel market was around US\$ 184 Bn. in FY2025. Indian domestic textile and apparel market was US\$ 147 Bn. which has recovered at a 7% CAGR since the drop in 2020. The Ministry of Textiles has set a target for the domestic market to reach US\$ 250 Bn. by FY2031, for this to happen the market must grow at a CAGR of 9% from FY2025. India’s textile and apparel exports have grown with a CAGR of 2% since FY2020 to reach US\$ 37 Bn. in FY2025. The Ministry of Textiles has an ambitious target of reaching US\$ 100 Bn. exports by FY2031, requiring an accelerated growth of 18% CAGR. Apparel forms the largest share of exports, accounting for approx. 43% in FY2025. The total production capacity of India is increasing owing to the setting up of new manufacturing units across the value chain. India’s textile and apparel imports have grown with a CAGR of 1% since FY2020 to reach US\$ 9.2 Bn. in FY2025. India has demonstrated positive export performance in spun yarns. Between 2019 and 2024, India’s spun yarn exports grew at a 2% CAGR, reaching 1.4 million tons in 2024. India holds a strong and strategic presence among the world’s major spun yarn importers, with ample scope to further consolidate and expand its position. Leveraging its export competitiveness, particularly in 100% cotton and cotton blended yarns, India is well-positioned to deepen existing market share and diversify into underpenetrated yet promising geographies.

(Source: Wazir Advisors Report)

For further details, please refer to “**Industry Overview**” on page **120** of this DRHP.

Summary of the primary business of our Company:

Our Company is primarily engaged into manufacturing of compact spun cotton yarn of various counts ranging from Ne 12s to Ne 32 at our manufacturing facility located at manufacturing units located at Plot No. T-15, additional Amravati industrial area textile park, Tuljapur, Amravati – 444901, Maharashtra, India for a period of 95 years leased from MIDC spread across 1,20,000 sq. mt. and has a production capacity of 5500 MT of cotton yarn, with 18240 spindles as on September 30, 2025. Our Manufacturing Facility operates 24 hours per day to maximize output and ensure uninterrupted operations and usually operates for approximately 360 days a year. We believe that, our manufacturing facility is equipped with modern state-of-the-art spinning technology and processing techniques which enable to ensure production of quality yarn. Our raw material; raw cotton bales are utilized for production of cotton yarns. These yarns are suitable for both knitting and weaving applications and catering to a wide spectrum of end-use segments and products including but not limited to Apparel, Denim, Terry towels, Shirting, Bed linen, Sweaters, Socks, Furnishing Fabrics and Industrial fabrics. We operate exclusively in the business-to-business (B2B) segment, supplying our products to buyers such as textile manufacturers, yarn exporters, traders and fabric processors (collectively “Customers”).

For further details, please refer to “**Our Business**” on page **135** of this DRHP

Names of the Promoters:

Promoters of our company are Shreedhar Cotsyn Private Limited, Dharmendra Mohandas Goyal, Vishal Agarwal and Vares Goyal. For further details, please refer to the chapter titled “**Our Promoter and Promoter Group**” beginning on page **180** of this DRHP.

Details of the Issue:

Initial Public Issue of up to 58,00,000 Equity Shares consisting of Fresh Issue of upto [●] Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs, aggregating up to ₹ [●] lakhs (“The Issue”), out of which upto [●] Equity Shares of face value of ₹ 10/- each aggregating to ₹ [●] lakhs will be reserved for subscription by the market maker to the Issue (the “Market Maker Reservation Portion”). The Issue less Market Maker Reservation Portion i.e.; Issue of upto [●] Equity Shares of face value of ₹ 10/- each, at an Issue price of ₹ [●]/- per Equity Share for cash, aggregating to ₹ [●] lakhs is hereinafter referred to as the “Net Issue”. The Public Issue

and Net Issue will constitute [●] % and [●] % respectively of the post- Issue paid-up Equity Share capital of our Company.

The Issue has been authorized by our Board pursuant to a resolution dated November 18, 2025, and by our Shareholders pursuant to a special resolution dated December 11, 2025.

For further details, refer chapter “The Issue” and “Other Regulatory and Statutory Disclosures” beginning on page 61 and 264 respectively of this DRHP.

Objects of the Issue

The details of the Issue Proceeds and Net Proceeds are as follows:

(₹ in lakhs)

| Particulars | Amount |
|------------------------------|--------|
| Gross Proceeds of the Issue* | [●] |
| Less: Issue Related Expense | [●] |
| Net Proceeds of the Issue | [●] |

* To be finalised upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the ROC.

Utilization of Net Issue Proceeds

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

(₹ in lakhs)

| Sr. No. | Particulars | Amount |
|---------------------|---|------------|
| 1. | Funding incremental working capital requirements of our Company | 2103.52 |
| 2. | Purchase of machineries into existing manufacturing facility at Amravati, Maharashtra | 472.88 |
| 3. | General corporate purposes* | [●] |
| Net proceeds | | [●] |

*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 15% of the Gross Proceeds from the Fresh Issue or ₹ 10 crore whichever is lower.

For further details, please see “Objects of the Issue” beginning on page 91 of this Draft Red Herring Prospectus.

Aggregate Pre-Issue Shareholding of our Promoters and Promoter Group:

Our Promoters and Promoter Group collectively holds 1,51,09,600 Equity Shares of our company aggregating to 96.55% of the pre-Issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and the Promoter Group, as on the date of this Draft Red Herring Prospectus:

| S. No | Name of the Shareholders | No. of Equity Shares held | % of the pre-Issue paid up Equity Share capital |
|-----------------------|----------------------------------|---------------------------|---|
| Promoters | | | |
| 1. | Vishal Agarwal | 1,75,000 | 1.12% |
| 2. | Dharmendra Mohandas Goyal | 1,10,000 | 0.70% |
| 3. | Varesh Goyal | 42,500 | 0.27% |
| 4. | Shreedhar Cotsyn Private Limited | 1,44,99,600 | 92.65% |
| | Total (A) | 1,48,27,100 | 94.74% |
| Promoter Group | | | |
| 1. | Sunita Dharmendra Goyal | 70,000 | 0.45% |
| 2. | Aditi Goyal | 42,500 | 0.27% |
| 3. | Mohan Das Goyal | 10,000 | 0.06% |
| 4. | Twinkle Adukia | 10,000 | 0.06% |
| 5. | Pooja Agarwal | 30,000 | 0.19% |
| 6. | Kusum Devi Agarwal | 5,000 | 0.03% |
| 7. | Vishal Agarwal HUF | 2,500 | 0.02% |
| 8. | Rajendra Prasad Agarwal HUF | 2,500 | 0.02% |

| S. No | Name of the Shareholders | No. of Equity Shares held | % of the pre-Issue paid up Equity Share capital |
|--------------------|---|---------------------------|---|
| 9. | Ramkrupa Properties Private Limited | 5,000 | 0.03% |
| 10. | Pankaj Kailash Poddar | 15,000 | 0.10% |
| 11. | Pawan Poddar | 10,000 | 0.06% |
| 12. | Arunima Amodkumar Agarwal | 10,000 | 0.06% |
| 13. | Mukul Mohandas Goyal | 20,000 | 0.13% |
| 14. | Madhav Vishal Agarwal | 20,000 | 0.13% |
| 15. | Shree Nagani Silk Mills Private Limited | 10,000 | 0.06% |
| 16. | Siddhartha Super Spinning Mills Limited | 10,000 | 0.06% |
| 17. | Himtex Textiles Private Limited | 10,000 | 0.06% |
| Total (B) | | 2,82,500 | 1.81% |
| Total (A+B) | | 1,51,09,600 | 96.55% |

For further details, please refer chapter titled “*Capital Structure*” beginning on page 74 of this DRHP.

Aggregate Pre- Issue Shareholding of Promoter / Promoter Group and Additional Top 10 Shareholders of the Company as at allotment:

| No. | Pre- Issue Shareholding as on the date of this DRHP | | | Post-Issue shareholding as at Allotment* | | | |
|----------------|---|---------------------------|---|--|--|------------------------------------|--|
| | Shareholders | No. of Equity Shares held | % of the pre-Issue paid up Equity Share capital | At the Lower end of the Price Band | | At the Upper end of the Price Band | |
| | | | | No. of Equity Shares held | % of the Post-Issue paid up Equity Share capital | No. of Equity Shares held | % of the Post-Issue paid up Equity Share capital |
| Promoter | | | | | | | |
| 1. | Vishal Agarwal | 1,75,000 | 1.12% | 1,75,000 | ● | 1,75,000 | ● |
| 2. | Dharmendra Mohandas Goyal | 1,10,000 | 0.70% | 1,10,000 | ● | 1,10,000 | ● |
| 3. | Varesh Goyal | 42,500 | 0.27% | 42,500 | ● | 42,500 | ● |
| 4. | Shreedhar Cotsyn Private Limited | 1,44,99,600 | 92.65% | 1,44,99,600 | ● | 1,44,99,600 | ● |
| Total (A) | | 1,48,27,100 | 94.74% | 1,48,27,100 | ● | 1,48,27,100 | ● |
| Promoter Group | | | | | | | |
| 1. | Sunita Dharmendra Goyal | 70,000 | 0.45% | 70,000 | ● | 70,000 | ● |
| 2. | Aditi Goyal | 42,500 | 0.27% | 42,500 | ● | 42,500 | ● |
| 3. | Mohan Das Goyal | 10,000 | 0.06% | 10,000 | ● | 10,000 | ● |
| 4. | Twinkle Adukia | 10,000 | 0.06% | 10,000 | ● | 10,000 | ● |
| 5. | Pooja Agarwal | 30,000 | 0.19% | 30,000 | ● | 30,000 | ● |
| 6. | Kusum Devi Agarwal | 5,000 | 0.03% | 5,000 | ● | 5,000 | ● |
| 7. | Vishal Agarwal HUF | 2,500 | 0.02% | 2,500 | ● | 2,500 | ● |
| 8. | Rajendra Prasad Agarwal HUF | 2,500 | 0.02% | 2,500 | ● | 2,500 | ● |
| 9. | Ramkrupa Properties Private Limited | 5,000 | 0.03% | 5,000 | ● | 5,000 | ● |

| No. | Pre- Issue Shareholding as on the date of this DRHP | | | Post-Issue shareholding as at Allotment* | | | |
|--|---|---------------------------|---|--|--|------------------------------------|--|
| | Shareholders | No. of Equity Shares held | % of the pre-Issue paid up Equity Share capital | At the Lower end of the Price Band | | At the Upper end of the Price Band | |
| | | | | No. of Equity Shares held | % of the Post-Issue paid up Equity Share capital | No. of Equity Shares held | % of the Post-Issue paid up Equity Share capital |
| 10. | Pankaj Kailash Poddar | 15,000 | 0.10% | 15,000 | [●] | 15,000 | [●] |
| 11. | Pawan Poddar | 10,000 | 0.06% | 10,000 | [●] | 10,000 | [●] |
| 12. | Arunima Amodkumar Agarwal | 10,000 | 0.06% | 10,000 | [●] | 10,000 | [●] |
| 13. | Mukul Mohandas Goyal | 20,000 | 0.13% | 20,000 | [●] | 20,000 | [●] |
| 14. | Madhav Vishal Agarwal | 20,000 | 0.13% | 20,000 | [●] | 20,000 | [●] |
| 15. | Shree Nagani Silk Mills Private Limited | 10,000 | 0.06% | 10,000 | [●] | 10,000 | [●] |
| 16. | Siddhartha Super Spinning Mills Limited | 10,000 | 0.06% | 10,000 | [●] | 10,000 | [●] |
| 17. | Himtex Textiles Private Limited | 10,000 | 0.06% | 10,000 | [●] | 10,000 | [●] |
| Total (B) | | 2,82,500 | 1.81% | 2,82,500 | [●] | 2,82,500 | [●] |
| (C) Additional Top 10 Shareholder | | | | | | | |
| 1. | Dimple Sumant Luniya | 1,00,000 | 0.64% | 1,00,000 | [●] | 1,00,000 | [●] |
| 2. | Ramgopal Satyanarayan Agarwal | 55,000 | 0.35% | 55,000 | [●] | 55,000 | [●] |
| 3. | Rashmi Poddar | 50,000 | 0.32% | 50,000 | [●] | 50,000 | [●] |
| 4. | Anurag Goel | 50,000 | 0.32% | 50,000 | [●] | 50,000 | [●] |
| 5. | Sangeeta Gupta | 50,000 | 0.32% | 50,000 | [●] | 50,000 | [●] |
| 6. | Neena Jain | 30,100 | 0.19% | 30,100 | [●] | 30,100 | [●] |
| 7. | Rajani Shlok Kedia | 20,000 | 0.13% | 20,000 | [●] | 20,000 | [●] |
| 8. | Amit Gopalprasad Dhanuka | 20,000 | 0.13% | 20,000 | [●] | 20,000 | [●] |
| 9. | Dr Rajkumar Kedia | 20,000 | 0.13% | 20,000 | [●] | 20,000 | [●] |
| 10. | Swati Shrikant Gajabi | 20,000 | 0.13% | 20,000 | [●] | 20,000 | [●] |
| Total (C) | | 4,15,100 | 2.65% | 4,15,100 | [●] | 4,15,100 | [●] |
| Total (A) + (B) + (C) | | 1,55,24,700 | 99.20% | 1,55,24,700 | [●] | 1,55,24,700 | [●] |

Notes:

1) *Based on the Issue price of ₹[●] and subject to finalization of the basis of allotment.

Summary of Financial Information:

A summary of the financial information of our Company as derived from the Restated Financial Statements for the period ended September 30, 2025; for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 are as follows:

(in ₹ Lakhs, except per share data)

| Particulars | For the period ended September 30, 2025 | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|--|---|----------------|----------------|----------------|
| Equity Share Capital | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 |
| Net Worth ⁽¹⁾ | 2,337.33 | 2,033.55 | 1,692.02 | 1,356.82 |
| Revenue from Operations | 7,000.62 | 13,426.66 | 12,613.85 | 2,024.11 |
| Restated profit for the year | 303.78 | 341.53 | 335.20 | (143.18) |
| Restated Basic & Diluted Earnings per Share ⁽²⁾ | 2.03 | 2.28 | 2.23 | (0.95) |
| Restated Net Asset Value per Share ⁽³⁾ | 15.58 | 13.56 | 11.28 | 9.05 |
| Total Borrowings ⁽⁴⁾ | 6,729.93 | 6,530.50 | 6,210.65 | 6,300.21 |

“Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company.

Basic & Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period

Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.

Net Asset Value per share = Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end.

Total borrowings is the sum of Short term borrowings and Long term borrowings.

For further details, please see “**Restated Financial Statements**” on page **190** of this DRHP.

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

The Restated Financial Statements do not contain any qualifications which have not been given effect in the Restated financial statements.

Summary of Outstanding Litigations:

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

(₹ in Lakhs)

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoter | Material Civil Litigations | Aggregate amount involved (₹ in Lakh) |
|---------------------|----------------------|-----------------|-------------------------------------|--|----------------------------|---------------------------------------|
| Company | | | | | | |
| By the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Promoters | | | | | | |
| By Promoter | Nil | Nil | Nil | Nil | Nil | Nil |
| Against Promoter | Nil | 02 | 1 | Nil | Nil | 1.46 |

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoter | Material Civil Litigations | Aggregate amount involved (₹ in Lakh) |
|---------------------------------------|----------------------|-----------------|-------------------------------------|--|----------------------------|---------------------------------------|
| Directors other than Promoters | | | | | | |
| By Group Companies | Nil | Nil | Nil | Nil | Nil | Nil |
| By Group Companies | Nil | Nil | Nil | Nil | Nil | Nil |
| Group Companies | | | | | | |
| By Group Companies | Nil | Nil | Nil | Nil | 2* | Nil |
| Against Group Companies | Nil | 16 | 1 | Nil | Nil | 125.13 |
| KMP and SMP | | | | | | |
| By our KMP/SMP | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the KMP/SMP | 1** | 1 | Nil | Nil | Nil | 0.02 |

*These are two Writ Petitions filed by the Group Company, Siddhartha Super Spinning Mills Ltd., against the State of Himachal Pradesh regarding a matter related to levies where the amount is unascertainable.

** This is an FIR against the SMP, Manoj Kshirsagar, in a road accident case and the amount is unascertainable.

For further details, please refer chapter “*Outstanding Litigation and Material Developments*” beginning on page 249 of this DRHP.

Risk Factors

For details on the risks involved in our business, please refer the chapter titled “*Risk Factors*”, beginning on page 30 of this DRHP, to have an informed view before making an investment decision.

Summary of Contingent Liabilities and Commitments

The details of related party transactions entered into by our Company for the period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 as per AS 18 –Related Party Disclosures read with SEBI ICDR Regulations and derived from the Restated Financial Information are as set out in the table below:

Details of contingent liabilities are as given below:

(₹ in Lakhs)

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|--------------------------|----------------------|----------------------|----------------------|
| Bank Guarantee provided to MSEDCL | 170.17 | 170.17 | - | - |
| Toward future fulfillment of Export Obligation (EPCG) | - | - | - | 997.62 |
| Claims against the Company not acknowledged, as debt | - | - | - | - |
| Hedged funds for FCNB loan | 3,060.35 | 3,251.38 | 3,625.00 | - |

Details of Capital Commitments are as given below:

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|--------------------------|----------------------|----------------------|----------------------|
| Estimated amounts of Contract remaining to be executed on capital Account and not provided for (net of advances)* | 3,266.98 | 635.32 | - | 148.50 |

* A letter of credit amounting to Rs. 25.82 Cr was issued and outstanding as of September 30, 2025.

For further details, please refer “*Contingent liabilities of the issue*” as disclosed in restated financial statements.

Summary of Related Party Transactions

The details of related party transactions entered into by our Company for the period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 as per AS 18 –Related Party Disclosures read with SEBI ICDR Regulations and derived from the Restated Financial Information are as set out in the table below:

(₹ in Lakhs)

| Name of Related Party | Nature of Transaction | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|-----------------------|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| M/s. Shreedhar Cotsyn Private Limited | Loan Taken | 496.00 | 305.00 | - | 1,277.81 |
| | Loan Repaid | 496.00 | 653.00 | - | - |
| | Interest on Loan | 54.35 | 119.38 | 148.21 | 69.08 |
| | Sales | 672.18 | 2,501.39 | 5,518.94 | 107.73 |
| | Purchase | - | 536.10 | 1,869.02 | 27.54 |
| | | | | | |
| Mrs. Kusum Devi Agarwal | Loan Taken | - | - | - | - |
| | Interest on Loan | 2.40 | 5.30 | 5.31 | 0.50 |
| | | | | | |
| M/s. Ram Krupa Properties Private Limited | Loan Taken | 155.00 | 5.00 | 4.39 | 40.00 |
| | Interest on Loan | 3.56 | 5.21 | 4.72 | 0.68 |
| | | | | | |
| M/s. SRM Spinners Limited | Loan Taken | 100.00 | - | - | - |
| | Interest on Loan | 0.39 | - | - | - |
| | | | | | |
| M/s. Siddhartha Super Spinning Mills Limited | Sales | 0.07 | - | - | - |
| | Purchases | - | - | - | - |
| | | | | | |
| Mrs. Pooja Agarwal | Loan Taken | 5.00 | - | - | - |
| | Interest on Loan | 0.02 | - | - | - |
| | | | | | |
| Mr. Mitesh Pravinbhai Patel | Remuneration | 0.90 | 1.80 | 0.15 | - |

For further details, please refer “Annexure XXXIX: Statement of Related Parties & Transactions” as disclosed in restated financial statements on page 218 of this DRHP.

Financing Arrangements:

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity, during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

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

The weighted average price at which the Equity Shares were acquired by the Promoters in one year preceding the date of this Draft Red Herring Prospectus is as follows:

| Name of Promoter | Number of Equity Shares acquired in one year preceding the date of this Draft Red Herring Prospectus | Weighted average price per Equity Share (in ₹) |
|----------------------------------|--|--|
| Shreedhar Cotsyn Private Limited | Nil | Nil |
| Dharmendra Mohandas Goyal | Nil | Nil |
| Vishal Agarwal | Nil | Nil |
| Varesh Goyal | 12,500 | 50.00 |

As certified by MRB & Associates, Chartered Accountants pursuant to their certificate dated January 09, 2026.

For further details, please see “*Capital Structure*” beginning on page 74 of this DRHP.

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

The details of price at which the Equity Shares were acquired by our Promoter in three years preceding the date of this Draft Red Herring Prospectus is as follows:

| Name of the acquirer/ Shareholder | Date of acquisition of securities | Number of Securities acquired | Acquisition price per |
|-----------------------------------|-----------------------------------|-------------------------------|-----------------------|
| Promoters | | | |
| Shreedhar Cotsyn Private Limited | - | - | - |
| Dharmendra Mohandas Goyal | November 27, 2024 | 10,000 | Nil^ |
| Vishal Agarwal | November 27, 2024 | 25,000 | Nil^ |
| Varesh Goyal | October 06, 2025 | 12,500 | 50.00 |
| Promoter Group | | | |
| Sunita Dharmendra Goyal | October 06, 2025 | 10,000 | 50.00 |
| Aditi Goyal | October 06, 2025 | 12,500 | 50.00 |
| Pooja Agarwal | October 06, 2025 | 20,000 | 50.00 |
| Pankaj Kailash Poddar | October 06, 2025 | 15,000 | 50.00 |
| Pawan Poddar | October 06, 2025 | 10,000 | 50.00 |
| Arunima Amodkumar Agarwal | October 06, 2025 | 10,000 | 50.00 |
| Mukul Mohandas Goyal | October 06, 2025 | 20,000 | 50.00 |
| Madhav Vishal Agarwal | October 06, 2025 | 20,000 | 50.00 |

[^]Transmission of shares

As certified by MRB & Associates, Chartered Accountants pursuant to their certificate dated January 09, 2026.

Weighted average cost of acquisition for all Equity Shares transacted in One year, 18 months and Three years preceding the date of this Draft Red Herring Prospectus

The weighted average price for all Equity Shares acquired by the Promoters, members of the Promoter Group, and other shareholders with rights to nominate Directors or any other rights in the last one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus is as set out below:

| Period | Weighted average cost of acquisition (in ₹) | Cap Price is ‘X’ times the Weighted Average Cost of Acquisition* | Range of acquisition price: Lowest Price – Highest Price (in ₹) |
|------------------|---|--|---|
| Last one year | 50.00 | [●] | 50 |
| Last 18 months | 47.44 | [●] | Nil^–50.00 |
| Last three years | 47.43 | [●] | Nil^–50.00 |

As certified by MRB & Associates; Chartered Accountants pursuant to their certificate dated January 09, 2026.

*To be updated upon finalization of price band.

[^]Transmission of Shares.

Average cost of acquisition of Equity Shares for our Promoters

The average cost of acquisition of Equity Shares held by our Promoter set forth in the table below:

| Name of Promoter | No. of Equity Shares held | Average cost of Acquisition per Equity Share (in ₹) * |
|----------------------------------|---------------------------|---|
| Shreedhar Cotsyn Private Limited | 1,44,99,600 | 10.00 |
| Dharmendra Mohandas Goyal | 1,10,000 | 9.09 |
| Vishal Agarwal | 1,75,000 | 8.57 |
| Varesh Goyal | 42,500 | 21.76 |

As certified by MRB & Associates; Chartered Accountants pursuant to their certificate dated January 09, 2026.

Details of Pre-IPO Placement

Our company does not contemplate any issuance or placement of Equity Shares in this Issue until the listing of the Equity Shares.

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

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

For further details, please refer chapter titled “*Capital Structure*” beginning on page **74** of this DRHP.

Split/consolidation of Equity Shares in the last one year

There was no split or consolidation of equity shares has been made in the last one year preceding the date of filing this Draft Red Herring Prospectus.

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

As on the date of this Draft Red Herring Prospectus, our Company has not sought or received any exemption from complying with any provisions of the Securities laws.

SECTION III: RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. Prospective Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 135, 190 and 231 respectively of this DRHP, as well as the other financial and statistical information contained in this DRHP. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.

This DRHP also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this DRHP. For further information, please refer to section titled “Forward-Looking Statements” beginning 19 of this DRHP.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this DRHP. For further information, please refer “Restated Financial Statements” on 190 of this DRHP. We have, in this DRHP, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this DRHP.

Materiality

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

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

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

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Shreedhar Spinners Limited.

INTERNAL RISK FACTORS

1. We generally do business with our customers on purchase order basis and do not enter into long term contracts with them. Our inability to maintain relationships with our customers could have an adverse effect on our business, prospects, results of operations and financial condition.

Our business is dependent on our continuing relationships with our customers. Our Company neither have any long-term contract with any of customers nor have any marketing tie up for our products as our sales are primarily conducted through individual purchase orders that set out terms, volumes and delivery schedules. The absence of long-term commitments exposes us to the risk of customer retention and creates uncertainty in production planning. If one or more of our key customers reduce their orders, cease to source from us, or are unable to perform their obligations due to financial distress, insolvency, business restructuring, regulatory actions, or shifts in procurement policies, our revenue and profitability could be materially impacted

We believe that we have maintained good and long-term relationships with our customers. However, there can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. If we are not able to maintain existing relationships with our current customers or if we are not able to develop new relationships, including if we are not able to deliver our products on a timely basis or issue services that meet the needs of the customers, the number of customers could decline in the future and as a result, our business, prospects, results of operations and financial condition could be adversely affected in the future. Although we have not experienced a material loss of a key customer in last 3 Fiscals, we cannot assure you that we will be able to retain our existing customers, secure equivalent replacement customers on comparable terms, or continue to maintain the current level of revenues.

Our top ten customers contribute to a substantial portion of our revenues for the period ended September 30, 2025, for the year ended March 31, 2025, March 31, 2024, and March 31, 2023. The table below sets forth details of revenue generated from our largest customer, top 5 customers and top 10 customers for our products for the Financial Year 2025, 2024 and 2023 of our revenue from operations.

(₹ in Lakhs)

| Period | Revenue from Largest Customer (₹ in Lakhs) | % Contribution of largest customer to revenue from operations | Revenue from Top 5 Customers (₹ in Lakhs) | % Contribution of top 5 to revenue from operations | Revenue from Top 10 Customers (₹ in Lakhs) | % Contribution of top 10 to revenue from operations |
|---|---|--|--|---|---|--|
| For the period ended September 30, 2025 | 1,046.33 | 14.95% | 3,757.90 | 53.68% | 5,509.84 | 78.70% |
| Fiscal 2025 | 2,501.39 | 18.63% | 8,080.32 | 60.18% | 10,717.62 | 79.82% |
| Fiscal 2024 | 5,518.94 | 43.75% | 9,706.82 | 76.95% | 11,463.02 | 90.88% |
| Fiscal 2023 | 505.45 | 24.97% | 1,379.93 | 68.17% | 1,850.82 | 91.44% |

However, the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. Also, any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

2. We generate a substantial portion of revenue from Maharashtra. Any adverse developments affecting our operations in the Maharashtra could have an adverse impact on our revenue and results of operations

Our revenue from operations is concentrated in the region of Maharashtra contributing a substantial portion. We have generated for the period ended September 30, 2025, for the Fiscal 2025, 2024 and 2023 89.46 %, 87.24 %, 86.34 % and 88.61 % of the Total Revenue generated respectively.

Any adverse developments affecting our operations in the state of Maharashtra such as changes in state-specific regulations, introduction of new levies, disruptions in logistics networks, political or social unrest, natural

calamities, or weakening of economic conditions – could materially disrupt our business activities and supply chains in those regions.

Although we are gradually expanding our operations and customer base across multiple states to diversify our geographical concentration, there can be no assurance that such initiatives will sufficiently reduce our dependence on a few key states. Any material adverse impact on our operations in these states could result in reduced sales, profitability, and market share, and may materially and adversely affect our business, results of operations, financial condition and cash flows.

3. *We are dependent upon limited suppliers for the raw material requirements of our business. Further, we do not have definitive agreements or fixed terms of trade with most of our suppliers. Failure to successfully leverage our relationships with existing suppliers or to identify new suppliers could adversely affect our business operations.*

Cotton bales are the principal raw material used in our manufacturing operations and constitute the single largest component of our production costs. Our ability to remain cost competitive and operationally efficient is closely linked to the procurement of cotton bales in adequate quantities, of consistent quality, and at commercially viable terms. Our factory is located within major cotton growing area of Maharashtra and hence, we procure cotton bales from local vendors, Cotton Corporation of India and traders for our spinning unit, which helps reduce transportation costs, shorten lead times, and support timely production. Over the years, we have built relationships with a network of reliable suppliers; during the last three Fiscals and for the period ended September 30, 2025, we procured cotton bales from more than 10 Suppliers and top 10 suppliers contribute 96.04 %, 91.05 %, 71.51% and 67.21% of the total purchase during the period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively.

The above concentration of suppliers exposes us to supply-side risks in the event of any disruption due to financial distress, insolvency, logistical bottlenecks, weather disruptions, or regulatory actions affecting these suppliers. We typically procure raw materials on the basis of short-term arrangements or purchase orders and do not enter into long-term supply contracts. While this approach provides flexibility, it limits stability in terms of pricing and assured volumes. Further, cotton prices are inherently volatile and are influenced by multiple factors such as agricultural yield, Minimum Support Prices (MSP), government procurement policies, export-import regulations, and global commodity markets. Sharp price fluctuations during the off-season, or changes in government policy, could lead to increased procurement costs and margin pressures.

To mitigate these risks, we strategically maintain a buffer stock of cotton bales during the peak harvest season (October to March), when availability is higher and prices are comparatively favourable. These stocks are stored at our manufacturing facility in designated storage facilities. While this strategy allows us to secure raw material at optimal prices, it exposes us to risks of inaccurate demand forecasting, higher carrying costs, potential deterioration in cotton quality, or obsolescence during storage. Further, to effectively hedge our cotton position, we maintain a consistent cotton inventory system for our spinning unit. Our raw material inventory usually covers our sales outstanding, thereby providing a natural hedge to pricing risks given the correlation between raw cotton and cotton yarn prices. The extent of raw material inventory covered is based on the experience of the promoters. This helps us to maintain buffer stock at the same time protect our margin as well.

Although we have not faced any material supply disruptions in last 3 Fiscals and for the period ended September 30, 2025. There can be no assurance that future disruptions in supply, adverse movements in cotton prices, or deterioration in the quality of cotton procured will not materially and adversely affect our business operations, financial condition, cash flows, and results of operations

4. *Our business relies on third-party transport logistics and storage providers for the timely procurement of raw materials and distribution of finished products, and any disruption or cost increase in such services could adversely affect our operations.*

Our Company relies extensively on third-party transportation providers for the procurement of raw materials as well as for the distribution of our products. Any material disruption in the availability of such transportation services, inadequacies in the logistics infrastructure, or continuing increases in transportation costs could adversely impact our supply chain, production schedules and product delivery timelines.

For the period ended September 30, 2025, Fiscals 2025, Fiscals 2024 and Fiscals 2023, our loading, unloading and transport charges aggregated ₹ 52.92 Lakhs, ₹88.53 Lakhs, ₹ 89.79 Lakhs and ₹ 16.70 Lakhs, representing 0.79%, 0.68%, 0.73% and 0.76% of our total expenses, respectively. Although freight costs are generally borne by the customer, we may not always be able to fully pass on rising transport costs to customers in a competitive market. In addition, disruptions of transportation services due to strikes, lock-outs, weather-related problems, shortages of vehicles or drivers, or other unforeseen events could delay the receipt of raw materials or the delivery of our products to customers.

We seek to mitigate these risks by engaging multiple logistics partners, maintaining relationships with a range of carriers, and monitoring delivery timelines. However, we remain exposed to transportation risks such as loss or pilferage of goods in transit, delay in deliveries, or service providers' non-compliance with applicable laws. We may be required to replace a service provider if its services do not meet our safety, quality or performance standards or if it should unexpectedly discontinue operations.

While we have not any face such instances in the last three fiscal. There can be no assurance that we will always be able to procure transportation services on cost-effective and timely terms, or at all. Any prolonged disruption or unavailability of such services may result in delays or an inability to deliver our products to customers, or may require us to resort to alternative means of transportation which may not be cost- or time-efficient. Such events could adversely affect our operations, profitability, reputation and market position.

5. Any downgrading of our credit rating by a domestic or international credit rating agency may increase interest rates for our future borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.

Our current credit ratings have been assigned by Brickwork Ratings India Pvt. Ltd. who have assigned BBB-/Stable, on long term borrowings. Our credit rating may be downgraded in the future due to various factors, including factors which may be outside our control. Any future downgrade of our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and may have an adverse effect on our future issuances of debt and our ability to borrow on a competitive basis. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment of certain of our borrowings. If any of these risks materialise, it could have a material adverse effect on our business, reputation, results of operations and financial condition.

6. Cotton is a highly flammable commodity, and any fire, accident, or mishap at our facilities could result insignificant property damage, business interruption, and financial loss.

Cotton is highly flammable, combustible and susceptible to ignition at almost every stage of handling, including procurement, storage, processing and transportation. The risk of fire is particularly acute in areas such as the blow room and carding section, where fine cotton dust accumulates and increase the likelihood of sparks or short circuits leading to an outbreak. With the use of high-volume air circulation and semi-automated material-handling systems for handling large volumes of cotton, the probability of fire or a small incident in one section can rapidly spread across machines and production lines. An outbreak of fire or similar accident at our manufacturing facility could result in extensive damage to raw material inventory, finished goods, plant, and machinery. Such an event may also cause injury to workers, attract compensation claims, and lead to regulatory scrutiny or suspension of operations. Beyond the immediate property loss, prolonged business interruption may impair our ability to service customer orders, erode trust and materially reduce our revenues and profitability. Although we have not experienced any major fire incident in the past and have taken adequate insurance policies for raw material, stock in process and finished stock covering fire-related losses, coverage may not be adequate to offset all damages, loss of profits, or third-party liabilities. Delays in settlement of claims may further strain our liquidity. There can be no assurance that our facilities will not face such incidents in the future or that any resulting losses will not materially and adversely affect our business, financial condition, and results of operations. For further details of our insurance policy, please refer to the chapter titled 'Our Business' beginning on page 135 of this Draft Red Herring Prospectus.

7. Our business is subject to seasonal volatility on account of the nature of main raw material i.e., raw cotton as an agricultural commodity, and such seasonality may cause significant fluctuations in our revenue, results of operations, and financial condition

During the period ended September 30, 205, Fiscal 2025, Fiscal 2024 and Fiscal 2023 are raw material consumed to revenue from operations were 77.55%, 78.59%, 80.81% and 97.44%, respectively. Our business is primarily dependent on cotton, while raw cotton is available only during specific harvest period in India i.e. from October to March. The procurement cycle is concentrated during the harvest season, when cotton and cotton bales can be purchased in bulk and generally at more favorable terms. In contrast, during the off-season, the supply raw cotton is not possible and that of cotton bales becomes constrained, and prices are subject to significant fluctuations. This seasonality affects our procurement strategy and results in varying stocking requirements, which in turn impacts our working capital cycle and cost structure. As a result, our revenues and profitability may be higher in certain quarters and lower in others, and the results of any one period may not accurately indicate the overall performance of our Company for a full financial year. Adverse weather conditions or unexpected disruptions in the cotton supply chain may further intensify these seasonal variations. While we adopt diligent procurement and inventory practices to mitigate such volatility, there can be no assurance that we will be able to manage these seasonal fluctuations effectively or that such factors will not have a material adverse effect on our business, financial condition and results of operations.

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

Our business performance is closely linked to agricultural and textile sector policies formulated by the Central and State Governments. Cotton is an agricultural commodity and is significantly affected by government interventions such as MSPs, procurement programs, input subsidies to farmers, and restrictions on cotton imports or exports. Any change in such measures may materially impact the availability, pricing, and quality of cotton in the domestic market, thereby affecting our procurement planning and cost structure. Additionally, several government schemes and incentives, including the Textile PLI (Production Linked Incentive) scheme, the Technology Upgradation Fund Scheme (TUFS), National Textile Policy, 2000 and Maharashtra Textile Policy, are critical for maintaining competitiveness in the spinning and textile value chain. A rollback, reduction, delay, or uncertainty in the implementation of such schemes could increase operating costs or reduce profitability across the industry. Conversely, the introduction of new subsidy schemes could intensify competition, as existing and new players may undertake fresh capital investments, thereby increasing overall industry capacity and putting pressure on margins.

Beyond cotton pricing and textile-specific incentives, the industry is also vulnerable to wider regulatory and policy shifts. Labour law reforms, changes in environmental compliance norms, and disruptions arising from political or social unrest in key cotton-growing or textile-manufacturing states could lead to volatility in raw material supply chains or demand patterns.

We cannot assure that current levels of government support or favourable policy frameworks will continue. Any future adverse change in MSPs, subsidies, export-import regulations, or incentive schemes may materially and adversely impact our business operations, revenues, margins, and financial performance.

9. We have certain outstanding litigation against our Company, an adverse outcome of which may adversely affect our business, reputation and results of operations.

There are certain proceedings pending at different levels of adjudication before various authorities, enquiry officers and appellate forums. Such proceedings could divert management time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company, Group Company, Promoters, Directors and KMP and SMP to the extent quantifiable, have been set out below:

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoter | Material Civil Litigations | Aggregate amount involved (₹ in Lakh) |
|----------------|----------------------|-----------------|-------------------------------------|--|----------------------------|---------------------------------------|
| Company | | | | | | |
| By the Company | Nil | Nil | Nil | Nil | Nil | Nil |

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoter | Material Civil Litigations | Aggregate amount involved (₹ in Lakh) |
|---------------------------------------|----------------------|-----------------|-------------------------------------|--|----------------------------|---------------------------------------|
| Against the Company | Nil | Nil | Nil | Nil | Nil | Nil |
| Promoters | | | | | | |
| By Promoter | Nil | Nil | Nil | Nil | Nil | 0.07 |
| Against Promoter | Nil | 02 | 1 | Nil | Nil | 1.46 |
| Directors other than Promoters | | | | | | |
| By Group Companies | Nil | Nil | Nil | Nil | Nil | Nil |
| By Group Companies | Nil | Nil | Nil | Nil | Nil | Nil |
| Group Companies | | | | | | |
| By Group Companies | Nil | Nil | Nil | Nil | 2* | Nil |
| Against Group Companies | Nil | 16 | 1 | Nil | Nil | 125.13 |
| KMP and SMP | | | | | | |
| By our KMP/SMP | Nil | Nil | Nil | Nil | Nil | Nil |
| Against the KMP/SMP | 1** | 1 | Nil | Nil | Nil | 0.02 |

*These are two Writ Petitions filed by the Group Company, Siddhartha Super Spinning Mills Ltd., against the State of Himachal Pradesh regarding a matter related to levies where the amount is unascertainable.

** This is an FIR against the SMP, Manoj Kshirsagar, in a road accident case and the amount is unascertainable.

The amounts claimed in these proceedings have been disclosed to the extent. 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.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see “Outstanding Litigations and Material Developments” beginning on page 249 of this DRHP.

10. Our business operations rely on the availability of labour, and any shortage or unavailability of labour could disrupt our operations and adversely impact our performance

As of November 30, 2025, we have a dedicated skilled and unskilled workforce of 143 staff on our payroll. The above includes employees in the top and middle management (including Executive Directors), and also employees who are part of manufacturing unit, office staff, trainees and wage workers. Our operations and performance are dependent on labour. In case such labour is unavailable or we are unable to identify and retain such labourers, our business could be adversely affected. Further, there are instances where we need to hire additional contract labour, for packaging or during periods of high customer orders. We have not entered into any agreement for hiring additional labourers and thus availability of appropriately unskilled labour cannot be guaranteed. While we have

not faced any shortage of labour in last three Fiscal, any failure to hire the appropriate labour may impact the operations and impair our client relations.

Further, if attrition levels in our company is high, it may impact our ability to expand capacity, meet customer orders on schedule, or maintain consistent product quality. Any significant increase in labour costs required to attract or retain talent could also affect our margins. The attrition rate of our Company in the period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 were 20.97%, 30.77%, 22.97% and NA%.

While we provide on-the-job training and seek to maintain competitive compensation structures, there can be no assurance that our efforts will be sufficient to reduce attrition. Any inability to retain skilled workers or manage high attrition levels may materially and adversely impact our business, financial condition, and results of operations.

Further, we may be subject to labour strikes, industrial unrest, slowdowns, and increased wage costs, which may adversely affect our business, financial conditions, cash flows and results of operations. Negative publicity arising from labour unrest could harm our reputation and relationships with key stakeholders, potentially resulting in a loss of business opportunities. While we consider our relationship with our employees to be good and there has been no such instance in the three Fiscals of any disruptions in work due to disputes or other problems with our work force, we could experience disruptions in work due to disputes or other problems with our work force in future, which may adversely affect our ability to perform our business operations.

11. We have significant power requirements for continuous running of our manufacturing unit. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.

Our manufacturing units and offices have significant electricity requirements and any interruption in power supply to our manufacturing units and offices may disrupt our operations. We have incurred electricity charges ₹ 378.18 lakhs, ₹ 742.73 lakhs, ₹ 587.59 lakhs and ₹ 177.27 lakhs representing 5.40 %, 5.53 %, 4.66 % and 8.76 % of the Revenue from Operations, for the period ended September 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively. Our business and financial results may be affected by any disruption of operations. We depend on third parties for all of our power requirements. Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of manufacturing units and offices and production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in area from where we operate due to which in case of a price hike, we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition and results of operations.

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

As on September 30, 2025, we had Contingent Liability of Rs. 170.17 Lakhs for which no provision had been made. In the event that any of these contingent liabilities materialize, our results of operation and financial condition may be adversely affected. Details of Contingent Liabilities and commitments are as follows:

Details of contingent liabilities are as given below:

(₹ in Lakhs)

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|--------------------------------|----------------------------|----------------------------|----------------------------|
| Bank Guarantee provided to MSEDCL | 170.17 | 170.17 | - | - |
| Toward future fulfillment of Export Obligation (EPCG) | - | - | - | 997.62 |
| Claims against the Company not acknowledged, as debt | - | - | - | - |
| Hedged funds for FCNB loan | 3,060.35 | 3,251.38 | 3,625.00 | - |

Details of Capital Commitments are as given below:

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|--------------------------------|----------------------------|----------------------------|----------------------------|
| Estimated amounts of Contract remaining to be executed on capital Account and not provided for (net of advances)* | 3,266.98 | 635.32 | - | 148.50 |

* A letter of credit amounting to Rs. 2582.00 Lakhs was issued and outstanding as of September 30, 2025.

For details of the contingent liabilities of our Company, please refer to “Annexure XLIII: Restated Contingent Liabilities” page no. 223 under section “Restated Financial Statements” beginning on page no. 190 and chapter titled “Outstanding Litigations and Material Developments” beginning on page no. 249 of this Draft Red Herring Prospectus.

13. Our business is dependent on our operating facility in Amravati. The loss or shutdown of our facilities could have a material adverse effect on our business, financial condition and results of operations.

Our facility at Amravati are subject to operating risks, such as shutdowns due to the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, adequate utilisation rates, obsolescence of equipment, labour disputes, strikes, lockouts, industrial accidents, disruption by extremist groups, or any other reason, and the need to comply with the directives and regulations of the Government of India (“GoI”) and relevant state government authorities. We are heavily reliant on floor workers at our unit, including those workers who are hired on a daily wage / per piece basis and are not on a fixed payroll. Our inability to continue to procure such services or any disputes with this group of labour would severely affect our operations and may cause an under-utilisation of our capacities or a total shut down.

Our operations involve a significant degree of integration, and our results of operations are dependent on the successful operation of each facility. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition, results of operations and prospects may be adversely affected by any disruption of operations at our facilities.

14. Continued operations at our Manufacturing Facility are critical to our business, and any disruption could materially and adversely affect our results of operations, cash flows, and financial condition

We operate through our automated spinning manufacturing facility located at Amravati, Maharashtra. Our Manufacturing Facility is central to our operations, and any disruption may have a direct adverse impact on our ability to produce yarn, and deliver products to our customers on time. For details of our facility, see “Our Business – Our Manufacturing Facility” on page 142 of this Draft Red Herring Prospectus.

The facility is subject to a number of operating risks, including breakdown or failure of critical equipment, interruptions in power supply, labour disputes, natural disasters, industrial accidents, fire hazards, or the need to comply with directives of governmental and regulatory authorities. Any significant malfunction or breakdown of machinery could entail substantial repair or replacement costs, lead to suspension or slowdown of operations, and result in underutilization of installed capacity. Further, delays in addressing such disruptions could cause us to miss delivery schedules, adversely affecting our customer relationships and reputation in the market. Although we have not experienced any material disruption at our Manufacturing Facility in last three Fiscals and for the period ended September 30, 2025, we cannot assure you that such events will not occur in the future. Any prolonged or repeated disruption at our Manufacturing Facility may materially and adversely affect our business, revenues, results of operations, cashflows, and overall financial condition.

15. We have experienced losses and negative cash flows from operating activity in the past and any increases in expenses, decline in revenues or negative cash flows in future periods could adversely affect our business, results of operations, financial condition and the trading price of our Equity Shares.

We have, in the past, experienced negative net cash flows in operating activities for FY 2025 and FY 2023 and loss in FY 2023. Such negative cash flows from operating activities for FY 2023 were mainly attributable to change in working capital consist of increase in Inventories, Short Term Loans & Advances and Other non current and Trade Payables. In FY 2023, we have experienced loss mainly due to low production volumes, under-absorption of fixed costs, and limited operating days.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

(₹ In Lakhs)

| Particulars | For the period ended September 30, 2025 | For the financial year ended on March 31, | | |
|---|--|---|--------|------------|
| | | 2025 | 2024 | 2023 |
| Net cash (used)/from operating activities | 907.1 | 1,096.72 | 865.29 | (1,057.57) |
| Restated profit / loss | 303.78 | 341.53 | 335.20 | (143.18) |

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow in future, it may adversely affect our business and financial operations.

16. Orders placed by our customers may be delayed, modified, cancelled or not fully paid for, which may adversely affect our business, financial condition and results of operations

We generally do not execute long-term contracts with our customers and supply our products based on purchase orders. As a result, orders placed by customers may be delayed, modified in scope or quantity, cancelled, or not fully paid for, which could affect our production planning and working capital cycle.

Delays or cancellations may occur due to factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorisations or other regulatory approvals on their part, changes in demand, or logistical difficulties in transportation and warehousing. Since there are no binding long-term contracts, customers can reschedule or cancel orders at short notice, and it is difficult for us to predict with certainty if, when and to what extent we may be able to deliver the orders placed.

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. We have not faced such instances in the past three fiscal which has materially impacted our business operations. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

17. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies.

Our Company has delayed in complying with certain statutory provisions under Companies Act 2013. Further, as mentioned in below table there were non-compliances and discrepancies in filing with RoC.

| S. No. | Forms | Due Date of Forms | Delay in Filing | Adjudication/ Compounding / Condonation if applicable for Delay in filing | Reason for Delay |
|--------|------------|-------------------|-----------------|---|--|
| 1 | MGT-14 | 13-03-2021 | 236 | - | Inadvertently due to administrative lapses |
| 2 | CHG-1 | 19-02-2022 | 4 | - | |
| 3 | AOC-4 XBRL | 26-10-2024 | 3 | - | |
| 4 | AOC-4 XBRL | 29-10-2022 | 6 | - | |
| 5 | PAS-6 | 30-05-2025 | 184 | - | |
| 6 | PAS-6 | 29-11-2024 | 143 | - | |
| 7 | AOC-4 XBRL | 29-10-2023 | 2 | - | |

As certified by Practicing Company Secretary, Krushang Shah & Associates vide certificate dated January 09, 2026

Although, as on the date of filing this draft red herring prospectus, our company has maintained appropriate systems and has updated its corporate records such as minutes, statutory forms, registers and documents as required under the companies act, 2013; while there has been no impact on our financial condition or any statutory or regulatory proceedings initiated in this regard as of the date of this prospectus, there can be no assurance that any deficiencies in our internal controls and compliances will not arise, or that the regulator will not initiate proceedings against us or impose penalties on us or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any future deficiencies in a timely manner or at all. Further, to improve our secretarial compliances, to mitigate and ensure the timely compliances we have appointed Mitesh Pravinbhai Patel as company secretary and compliance officer.

18. There have been instances of delay or default in payment of statutory dues and filing of statutory returns by our company in the past.

There have been several instances of delay/ default in payment of statutory dues including EPF payments and filing of GST returns by our Company in the past which were not material in nature and the same were regularised subsequently by payments and filing of return with interest and penalty. For the last three Fiscals there has been generally delay in filing returns for Employee Provident Fund, Good and Service Tax due to several reasons as disclosed below:

| Particulars | Amount | Period to which it relates | Due date | Delay days | Date on which payment has been made | Reason for delay |
|----------------|----------|----------------------------|-------------|------------|-------------------------------------|---|
| Provident Fund | 72,773 | May- 2023 | 15-Jun-2023 | 15 | 30-Jun-2023 | Technical glitch |
| Provident Fund | 87,642 | July- 2023 | 15-Aug2023 | 104 | 27-Dec-2023 | Technical glitch, inadvertently missed |
| Provident Fund | 92,489 | Aug- 2023 | 15-Sep-2023 | 34 | 19-Oct-2023 | Technical glitch |
| Provident Fund | 1,05,203 | Sep- 2023 | 15-Oct-2023 | 4 | 19-Oct-2023 | Technical glitch |
| Provident Fund | 3,29,697 | May- 2025 | 15-Jun-2025 | 2 | 17-Jun-2025 | Technical glitch |
| Provident Fund | 3,53,706 | Jun- 2025 | 15-Jul-2025 | 3 | 18-Jul-2025 | Technical glitch |
| ESIC | 66,413 | May-2025 | 15-Jun-2025 | 1 | 16-Jun-2025 | Technical glitch |
| ESIC | 69,745 | Jun-2025 | 15-Jul-2025 | 1 | 16-Jul-2025 | Technical glitch |
| ESIC | 56,401 | Aug-2024 | 15-Sep-2024 | 1 | 16-Sep-2024 | Technical glitch |
| ESIC | 59,676 | Sep- 2024 | 15-Oct-2024 | 2 | 17-Oct-2024 | Technical glitch |
| ESIC | 26,142 | May-2023 | 15-Jun-2023 | 15 | 30-Jun-2023 | Technical glitch |
| ESIC | 27,866 | June-2023 | 15-Jul-2023 | 5 | 20-Jul-2023 | Technical glitch |
| ESIC | 31,933 | July-2023 | 15-Aug-2023 | 45 | 29-Sep-2023 | Technical glitch, inadvertently missed |
| ESIC | 37,156 | Aug-2023 | 15-Sep-2023 | 15 | 30-Sep-2023 | Technical glitch |
| ESIC | 36,479 | Sep-2023 | 15-Oct-2023 | 4 | 19-Oct-2023 | Technical glitch |
| ESIC | 44,262 | Nov-2023 | 15-Dec-2023 | 1 | 16-Dec-2023 | Technical glitch |
| Profession Tax | 17,525 | Apr-2024 | 30-May-2024 | 301 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 15,925 | May-2024 | 30-Jun-2024 | 271 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 21,500 | Jun-2024 | 30-Jul-2024 | 240 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 20,725 | Jul-2024 | 30-Aug-2024 | 209 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 21,000 | Aug-2024 | 30-Sep-2024 | 179 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 23,000 | Sep-2024 | 30-Oct-2024 | 148 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 22,575 | Oct-2024 | 30-Nov-2024 | 118 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 21,170 | Nov-2024 | 30-Dec-2024 | 87 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 20,925 | Dec-2024 | 30-Jan-2025 | 56 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 21,250 | Jan-2025 | 30-Feb-2025 | 28 | 28-Mar-2025 | inadvertently missed due to admin error |
| Profession Tax | 24,925 | Apr-2025 | 30-May-2025 | 222 | 07-01-2026 | inadvertently missed due to admin error |

| Particulars | Amount | Period to which it relates | Due date | Delay days | Date on which payment has been made | Reason for delay |
|----------------|--------|----------------------------|-------------|------------|-------------------------------------|---|
| Profession Tax | 23,175 | May-2025 | 30-Jun-2025 | 191 | 07-01-2026 | inadvertently missed due to admin error |
| Profession Tax | 24,450 | Jun-2025 | 30-Jul-2025 | 161 | 07-01-2026 | inadvertently missed due to admin error |
| Profession Tax | 27,500 | Jul-2025 | 30-Aug-2025 | 130 | 07-01-2026 | inadvertently missed due to admin error |
| Profession Tax | 26,525 | Aug-2025 | 30-Sep-2025 | 99 | 07-01-2026 | inadvertently missed due to admin error |
| Profession Tax | 26,945 | Sep-2025 | 30-Oct-2025 | 69 | 07-01-2026 | inadvertently missed due to admin error |
| Profession Tax | 23,150 | Oct-2025 | 30-Nov-2025 | 38 | 07-01-2026 | inadvertently missed due to admin error |

We cannot assure you that there will be no default or delay in future in payment of such statutory dues. Further, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by respective statutory authorities on account of such delay in payments or filing of returns, which may adversely affect our business, financial condition, and reputation.

19. We do not own the premises in which our registered office and manufacturing unit are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.

Our registered office premise is situated at Office No. 503, 5th Floor, Matharu Arcade, Subhash Road, Vile Parle (East), Mumbai - 400057 on lease basis for a period of 3 years w.e.f. April 10, 2024 and manufacturing unit premise is situated at T-15, Additional Amravati Industrial Area, Nandgaon Peth MIDC, Textile Park Dist. Amravati 444901 is a leased premise and our Company has entered into an agreement with Lessor for leasing the same premises for a period of 95 years w.e.f. August 12, 2021. For details, please refer to “Our Business Overview- Our immovable properties” page no. 151 of this Draft Red Herring Prospectus. Our business operations are also conducted from the said premises. As per the lease agreement, if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions, the lease may result in the termination of the lease agreement and consequently we have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations.

Our business operations are also conducted from the said premises. As per the lease agreements, if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions; it may result in the termination of the lease agreement and consequently we may have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations. In case, we may have to re-locate to another premise and/or agree to pay the extra amount for using the same premises. Increase in lease structure will lead to increase of our expenditure which in turn may affect our revenue and increase of operational cost. Also, searching for the suitable location, setting the manufacturing unit and warehouses from the scratch and relocating the inventory from location to another, may lead to loss of clients, impact on production, reduction in sales thereby affecting our profitability.

20. The Company has issued Equity Shares / convertible securities at a price lower than the Issue Price during the preceding twelve months.

The Company has, during the last twelve months prior to the date of this Offer Document i.e. October 06, 2025, has issued Equity Shares / securities convertible into Equity Shares may be at a price lower than the Issue Price. Such issuance may have an adverse impact on the price at which the Equity Shares are offered pursuant to this Issue and may affect the market perception of the valuation of the Equity Shares. For details of allotment, please refer to chapter “Capital Structure” on page 74 of this Draft Red Herring Prospectus.

Investors should carefully consider this factor while making an investment decision in this Issue.

21. We have working capital requirements. If we experience insufficient cash flows to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.

Our business demands significant working capital to fund the procurement of raw materials, facilitate manufacturing processes, and maintain adequate inventory of raw material and finished goods for timely customer deliveries. Our Trade Receivables for the period ended September 30, 2025, for the Fiscals March 31, 2025, March 31, 2024, March 31, 2023 were ₹ 77.50 Lakhs, ₹ 150.98 Lakhs, ₹ 118.07 Lakhs and ₹ 7.51 Lakhs respectively and our inventories for the period ended September 30, 2025, for the Fiscals March 31, 2025, March 31, 2024 and March 31, 2023 were ₹ 1356.42 Lakhs, ₹ 1794.82 Lakhs, ₹ 1567.44 Lakhs and ₹ 1,092.10 Lakhs respectively. Furthermore, our working capital requirements is higher due to B2B customers, which requires offering extended credit terms. Increased working capital demands may also arise as we take on a larger volume of orders due to business growth.

Our working capital is funded through borrowings and internal accruals. For details, see “*Financial Indebtedness*” on page 227. The table below presents our working capital requirement and its funding pattern for the indicated years:

| Particulars | For the period ended September 30, 2025 (Audited) | Fiscal 2025 (Audited) | Fiscal 2024 (Audited) | Fiscal 2023 (Audited) |
|----------------------------------|---|-----------------------|-----------------------|-----------------------|
| Net Working Capital (A-B) | 1,556.14 | 1,679.72 | 1,425.36 | 892.30 |
| | | | | |
| Sources of Funds | | | | |
| Borrowings | 1,260.48 | 1,180.02 | 1,058.58 | 852.53 |
| Internal Accruals | 295.66 | 499.70 | 366.78 | 39.77 |
| Total | 1,556.14 | 1,679.72 | 1,425.36 | 892.30 |

We typically rely on internal accruals, long term borrowings from the promoters, as well as credit facilities with banks to provide for our working capital arrangements. During the period ended September 30, 2025 and in Fiscal 2025, Fiscal 2024, Fiscal 2023 our days working capital was up to 14 days and 26 days, 29 days, 218 days respectively. As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our working capital requirements in the future. Any increase in debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company and could adversely impact our Equity Share price.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

For further details of working capital requirements, please refer to the chapter titled "Objects of the Issue" on page 91 of this Draft Red Herring Prospectus.

22. We intend to utilise ₹ 472.88 Lakhs from the Net Proceeds for funding our capital expenditure requirements towards purchase of new machinery, for which we have not placed any orders or entered into any definitive agreements

We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for purchase of new machinery for our business operations. We have estimated the total cost of such capital expenditure to be ₹ 472.88 Lakhs. We are yet to place orders for such machinery. There can be no assurance that we will be able to place orders for such machinery in a timely manner or at all. We have not entered into any definitive agreements in respect of such capital expenditure and have relied on the quotations received from third parties for estimation of the cost. The quotations relied on for such estimation are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Additionally, in the event of any delay in placement of such orders, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated or that there will not be cost escalations. For details, see “Objects of the Issue” on page 91.

23. Any IT system failures or lapses on part of any of our employees may lead to operational interruption, liabilities or reputational harm.

The success of our businesses depends in part upon our ability to effectively deploy, implement and use information technology systems and advanced technology initiatives in a cost effective and timely basis. Our computer networks may be vulnerable to unauthorised access, computer hacking, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by our employees, subcontractors or third-party vendors. While we have not faced any such failure in the past 3 fiscal. Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business.

24. Our Company has not registered the trademark. Our ability to use the trademark may be impaired if the same is not registered under our name.

Our Company is not the legal owner of any of the logos used by us in our business as well as of Company logo and hence we do not enjoy the statutory protections accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. However, our Company has made applications for certain Intellectual Property Rights. For further details, please see “Government and Other Statutory Approvals” beginning on page 256 of this Draft Red Herring Prospectus.

The registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted as and when applied. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have a material adverse effect on our business.

There can be no assurance that we will be able to obtain the registration of our trademarks in a timely manner, or at all. If any of our unregistered trademarks are registered in favour of a third party, we may not be able to claim registered ownership of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. If our application is objected to, we will not have the right to use this trademark or prevent others from using this trademark or its variations. Our inability to obtain or maintain this trademark in our business thus could adversely affect our reputation, goodwill, business, prospectus and results of operations.

25. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.

As on November 30, 2025, our total outstanding indebtedness was ₹ 7634.82 Lakhs which includes secured and unsecured borrowings. For details on our borrowings, please refer to chapter titles “Financial Indebtedness” beginning from page no. 227 of this Draft Red Herring Prospectus. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things, but not limited to effecting any change in the

management/Board of the Company, declaration of dividend, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. We have applied to our lenders for No Objection Certificate (NOC) for our proposed Initial Public issue, for which their NOC is received.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

26. Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.

We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event, we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected. As of September 30, 2025, our insured assets were ₹ 8,061.60 Lakhs and our insurance cover as a percentage of the total Insurable Assets of our Company was 100%. For more details, please refer to the chapter titled “Our Business” on page 135 of this Draft Red Herring Prospectus.

27. Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.

Our business requires us to obtain and renew from time-to-time certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. Further, these approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities for operating our business activities may contain conditions, some of which could be onerous. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For further details, see “Government and Other Approvals” on page 256 of this Draft Red Herring Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected. We may be involved in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

28. Unsecured loans taken by our Company can be recalled by the lenders at any time.

Our Company has currently availed unsecured loans. These loans may be recalled by the lenders at any time. In the event that, any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all and this may affect our Company's liquidity. If we are unable to procure such financing, we may not have adequate working capital to maintain the desired inventory level. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, see "Financial Indebtedness" on page 227 of this Draft Red Herring Prospectus.

29. Under-utilization of our manufacturing capacities, or our inability to effectively utilize our installed capacities, could adversely affect our business, prospects, and financial performance.

As on the date of this Draft Red Herring Prospectus, our Manufacturing Facility at Amravati, Maharashtra has an installed capacity of 18,240 spindles a cotton yarn production capacity of 5,500 MT per annum. The following table sets forth the capacity utilization of the Company's products at our Manufacturing Facility for the specified periods:

| Manufacturing Facilities | For the period ended September 30, 2025 | | | For the year ended March 31, 2025 | | | For the year ended March 31, 2024 | | | For the year ended March 31, 2023 | | |
|--------------------------|---|------------------------|--------------------------|--|------------------------|--------------------------|--|------------------------|--------------------------|--|------------------------|--------------------------|
| | Average Estimated Half Year Available Capacity (MT) | Actual Production (MT) | Capacity Utilization (%) | Average Estimated Annual Available Capacity (MT) | Actual Production (MT) | Capacity Utilization (%) | Average Estimated Annual Available Capacity (MT) | Actual Production (MT) | Capacity Utilization (%) | Average Estimated Annual Available Capacity (MT) | Actual Production (MT) | Capacity Utilization (%) |
| Cotton Spinning | 2928 | 2856 | 98% | 5600* | 5511 | 98% | 5500 | 5163 | 94% | 2170 | 900 | 41% |

Note: *Installed spindle capacity is 18,240. Change in production capacity is purely due to change in count mix. As certified by Rajendra V Khodsakar, Independent Chartered Engineer vide their certificate dated December 12, 2025

Capacity utilization is calculated on the basis of installed production capacity and actual production for the respective financial periods. For further details, see "Our Business – Capacity Utilization" on page 144. Our capacity utilization is subject to fluctuations depending on factors such as market demand, seasonality in cotton procurement, availability and pricing of raw cotton, customer order visibility, competitive pricing dynamics, availability of skilled labour, maintenance shutdowns, and external disruptions. Prolonged under-utilization may result in sub-optimal usage of assets, lower economies of scale, and an increase in per unit production costs. Although we have historically maintained near-optimal capacity utilization, there can be no assurance that we will be able to continue to operate at similar levels in the future. Any significant reduction in demand for cotton yarn or cotton bales, inability to procure cotton at viable prices, or failure to secure sufficient sales orders could lead to lower utilization of our Manufacturing Facility. This may affect our ability to absorb fixed overheads, erode margins, and impact our profitability. In the event of sustained under-utilization, we may also be unable to recover the investments made in our plant and machinery, while incurring increased maintenance and holding costs.

30. Our business operations are subject to extensive environmental, health, and safety regulations, and any failure to comply with such regulations could materially and adversely affect our business, financial condition, and results of operations.

Our manufacturing processes involve handling of cotton bales that are subject to various environmental, health, and safety laws and regulations. These include requirements relating to air quality, dust emissions, solid waste disposal, effluent discharge, water consumption, noise levels, and fire safety. Accordingly, we are required to

obtain and maintain approvals such as consent from Maharashtra Pollution Control Board, as well as other permits and clearances relating to storage, disposal of by-products, and compliance with workplace safety standards. Environmental regulations in India, including those applicable to the textile sector, are evolving and are expected to become more stringent with the government's increased emphasis on sustainable manufacturing, energy efficiency, and resource conservation. Any tightening of norms relating to effluent treatment, dust emissions, or disposal of cotton waste may require us to incur significant capital expenditure for new pollution control equipment, modifications to existing processes, or adoption of new technologies.

Further, our operations depend on natural resources such as water and power, both of which are subject to usage restrictions and regulatory oversight. Any adverse changes in regulations, stricter enforcement, or failure to obtain or renew the required approvals could result in higher compliance costs, penalties, reputational harm, suspension of approvals, or even temporary shutdown of our manufacturing facility. While we endeavour to comply with applicable environmental, health, and safety laws, we cannot assure you that inadvertent non-compliances will not occur in the future. Any failure to comply with such regulations may materially and adversely affect our business, financial condition, results of operations, and growth prospects

31. Technological changes in the textile industry may render our manufacturing facility and machinery less competitive or obsolete, which could adversely affect our business and results of operations.

Our competitiveness and future success depend, in part, on our ability to adopt and respond to technological advancements and evolving industry practices in the textile sector. Continuous modernization and upgradation of machinery are essential in our spinning operations to improve quality, enhance productivity, and reduce costs. If our existing machinery and technology are not upgraded on a timely basis, they may become less efficient or obsolete, which could impair our ability to meet customer requirements and reduce our competitive edge. The textile industry is witnessing increasing automation and adoption of advanced spinning technologies, which often involve significant capital expenditure. Implementation of such upgrades carries technical and business risks, and there is no assurance that we will be able to adapt to such changes cost-effectively.

Further, failure to upgrade our machinery in line with emerging industry standards may result in reduced operating efficiency, higher production costs, or an inability to meet evolving product specifications of customers. We cannot assure you that we will always be able to successfully implement new technologies, procure advanced machinery at competitive prices, or adapt our processes to changing customer requirements. If we are unable, for technical, financial, or other reasons, to adapt in a timely manner to technological changes, our manufacturing operations, revenues, and results of operations may be materially and adversely affected.

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

Our operations are critically dependent on our ability to anticipate demand accurately and align procurement of cotton bales, production schedules, and inventory management. Cotton bales, our primary raw material, are seasonally procured between October and March, when availability is higher and procurement costs are relatively lower. To ensure uninterrupted production throughout the year, we build buffer stocks of cotton bales and also maintain finished yarn inventory to service customers who often operate with short lead times and fluctuating order volumes. Any misjudgment in demand forecasting may further expose us to risks of under-stocking or over-stocking. Under-stocking of cotton bales or finished yarn could impair our ability to fulfil customer orders in a timely manner, resulting in loss of business opportunities, weakened customer relationships, and suboptimal utilization of our Manufacturing Facility. Conversely, excess stocking of cotton or finished goods may increase storage and financing costs, strain our working capital cycle, and expose us to risks of deterioration in raw cotton quality, which is sensitive to moisture and storage conditions.

For period ended September 30, 205, Fiscal 2025, Fiscal 2024, and Fiscal 2023, our inventory turnover ratio was 3.40, 6.26 times, 7.48 times, and 2.75 times, respectively, and inventory constituted 42.87% , 55.54%, 57.82%, and 71.97% of our total current assets for the respective periods. While we have not experienced any material inventory obsolescence or disposal during these periods, there can be no assurance that such issues will not arise in the future. Any sustained mismatch between forecasted demand and actual consumption could adversely affect our ability to manage costs, meet customer expectations, and maintain profitability. If we are unable to optimize inventory levels on an ongoing basis, it could materially impact our cash flows, working capital cycle, and overall financial condition

33. Our business depends on our ability to consistently maintain stringent quality standards. Any failure to meet customer-prescribed specifications may result in product rejections, order cancellations, reputational harm, and adverse impact on our financial performance.

We are engaged in the manufacturing and trading of carded cotton yarns, which are primarily supplied to textile manufacturers, yarn exporters, traders, and fabric processors in the B2B segment. These buyers often operate under strict technical parameters driven by both domestic and export market requirements. Our customers prescribe benchmarks relating to strength, uniformity, twist, elongation, and appearance. Consistent adherence to these specifications is critical to sustaining long-term relationships and repeat orders. Our spinning operations at Amravati, Maharashtra involve multiple interdependent processes including opening, cleaning, carding, spinning, winding, and final packaging. Each stage requires precision, skilled manpower, and continuous monitoring. Variations in raw cotton quality, equipment malfunction, operator error or deviation from prescribed process norms may result in defects such as unevenness, excessive hairiness, or low tensile strength. Such defects could lead to rejection of consignments, customer complaints, cancellation of orders, or erosion of our reputation in the textile value chain.

Our reputation in market is closely tied to our ability to deliver cotton yarns that meet consistent and reliable quality standards. Customers may conduct internal testing or engage accredited third-party laboratories before accepting shipments, and in many cases, we are required to provide samples for technical evaluation before placing orders. Any failure to meet these benchmarks at the sample stage, during pre-dispatch testing, or post-delivery inspection may result in loss of sales and impair our standing with existing and potential customers. While we have an in-house laboratory and Quality Team at our Manufacturing Facility that conducts testing at various stages of production, supported by semi-automated machinery and standard operating procedures designed to maintain uniformity, there can be no assurance that defects will not arise. Any deterioration in customer confidence could adversely affect our order pipeline, revenue visibility, and overall competitiveness. Although we have not faced any material product rejections or quality-related order cancellations during Fiscal 2025, Fiscal 2024 or Fiscal 2023, there can be no assurance that such issues will not occur in the future. Despite continued investments in preventive maintenance, workforce training, and quality assurance systems, any inability to maintain or upgrade these measures in line with evolving customer requirements may constrain our ability to sustain quality performance and could negatively affect our long-term customer relationships and financial results.

34. Our raw materials and finished products are susceptible to deterioration and colour fading during storage, which may result in losses, reduced realizations, and adverse impact on our profitability.

We store both raw materials and finished products at warehouses located within our factory premises. Cotton is naturally prone to deterioration and discoloration over time due to factors such as exposure to air, humidity, or prolonged storage. In particular, cotton may lose its whiteness and finished yarn may experience colour fading if not consumed or sold within a reasonable period. If raw materials remain unused or finished products remain unsold for extended durations, they may become unsuitable for processing or fail to meet customer quality expectations. In such cases, we may be required to either scrap the affected inventory, reprocess or sell it at discounted prices. This would not only lead to direct financial loss but may also disrupt our production schedule if replacement material is not available on time. Furthermore, accumulation of deteriorated stock may increase storage costs and working capital pressures. However, we adopt inventory management practices to minimize such risks, there can be no assurance that our raw materials or finished goods will not be subject to deterioration or colour fading during storage, and any such occurrence may materially and adversely affect our business, financial condition, and results of operations.

35. We face competition in our business from organized and unorganized players, which may adversely affect our business operations and financial condition.

The textile industry is highly and increasingly competitive and unorganised, and our results of operations and financial condition are sensitive to, and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. The textile segment which we cater to is fragmented and continues to be dominated by unorganised suppliers. Textile industry also has many large conglomerates giving further competition to players like us. We compete primarily on the basis of quality, customer satisfaction and marketing. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and issue customer a wide variety of fabrics at competitive prices. There can be no

assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

36. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategies could have an adverse effect on our business, results of operations and financial condition. The success of our business will depend greatly on our ability to effectively implement our business and growth strategies.

Our growth strategies require us to develop and strengthen relationships with existing customers for our business who may drive high volume orders on an ongoing basis. To remain competitive, we seek to increase our business from existing customers and by adding new customers, as well as expanding into new geographical markets.

Our success in implementing our growth strategies may be affected by:

- our ability to maintain the quality of our product;
- our ability to increase our geographic presence;
- the general condition of the global economy (particularly of India and the other markets that we currently or may operate in);
- our ability to compete effectively with existing and future competitors,
- changes in the Indian or international regulatory environment applicable to us.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. While we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could adversely impact our results of operations. We expect our growth strategies to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategies could have a material adverse effect on our business, financial condition and profitability.

37. Any failure or significant weakness of our internal controls system could cause operational errors or incidents of fraud, which would adversely affect our profitability and reputation

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal or concurrent audit functions make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis so that business units adhere to our policies, compliance requirements and internal circular guidelines. While we periodically test and update, as necessary, our internal controls systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. Failures or material errors in our internal controls systems may lead to deal errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure. Such instances may also adversely affect our reputation, business and results of operations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition. For further details, please see section —Outstanding Litigation and Material Developments on page 249.

38. The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The determination of the Price Band is based on various factors and assumptions and will be determined by us in consultation with the Lead Managers. Furthermore, the Issue Price of the Equity Shares will be determined by us in consultation with the Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under “Basis for Issue Price” beginning on page 105 and may not be indicative of the market price for the Equity Shares after the Issue.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Lead Managers is below their respective issue price. For further details, see "Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Lead Managers" on page 272. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

39. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

40. We have in the past entered into related party transactions and may continue to do so in the future.

Our Company has entered into related party transactions with our Promoters, Directors, Promoter group members in the past. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per AS 18 and are in compliance with the provisions of the Companies Act, 2013 and other applicable laws, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For details, please refer to the "Annexure XXXIX - Related Party Transaction" on page no. 218 under chapter titled "Restated Financial Statement" on page 190 of this Draft Red Herring Prospectus.

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

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

42. There may be potential conflicts of interest if our Promoters or Directors get involved in any business activities that compete with or are in the same line of activity as our business operations.

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in his present position, we may not be able to replace them easily or at all. Our Promoters, have over the years-built relations with various customers and other persons who are form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

43. Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.

Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management as well as our ability to attract and retain skilled personnel. Any loss of our Promoter, Directors, Key Managerial Personnel and Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoter for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel and Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see “Our Management” on page 166 of this Draft Red Herring Prospectus.

44. Some of our Directors do not possess experience of being on the board of any listed company.

Some of our Directors do not possess experience of being on the board of any listed company and accordingly, may not be adequately well-versed with the activities or industry practices undertaken by the listed company. We cannot assure you that this lack of adequate experience will not have any adverse impact on the management and operations of our Company. Further, our Company will also be subject to compliance requirements under the SEBI Listing Regulations and other applicable law post listing of the Equity Share on the Stock Exchanges. Our Board is capable of efficiently managing such compliance requirements including by engaging professionals having expertise in managing such compliances.

45. In addition to normal remuneration or benefits and reimbursement of expenses, some of our directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Our Directors, Key Managerial Personnel (“KMP”) and Senior Managerial Personnel (“SMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 74 and 166, respectively, of this Draft Red Herring Prospectus.

46. We have a limited operating history as a company, and our past performance may not be a reliable indicator of our future results or prospects.

Our Company started setting up the plant in 2021, which commenced commercial operations on November 10, 2022. However, our Promoter Dharmendra Goyal and Vishal Agarwal has combined experience of 50 years in production and marketing of cotton yarn. Given our Company’s limited operating history, we may not have sufficient experience to address the risks frequently encountered by early-stage companies, including our ability to successfully procure raw material, complete our orders or maintain adequate control of our costs and expenses. This makes it difficult for investors to evaluate our past performance, long-term business model, or future growth prospects solely on the basis of our historical financial results. Accordingly, our financial results for prior periods should not be relied upon as indicators of future performance. While we continue to expand our operations and build scale, there can be no assurance that we will be able to successfully address the risks associated with our limited operating history, achieve consistent profitability, or meet investor expectations, and any inability to do so may materially and adversely affect our business, financial condition, and results of operations. For further

details, see the sections titled “History and Certain Corporate Matters” and “Restated Financial Statements” on pages 162 and 190 of this Draft Red Herring Prospectus.

47. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’.

Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance. As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page no. 91 of this Draft Red Herring Prospectus.

48. Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.

We intend to use the Net Proceeds for the purposes described in ‘Objects of the Offer’ on page 91 of this Draft Red Herring Prospectus. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, inability to identify suitable location for our stores at favourable terms and other financial and operational factors. Accordingly, prospective investors in the Offer will need to rely upon our management judgement with respect to the use of proceeds. If we are unable to deploy the proceeds of the Offer in a timely or an efficient manner, it may affect our business and results of operations

49. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.

As per SEBI (ICDR) Regulations, 2018, as amended from time to time, appointment of monitoring agency is required only for Issue size above Rs. 50.00 Crores. Since this Issue Size is less than Rs. 50.00 Crores, our Company has not appointed any monitoring agency for this Issue. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds.

Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

50. The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures have been lifted. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our stores. Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this period of lockdown and relaxation, our stores were partially operational. If we do not respond appropriately to the pandemic, or if customers did not perceive our response to be adequate, we could suffer damage to our reputation and our brand, which could adversely affect our business in the future.

We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. For example, this pandemic could necessitate further lockdowns, resulting in significant additional effects on our revenue, financial condition and results of operations. There are numerous uncertainties associated with the COVID-19 outbreak, including the number of individuals who will become infected, availability of a vaccine or a cure that mitigates the effect of the virus, the extent of the protective and preventative measures

imposed by governments and whether the virus' impact will be seasonal, among others. Consequently, there may be adverse effects of this pandemic on our short-term business operations and our financial results may be impacted.

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

Our Company intends to deploy and utilize Net Proceeds raised pursuant to the Initial Public Offer in the manner set out in the section titled "Objects of the Issue" on page no. 91 in the Draft Red Herring Prospectus. In accordance with SEBI LODR Regulations and other applicable provisions, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations and it may also lead to delay in deployment of funds as per the schedule of implementation as disclosed in objects section titled "Objects of the Issue" on page no. 91 in the Draft Red Herring Prospectus. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

52. This Draft Red Herring Prospectus contains information from third parties, including an industry report prepared by an independent third-party research agency, Wazir Advisors Private Limited ("Wazir"), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue.

This Draft Red Herring Prospectus includes industry and market information sourced from third-party sources, including an industry report dated December 26, 2025, prepared by Wazir Advisors Private Limited ("Wazir Advisors Report"), which we have commissioned to support and confirm our understanding of the textile industry solely in connection with this Issue. The Wazir Advisors Report provides an overview and analysis of the textile sector, including demand drivers, market size estimates, industry growth trends, consumption patterns, end-user dynamics, and key performance indicators relevant to our business. The information and data in the Wazir Advisors Report are based on specific methodologies for primary and secondary research, forecasting, and analysis, which may differ from our internal assessments or operational data. Due to the extensive nature of the industry report, only selected excerpts and summaries have been included in this Draft Red Herring Prospectus. The full report has not been reproduced herein. Investors should consider the industry information disclosed in this context and be aware that such information is subject to inherent limitations. Industry data generally reflects conditions as of specific cut-off dates and may include estimates, projections, or assumptions that are subject to significant risks and uncertainties. Differences in research methods, data sources, and market definitions may result in inconsistencies or non-comparability with data from other public or private sources.

Additionally, the market and industry information presented in this Draft Red Herring Prospectus may not necessarily reflect actual market conditions or performance and should not be regarded as definitive. Actual outcomes may differ materially from those described. Accordingly, investors are cautioned not to place undue reliance on such third-party industry data and market information when making investment decisions related to this Issue. Neither our Company nor the Book Running Lead Manager(s) has any financial or commercial relationship with Wazir Advisors Private Limited other than in connection with the commissioning of the aforementioned industry report. For further details, please refer to the chapter titled "Industry Overview" on page 120 of this Draft Red Herring Prospectus.

53. Our growth is directly linked to the performance of the textile and apparel industry, and any slowdown or shift in demand within these segments may adversely impact our revenues and profitability.

We are engaged in the manufacture of cotton yarn, which serves as an intermediate product in the textile value chain. Our yarn is primarily used by fabric manufacturers and subsequently in the production of apparel, garments, home textiles, and other end uses. Accordingly, the demand for our products is closely tied to the growth, consumption patterns, and competitiveness of the textile and apparel sectors, both in domestic and export markets. The cotton yarn industry faces intense competition from man-made and synthetic yarns, which have gained wider acceptance due to evolving fashion trends, cost advantages, and government incentives for man-made fiber-based textiles. Any shift in consumer preference from cotton to synthetics, or prolonged downturn in the domestic or international apparel markets, could directly affect the demand for our products. In such circumstances, our sales

volumes, pricing power, and profitability may come under pressure. There can be no assurance that growth in the textile and apparel industry will remain robust, or that demand for cotton yarn will not decline in favor of substitutes. Any such slowdown or shift in demand may materially and adversely affect our business, financial condition, and results of operations

54. The requirements of being a public listed company may strain our resources and impose additional requirements.

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

EXTERNAL RISK FACTORS

55. Changes in Government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

56. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- Custom duties on imports of raw materials and components;
- Goods and Service Tax

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

57. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

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

58. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Prospectus.

While facts and other statistics in the Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such

information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “Industry Overview” beginning on page 120 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

59. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

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

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

61. The extent and reliability of Indian infrastructure could adversely affect our Company’s results of operations and financial condition.

India’s physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company normal business activity. Any deterioration of India physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company’s business operations, which could have an adverse effect on its results of operations and financial condition.

62. Any downgrading of India’s sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India’s credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

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

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

64. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

RISKS RELATED TO OUR EQUITY SHARES AND EQUITY SHARE HOLDERS

65. Our Promoters, together with our Promoter Group, will continue to retain majority shareholding in our Company after the proposed Initial Public Offer, which will allow them to exercise significant control over us. We cannot assure you that our Promoters and Promoter Group members will always act in the best interests of the Company.

After the completion of our Initial Public Offer, our Promoters, along with our Promoter Group members, will hold, approximately [●] % of our post offer paid up equity capital of our Company. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholder. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. We cannot assure you that our Promoters and Promoter Group members will always act in our Company's or your best interests. For further details, please refer to the chapters titled "Capital Structure" and "Our Promoter and Promoter Group", beginning on page 74 and 180 respectively, of this Draft Red Herring Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 189 of this Draft Red Herring Prospectus.

67. Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

68. Any future issuance of Equity Shares may dilute your shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Offer, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

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

Investors may be subject to Indian taxes arising out of capital gains on sale of Equity Shares. Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realized on the sale of our Equity Shares on a stock exchange held for more than 12 months is subject to long term capital gains tax in India. A securities transaction tax (“STT”) will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realized on the sale of our Equity Shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long-term capital gains tax in India. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less that are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to short-term capital gains tax at a higher rate compared to the transaction where STT has been paid in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. As a result, subject to any relief available under an applicable tax treaty or under the laws of their own jurisdictions, residents of other countries may be liable for tax in India, as well as in their own jurisdictions on gains arising from a sale of our Equity Shares. Further, the Government of India announced the union budget for Fiscal 2026, following which the Finance Bill, 2025 (“Finance Bill”) was introduced in the Lok Sabha on February 1, 2025.

Investors are advised to consult their own tax advisers and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time-consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. Additionally, the Union Cabinet, Government of India has recently approved the Income Tax Bill, 2025, which inter alia, proposes to amend the income tax regime and replace the Income Tax Act, 1961. There is no certainty on the impact of the Income Tax Bill, 2025, once enacted, on tax laws or other regulations, which may adversely affect our business, financial condition, results of operations or on the industry in which we operate. Pursuant to amendments notified by the Finance Act (No.2) Act, 2024 (“Finance Act 2024 II”), long-term capital gains exceeding the exempted limit of ₹125,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.5% (plus applicable surcharge and cess), without benefit of indexation. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax at the rate of 20% (plus applicable surcharges and cess) for transfers taking place after July 23, 2024. An STT will be levied both at the time of transfer and acquisition of equity shares (unless exempted) and such STT is collected by an Indian stock exchange on which our Equity Shares are sold. The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

The Finance Act, 2020, has, inter alia, amended the tax regime, including a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, and that such dividends are likely to be subject to tax deduction at source. Further, pursuant to the Finance Act 2024 II, any payment received by the shareholders from the Company pursuant to buyback of shares undertaken after October 1, 2024 on account of buy back of shares shall be taxable as dividend and no deduction from such dividend income shall be allowed. The investors are advised to consult their own tax advisers to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares. Investors are advised to consult their own tax advisers and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

70. There is no guarantee that the Equity Shares issued pursuant to the Offer will be listed on the Stock Exchange in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Offer will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There

could be a failure or delay in listing the Equity Shares on the Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

71. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.

Prior to this Offer, there has been no public market for our Equity Shares. [●] is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Offer due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Offer, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Offer. For further details of the obligations and limitations of Market Makers, please refer to the section titled "General Information – Details of the Market Making Arrangement for this Offer" on page 71 of this Draft Red Herring Prospectus.

72. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.

There has been no public market for our Equity Shares prior to the Offer. The price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on the Emerge Platform of National Stock Exchange of India Limited after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows;
- The history of and prospects for our business;
- An assessment of our management, our past and present operations, and the prospects for as well as timing of our future revenues and cost structures; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations, or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Management Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects.

SECTION IV – INTRODUCTION

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Summary Financial Information as of the end of and for the period ended September 30, 2025 and for the Fiscal 2025, Fiscal 2024 and Fiscal 2023

*The summary financial information presented below should be read in conjunction with “**Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages **190** and **231** respectively.*

[The remainder of this page has intentionally been left blank]

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

CIN : U17299MH2020PLC351591

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

ANNEXURE I

| PARTICULARS | Annx No. | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------|---------------------------------|-----------------------------|-----------------------------|-----------------------------|
| I-Equity and Liabilities | | | | | |
| 1) Shareholders' Fund | | | | | |
| (a) Share Capital | V | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 |
| (b) Reserves and Surplus | VI | 837.33 | 533.55 | 192.02 | (143.18) |
| | | 2,337.33 | 2,033.55 | 1,692.02 | 1,356.82 |
| 2) Non-Current Liabilities | | | | | |
| (a) Long-term Borrowings | VII | 4,979.10 | 4,890.48 | 4,772.07 | 5,147.69 |
| (b) Deferred Tax Liabilities (net) | VIII | 139.59 | 117.89 | 49.09 | (20.79) |
| (c) Long-Term Provisions | IX | 10.82 | 8.63 | 2.71 | 0.61 |
| | | 5,129.51 | 5,017.00 | 4,823.87 | 5,127.51 |
| 3) Current Liabilities | | | | | |
| (a) Short-Term Borrowings | X | 1,750.83 | 1,640.02 | 1,438.58 | 1,152.53 |
| (b) Trade payables | XI | | | | |
| Total outstanding dues of micro enterprises and small enterprises | | 25.99 | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 890.80 | 1,175.11 | 905.50 | 345.66 |
| (c) Other Current liabilities | XII | 655.65 | 363.32 | 281.20 | 165.16 |
| (d) Short-Term Provisions | XIII | 28.53 | 2.57 | 86.71 | 108.18 |
| | | 3,351.80 | 3,181.02 | 2,711.99 | 1,771.53 |
| TOTAL-(I) | | 10,818.64 | 10,231.57 | 9,227.88 | 8,255.86 |
| II-Assets | | | | | |
| 1) Non-current Assets | | | | | |
| (a) Property, Plant & Equipment | XIV | 5,745.60 | 5,916.24 | 6,178.95 | 6,426.40 |
| (b) Capital Work in Progress (CWIP) | XV | 1,574.97 | 805.14 | 121.49 | - |
| (c) Long-term loans & advances | XVI | 126.50 | 90.52 | 17.17 | 23.81 |
| (d) Other Non Current Assets | XVII | 207.38 | 187.82 | 199.45 | 288.31 |
| | | 7,654.45 | 6,999.72 | 6,517.06 | 6,738.52 |
| 2) Current Assets | | | | | |
| (a) Inventories | XVIII | 1,356.42 | 1,794.82 | 1,567.44 | 1,092.10 |
| (b) Trade Receivables | XIX | 77.50 | 150.98 | 118.07 | 7.51 |
| (c) Cash & Cash Equivalents | XX | 7.07 | 11.13 | 12.05 | 6.04 |
| (d) Short term Loans and Advances | XXI | 334.51 | 248.33 | 234.70 | 309.55 |
| (e) Other Current Assets | XXII | 1,388.69 | 1,026.58 | 778.56 | 102.14 |
| | | 3,164.19 | 3,231.85 | 2,710.82 | 1,517.34 |
| TOTAL-(II) | | 10,818.64 | 10,231.57 | 9,227.88 | 8,255.86 |

See accompanying annexures forming part of the restated financial statements (Refer ANNEXURE - IV to ANNEXURE - L)

For M R B & ASSOCIATES**Chartered Accountants**

ICAI Firm Registration No.136306W

For and on behalf of the Board of Director of**Shreedhar Spinners Limited****Sd/-****Manish R Bohra****Partner**

Membership No.058431Place: M

umbai

Date: January 09, 2026

UDIN: 26058431PHSTGH2886

Sd/-**Dharmendra Goyal****Managing Director**

DIN: 00163777

Sd/-**Vishal Agarwal****Director**

DIN:00376242

Sd/-**Mitesh Patel****Company Secretary**

M.No.: ACS 48773

Sd/-**Varesh Goyal****Chief Financial Officer**

PAN: CNWPG5932J

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

STATEMENT OF PROFIT & LOSS AS RESTATED**CIN : U17299MH2020PLC351591**

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

ANNEXURE II

| PARTICULARS | Annx No. | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|-----------------|---|--|--|--|
| I- Income | | | | | |
| (a) Revenue from operations | XXIII | 7,000.62 | 13,426.66 | 12,613.85 | 2,024.11 |
| (b) Other Income | XXIV | 9.02 | 15.94 | 21.31 | 3.57 |
| Total Income | | 7,009.64 | 13,442.60 | 12,635.16 | 2,027.68 |
| II- Expenses | | | | | |
| (a) Cost of Materials consumed | XXV | 5,428.73 | 10,552.41 | 10,193.11 | 1,972.30 |
| (b) Changes in inventories of finished goods & work-in-progress | XXVI | (78.89) | (36.46) | (252.16) | (471.68) |
| (c) Employee benefits expense | XXVII | 274.51 | 528.66 | 464.25 | 129.94 |
| (d) Finance costs | XXVIII | 277.23 | 584.73 | 640.17 | 201.10 |
| (e) Depreciation and amortization expense | XXIX | 170.72 | 337.24 | 331.26 | 120.36 |
| (f) Other Expenses | XXX | 587.06 | 1,063.31 | 853.45 | 239.63 |
| Total Expenses | | 6,659.36 | 13,029.89 | 12,230.08 | 2,191.65 |
| III- Profit before tax | | 350.28 | 412.71 | 405.08 | (163.97) |
| IV- Tax Expense | | | | | |
| a) Current tax | | 24.80 | 2.38 | - | - |
| b) Deferred tax | | 21.70 | 68.80 | 69.88 | (20.79) |
| Total (abs) | | 46.50 | 71.18 | 69.88 | (20.79) |
| V- Profit/(Loss) After Tax | | 303.78 | 341.53 | 335.20 | (143.18) |
| VI-Earning per equity share: | XXXI | | | | |
| Nominal Value per share : Rs 10 | | | | | |
| (a) Basic | | 2.03 | 2.28 | 2.23 | (0.95) |
| (b) Diluted | | 2.03 | 2.28 | 2.23 | (0.95) |

See accompanying annexures forming part of the restated financial statements (Refer ANNEXURE - IV to ANNEXURE - L)

For M R B & ASSOCIATES**Chartered Accountants**

ICAI Firm Registration No.136306W

Sd/-**Manish R Bohra****Partner**

Membership No.058431

Place: Mumbai

Date: January 09, 2026

UDIN: 26058431PHSTGH2886

For and on behalf of the Board of Director of**Shreedhar Spinners Limited****Sd/-****Dharmendra Goyal****Managing Director**

DIN: 00163777

Sd/-**Vishal Agarwal****Director**

DIN:00376242

Sd/-**Mitesh Patel****Company Secretary**

M.No.: ACS 48773

Sd/-**Varesh Goyal****Chief Financial Officer**

PAN: CNWPG5932J

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

RESTATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2025
CIN : U17299MH2020PLC351591

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

ANNEXURE III

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <u>A. Cash flow from operating activities</u> | | | | |
| Net Profit / (Loss) before tax | 350.28 | 412.71 | 405.08 | (163.98) |
| <u>Adjustments for:</u> | | | | |
| Depreciation and amortisation | 170.72 | 337.24 | 331.26 | 120.36 |
| Interest Expenses | 277.23 | 584.73 | 640.17 | 201.10 |
| Interest Income | 7.82 | 12.85 | 19.74 | 3.57 |
| Operating profit / (loss) before working capital changes | 806.05 | 1,347.53 | 1,396.25 | 161.05 |
| <u>Changes in working capital:</u> | | | | |
| (Increase)/ Decrease in Inventories | 438.41 | (227.38) | (475.34) | (1,092.10) |
| (Increase)/ Decrease in Trade receivables | 73.48 | (32.91) | (110.56) | (7.51) |
| (Increase)/ Decrease in Short term Loans and Advances | (87.37) | (26.33) | 90.61 | (301.75) |
| (Increase)/ Decrease in Other Current Assets | (362.11) | (248.03) | (676.42) | (66.62) |
| Increase/ (Decrease) in Trade payables | (258.32) | 269.61 | 559.84 | 340.08 |
| Increase/ (Decrease) in Other current liabilities | 292.34 | 82.12 | 116.04 | (191.72) |
| Increase/ (Decrease) in Provisions | 28.14 | (78.21) | (19.38) | 108.80 |
| Cash generated from operations | 930.62 | 1,086.40 | 881.05 | (1,049.77) |
| Net income tax (paid) / refunds | (23.61) | 10.32 | (15.76) | (7.80) |
| Net cash flow from / (used in) operating activities (A) | 907.01 | 1,096.72 | 865.29 | (1,057.57) |
| <u>B. Cash flow from investing activities</u> | | | | |
| Capital expenditure on fixed assets, including capital advances | | | | |
| Capital Work in Progress (CWIP) | (769.83) | (683.65) | (121.49) | 2,215.67 |
| Capital Advances given | (35.98) | (73.35) | 6.63 | 213.88 |
| Changes in Other Non Current Assets | (19.56) | 11.63 | 88.87 | (286.39) |
| Interest Income | (7.82) | (12.85) | (19.74) | (3.57) |
| Purchase of Fixed Assets | (0.08) | (74.52) | (83.82) | (6,546.76) |
| Net cash flow from / (used in) Investing activities (B) | (833.27) | (832.75) | (129.55) | (4,407.16) |
| <u>C. Cash flow from financing activities</u> | | | | |
| Interest Expenses | (277.23) | (584.73) | (640.17) | (201.10) |
| Repayment of Long term Borrowings | (191.03) | (1,076.59) | (300.01) | - |
| Proceeds from Long-Term Borrowings | 310.00 | 1,275.00 | 4.39 | 4,474.27 |
| Short-Term Borrowings | 80.46 | 121.44 | 206.06 | 1,152.53 |
| Net cash flow from / (used in) financing activities (C) | (77.80) | (264.88) | (729.73) | 5,425.70 |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | (4.05) | (0.92) | 6.01 | (39.03) |
| Cash and cash equivalents at the beginning of the year | 11.13 | 12.05 | 6.04 | 45.07 |
| Cash and cash equivalents at the end of the year | 7.07 | 11.13 | 12.05 | 6.04 |
| Cash and cash equivalents at the end of the year * | 7.07 | 11.13 | 12.05 | 6.04 |
| * Comprises: | | | | |
| (a) Cash on hand | 0.57 | 2.68 | 0.35 | 0.04 |
| (b) Balances with banks | | | | |
| (i) In current accounts | 6.50 | 8.45 | 11.70 | 6.00 |
| Total | 7.07 | 11.13 | 12.05 | 6.04 |

Notes:
(i) The Cash Flow Statement reflects the cash flows pertaining to continuing operations and has been prepared using Indirect Method.

See accompanying annexures forming part of the restated financial statements (Refer ANNEXURE - IV to ANNEXURE - L)

For M R B & ASSOCIATES
Chartered Accountants

ICAI Firm Registration No.136306W

For and on behalf of the Board of Director of
Shreedhar Spinners Limited
Sd/-
Manish R Bohra
Partner
Membership No.058431

Place: Mumbai

Date: January 09, 2026

UDIN: 26058431PHSTGH2886

Sd/-
Dharmendra Goya
Managing Director

rDIN: 00163777

Sd/-
Vishal Agarwa
Director

DIN:00376242

Sd/-
Mitesh Patel
Company Secretary

M.No.: ACS 48773

Sd/-
Varesh Goyal
Chief Financial Officer

PAN: CNWPG5932J

THE ISSUE

| PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS | |
|---|--|
| Equity Shares Offered through Public Offer(1)(2) | Upto 58,00,000 Equity Shares of face value of ₹ 10 each fully paid up for cash at price of ₹ [●](including a Share premium of ₹[●] per Equity Share) per Share aggregating to ₹ [●] Lakhs. |
| Out of which: | |
| Offer Reserved for the Market Makers | Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs. |
| Net Offer to the Public | Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs. |
| Out of which* | |
| A. QIB Portion(3)(4) (5) | Not more than [●] Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹[●] Lakhs |
| Of which | |
| i) Anchor Investor Portion | Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed) | Upto [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| B. Non-Institutional Applicants | Not less than [●] Equity Shares having face value of ₹ 10 each for cash at a price of ₹ [●](including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] |
| Of which | |
| (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs | [●] Equity Shares of face value ₹10/- each |
| (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs | [●] Equity Shares of face value ₹10/- each |
| C. Individual Investor Portion | Not less than [●] Equity Shares of ₹10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹[●] Lakhs |
| Pre and Post – Offer Equity Shares | |
| Equity Shares outstanding prior to the Offer | 1,56,50,000 Equity Shares of face value of ₹10 each |
| Equity Shares outstanding after the Offer | Upto [●] Equity Shares of face value ₹10 each |
| Use of Net Proceeds by our Company | Please see the chapter titled “Objects of the Issue” on page 91 of this Draft Red Herring Prospectus. |

* Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Offer price.

Notes:

1. The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.

2. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on November 18, 2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to applicable provisions of the Companies Act, 2013 at the Extra Ordinary General Meeting held on December 11, 2025.
3. The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

Provided (a) One third of the portion available to non-institutional investors shall be reserved for applicants with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) Two-thirds of the portion available to non-institutional investors shall be reserved for applicants with an application size of more than ₹10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b) may be allocated to applicants in the other sub-category.

4. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
5. Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Forty per cent of the anchor investor portion, shall be reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds: Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.
6. In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Investor Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investor Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5 lakhs, shall use UPI. Individual investors bidding under the Non- Institutional Portion bidding for more than ₹ 2 lakhs and up to ₹ 5 lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, Demat and Bank Account (3 in 1 type accounts), provided by certain brokers.

For further details, please refer section titled “Issue Procedure” beginning on page 291 of this Draft Red Herring Prospectus.

GENERAL INFORMATION

Brief Summary:

Our company was originally incorporated and registered as a private limited company under Companies Act, 2013 in the name and style of 'Shreedhar Spinners Private Limited' vide certificate of incorporation dated December 9, 2020 registered number 351591 issued by the Registrar of Companies, Central Registration Centre. Further, pursuant to a resolution passed by our Board on October 06, 2025 and a resolution passed by our shareholders on November 01, 2025 our Company was converted into a public limited company. Consequently, the name of our Company was changed to "Shreedhar Spinners Limited", and a fresh certificate of incorporation dated November 17, 2025 issued by Registrar of Companies, Central Processing Centre.

For details of incorporation, change in name and registered office of our Company, see the chapter titled "**History and Certain Corporate Matters**" beginning on 162 of this DRHP.

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follow:

| Particulars | Number |
|-----------------------------|-----------------------|
| Company Registration Number | 351591 |
| Corporate Identity Number | U17299MH2020PLC351591 |

Registered Office of our Company

503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India

For details of change in registered office of our Company, see the chapter titled "**History and Certain Corporate Matters**" beginning on 162 of this DRHP.

Registrar of Companies

Our Company is registered with the Registrar of Companies, Mumbai at Maharashtra, which is situated at the following address:

Registrar of Companies, Mumbai

Ministry of Corporate Affairs,
100, Everest, Marine Drive,
Mumbai – 400 002, Maharashtra, India

Telephone: 022 - 2281 2627

Email: roc.mumbai@mca.gov.in

Website: www.mca.gov.in

Board of Directors of our Company

The following table sets out the details of our Board as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of Director | Designation | DIN | Address |
|---------|---------------------------|--|----------|---|
| 1. | Dharmendra Mohandas Goyal | Chairman and Managing Director | 00163777 | HA 4, Jolly Highrise Apartment, Pali Mala Road, Near Pali Naka, Mumbai – 400050, Maharashtra India |
| 2. | Vishal Agarwal | Non – Executive Non - Independent Director | 00376242 | 403/404 Shree Rudraksh Co-op. Hsg. Soc. Ltd., Nariman Road, Vile Parle East, Mumbai – 400057, Maharashtra India |
| 3. | Sunita Dharmendra Goyal | Non – Executive Non - Independent Director | 11325609 | HA 4, Jolly Highrise Apartment, Pali Mala Road, Near Pali Naka, Bandra West, Mumbai – 400050, Maharashtra India |
| 4. | Bhavsar Utsav Sumantkumar | Non – Executive Independent Director | 10121169 | Opp. Gram Panchayat, Kadiyadara, Kadiyadara, Sabarkantha, Gujarat – 383440 |

| Sr. No. | Name of Director | Designation | DIN | Address |
|---------|--------------------------------|--------------------------------------|----------|---|
| 5. | Atri Maheshvariben Nileshkumar | Non – Executive Independent Director | 11091124 | Main Bajar, Near Avad Mandir, Kalyanpur, Devbhumi Dwarka, Jamkalyanpur – 361320 Gujarat, India. |

For further details of our Board of Directors, see “*Our Management*” on page **166** this Draft Red Herring Prospectus.

Chief Financial Officer

Varesh Goyal

Address: 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India

Telephone No.: +91 22 4515 8777

E-mail: varesh.goyal@shreedhar.com

Company Secretary and Compliance Officer

Mitesh Pravinbhai Patel

Address: 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India

Telephone No.: +91 22 4515 8777

E-mail: company.sec@shreedhar.com

Investor Grievances:

Applicants can contact the Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non receipt of refund orders and non receipt of funds by electronic mode etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the BRLM, who shall respond to the same.

Applicants may contact the BRLM for complaints, information or clarifications pertaining to the Issue.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Details of Key Intermediaries pertaining to this Issue of our Company

Book Running Lead Manager

Marwadi Chandarana Intermediaries Brokers Private Limited

Address: X-change Plaza, Office no. 1201 to 1205, 12th Floor,

Building No. 53E, Zone-5, Road 5E, Gift City,

Gandhinagar - 382355, Gujarat, India

Telephone: 022-69120027

Email ID: mb@marwadichandarana.com

Website: <http://ib.marwadichandanagroup.com>

Investor Grievance E-mail: mbgrievances@marwadichandarana.com

Contact Person: Radhika Maheshwari / Jigar Desai

SEBI Registration Number: INM000013165

Statutory Auditor of our Company

M R B & Associates

Address: A-102, 1st Floor, Shraddha Heights, Telly Gully Cross Road,

Andheri (East), Mumbai, Maharashtra, India, 400069
Telephone: +91 9987030175
Email ID: manish.b@mrassocates.com
Peer review number: 016486
Firm registration number: 136306W
Contact Person: Manish R Bohra

Changes in auditors during the last three years

Except as stated below, there has been no change in the Statutory Auditors of our company during the three years preceding the date of this Draft Red Herring Prospectus:

| Name of Auditor | Date of Change | Reason for Change |
|--|---|--|
| M R B & Associates Address: A-102, 1st Floor, Shraddha Heights, Telly Gully Cross Road, Andheri (East), Mumbai 400069 Contact Person: Manish R Bohra Email Id: manish.b@mrassocates.com Membership No.: 058431 Firm Registration No.: 136306W | September 27, 2024 | Appointed in AGM as an Auditor on September 27, 2024 for a term of five years until the conclusion of AGM for FY 2028-29. |
| Sarda & Pareek LLP Address: 3rd Floor, Mahavir Apartments, 598 M. G. Road, Vile Parle East, Mumbai – 400057, Maharashtra Contact Person: Gaurav Sarda Email Id: gauravsarda@sardapareek.com Membership No.: 110208 Firm Registration No.: 109262W | September 10, 2024 November 30, 2021 | Resigned due to pre-occupation with other assignments. Initially appointed on December 19, 2020 as the first auditor of the Company. Thereafter, re-appointed on November 30, 2021 for a term of 5 FYs. |

Legal Counsel to the Issue

Zenith India Lawyers
Address: D-49, First Floor, Sushant Lok III Extension Sector 57, Gurugram Haryana – 122 003, India.
Email: team@zilawyers.com
Website: www.zilawyers.com
Contact Person: Raj Rani Bhalla
Tel No.: 0124-4240681

Registrar to the Issue

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)
Address: C-101, 247 Park LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West) Mumbai – 400 083, Maharashtra, India
Tel: +91 810 811 4949
Email: shreedharspinners.smeipo@in.mpms.mufg.com
Investor grievance e-mail: shreedharspinners.smeipo@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
Contact Person: Shanti Gopalkrishnan
SEBI registration number: INR000004058
CIN: U67190MH1999PTC118368

Banker(s) to the Issue

[•]

Refund Bank(s)

[•]

Sponsor Bank

[•]

Syndicate Members

[•]

Bankers to our Company

State Bank of India

Address: SME MIDC Andheri Branch

1st Floor, SBI Building,
Plot No B-1, Central Road,
MIDC Andheri, Mumbai 400093

Contact Person: Saurabh Yadav

Tel: 022 28329368/70

Email: sbi.17879@sbi.co.in

Website: www.sbi.bank.in

Designated Intermediaries

Self-Certified Syndicate Banks and SCSBs enabled for UPI Mechanism

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

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

Syndicate SCSB Branches

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

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> , respectively, as updated from time to time.

Registrar and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

Experts to the Issue

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

Our company has received a written consent dated January 09, 2026 from our Statutory Auditor, namely M R B & Associates, Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated January 09, 2026 for the period ended on September 30, 2025 and for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 on the restated financial statements (b) report dated January 09, 2026 on the statement of possible tax benefits available to our Company and its Shareholders.

Additionally, our company has also received a written consent dated December 12, 2025 from Chartered Engineer, namely M/s Rajendra V Khodaskar in their capacity as Chartered Engineer to include their name as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an “Expert” as defined under section 2(38) read with Section 26(5) of the Companies Act, 2013 (and not under the U.S. Securities Act).

Statement of inter-se allocation of responsibilities

Marwadi Chandarana Intermediaries Brokers Private Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

IPO Grading

No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

Monitoring Agency

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of a monitoring agency is not mandatory if the Offer size is up to ₹ 5,000.00 Lakhs. Since the Offer size is below ₹ 5000 Lakhs, our Company has not appointed any monitoring agency for this Offer. However, as per section 177 of the Companies Act 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the offer.

Appraising Entity

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

Credit Rating

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

Debenture Trustee

As this is an Issue consisting of Equity Shares, the appointment of a debenture trustee is not required.

Green Shoe Option

No green shoe option is contemplated under the Issue.

Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with the SEBI/ ROC

A copy of the Draft Red Herring Prospectus has been filed with the Emerge Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of the Red Herring Prospectus/ Prospectus shall be furnished to the Board in soft copy.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/ Prospectus along with the material contracts and documents required to be filed under Section 26 and 32 of the Companies Act, 2013 will also be filed with the RoC, Mumbai at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra and through the electronic portal at www.mca.gov.in

Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and Marathi Edition of Regional newspaper where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Issue Closing Date. Principal parties involved in the Book Building Process are: -

- Our Company;
- The Book Running Lead Manager in this case being Marwadi Chandarana Intermediaries Brokers Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with Emerge Platform of National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders out of which (a) one third of such portion was reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 10,00,000 provided that the unsubscribed portion in either of such subcategories could have been

allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Individual Investor who applies for Minimum Application Size, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “*Issue Procedure*” beginning on page 291 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 291 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process:

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|---------------------|-----------------------|----------------------------|---------------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example.

The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled **“Issue Procedure”** on page 291 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserves the right not proceed with the Issue at any time before the Bid/ Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Bid/ Issue Opening Date but before the allotment of Equity shares, a public notice will be issued by our Company within two (2) Working Days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII’s using the UPI Mechanism) to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the registration of Prospectus with the RoC.

Underwriting Agreement

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the underwriter [●].

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

(This portion has been intentionally left blank and will be filled in before the Red Herring Prospectus or the prospectus, as applicable is filed with RoC)

| Details of the Underwriter | Number of Equity Shares to be Underwritten | Amount Underwritten (₹ in Lakhs) | % of the total Issue size Underwritten |
|-----------------------------------|---|---|---|
| [●] | [●] | [●] | [●] |

**Includes [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, [●] in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

In the opinion of the Board of Directors of our company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

The Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

Market Maker

Details of Market Making Arrangement for this Issue

Our Company and the BRLM has entered into a Market Making Agreement dated [●] with the following Market Maker, to fulfil the Market Making obligations under this Issue:

| | |
|--------------------------------------|-----|
| Name | [●] |
| Correspondence Address | |
| Tel No. | |
| E-mail | |
| Website | |
| Contact Person | |
| SEBI Registration No. | |
| Market Maker Registration No. | |

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by NSE and SEBI in this matter from time to time.

(This portion has been intentionally left blank and will be filled in before the Red Herring Prospectus or the prospectus, as applicable is filed with RoC)

Following is a summary of the key details pertaining to the Market Making Arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and Emerge Platform of NSE from time to time.

4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for quotes given by him.
5. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Managers to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

9. **Risk containment measures and monitoring for Market Makers:** [●] will have all margins which are applicable on the [●] Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** [●] will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
11. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
12. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the Issue size and as follows:

| Issue Size | Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue size) | Re-entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size) |
|--------------------------|---|--|
| Upto ₹ 20 Crore | 25% | 24% |
| ₹ 20 Crore to ₹ 50 Crore | 20% | 19% |
| ₹ 50 Crore to ₹ 80 Crore | 15% | 14% |
| Above ₹ ₹ 80 Crore | 12% | 11% |

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

| Sr. No. | Market Price Slab (in ₹) | Proposed Spread (in % to sale price) |
|---------|--------------------------|--------------------------------------|
| 1 | Up to 50 | 9 |
| 2 | 50 to 75 | 8 |
| 3 | 75 to 100 | 6 |
| 4 | Above 100 | 5 |

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

CAPITAL STRUCTURE

Set forth below are the details of the Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus:

(₹ in Lakhs except share data)

| Sr. No. | Particulars | Aggregate nominal value (in ₹) | Aggregate value at Issue Price* (in ₹) |
|-----------|--|--------------------------------|--|
| A. | Authorized Share Capital | | |
| | 2,50,00,000 Equity Shares of face value of ₹ 10/- each | 25,00,00,000 | [●] |
| B. | Issued, Subscribed and Paid-up share Capital before the Issue | | |
| | 1,56,50,000 Equity Shares of face value of ₹ 10/- each | 15,65,00,000 | [●] |
| C. | Present Issue in terms of this Draft Red Herring Prospectus | | |
| | Fresh Issue of up to 58,00,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] Lakhs ^{(1) (2)} | [●] | [●] |
| | <i>Which Comprises of:</i> | | |
| D. | Reservation for Market Maker portion | | |
| | [●] Equity Shares of face value of ₹ 10/- each | [●] | [●] |
| E. | Net Issue to the Public | | |
| | [●] Equity Shares of face value of ₹ 10/- each | [●] | [●] |
| F. | Issued, Subscribed and Paid-up share Capital after the Issue | | |
| | [●] Equity Shares of face value of ₹ 10/- each* | [●] | [●] |
| G. | Securities Premium Account | | |
| | Before the Issue (as on date of this Draft Red Herring Prospectus) | 260.00 | |
| | After the Issue | | [●] |

* To be updated upon finalisation of the Offer Price, and subject to the Basis of Allotment

- (1) The present Issue has been authorised pursuant to a resolution of our Board dated November 18, 2025 and by Special Resolution passed under applicable provisions of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on December 11, 2025
- (2) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories except QIB, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Managers and Stock Exchange. Such inter-se spill-over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Issue and its allocation various categories, please refer chapter titled “The Issue” on page no. 61 of this Draft Red Herring Prospectus.

For details of changes to our Company’s authorized share capital in the last 10 years, see “History and Certain Corporate Matters - Amendments to our Memorandum of Association” on page 162.

NOTES TO THE CAPITAL STRUCTURE

1. Equity Share Capital History of our Company

The history of the equity share capital of our Company is set forth below:

| Date of allotment | Details of Allottees | Nature of Allotment | Face value (₹) | Issue price (including Premium if applicable) (₹) | Nature of consideration | No. of Equity Shares allotted | Cumulative number of Equity Shares |
|-------------------|--|---|----------------|---|-------------------------|-------------------------------|------------------------------------|
| December 19, 2020 | Dharmendra Mohandas Goyal – 50,000 | Initial Subscription to our Memorandum of Association | 10.00 | 10.00 | Cash | 1,00,000 | 1,00,000 |
| | Vishal Agarwal – 50,000 | | | | | | |
| April 22, 2021 | Dharmendra Mohandas Goyal – 50,000 | Rights Issue | 10.00 | 10.00 | Cash | 49,00,000 | 50,00,000 |
| | Vishal Agarwal – 1,00,000 | | | | | | |
| | Shreedhar Cotsyn Private Limited -45,00,000 | | | | | | |
| | Sunita Dharmendra Goyal - 60,000 | | | | | | |
| | Aditi Goyal - 30,000 | | | | | | |
| | Varesh Goyal - 30,000 | | | | | | |
| | Mohan Das Goyal – 10,000 | | | | | | |
| | Vimla Goyal - 10,000 | | | | | | |
| | Twinkle Adukia – 10,000 | | | | | | |
| | Pooja Agarwal – 10,000 | | | | | | |
| | Kusum Devi Agarwal – 5,000 | | | | | | |
| | Rajendra Prasad Agarwal – 25,000 | | | | | | |
| | Vishal Agarwal HUF – 2,500 | | | | | | |
| | Rajendra Prasad Agarwal HUF – 2,500 | | | | | | |
| | Ram Gopal Agarwal – 5,000 | | | | | | |
| | Anita Devi Agarwal – 5,000 | | | | | | |
| | Shivani Agarwal – 5,000 | | | | | | |
| | Sheetal Agarwal – 5,000 | | | | | | |
| | Siddhartha Super Spinning Mills Limited – 10,000 | | | | | | |

| Date of allotment | Details of Allottees | Nature of Allotment | Face value (₹) | Issue price (including Premium if applicable) (₹) | Nature of consideration | No. of Equity Shares allotted | Cumulative number of Equity Shares |
|-------------------|--|--------------------------------|----------------|---|-------------------------|-------------------------------|------------------------------------|
| | Himtex Textile Private Limited – 10,000 | | | | | | |
| | Shree Nagani Silk Mills Private Limited – 10,000 | | | | | | |
| | Ramkrupa Properties Private Limited – 5,000 | | | | | | |
| January 11, 2022 | Shreedhar Cotsyn Private Limited | Conversion of Loan into Equity | 10.00 | 10.00 | Other than cash | 1,00,00,000 | 1,50,00,000 |
| October 6, 2025 | Sunita Dharmendra Goyal – 10,000 | Private Placement | 10.00 | 50.00 | Cash | 6,50,000 | 1,56,50,000 |
| | Aditi Goyal – 12,500 | | | | | | |
| | Varesh Goyal – 12,500 | | | | | | |
| | Dimple Sumant Lunia – 1,00,000 | | | | | | |
| | Neena Jain – 30,000 | | | | | | |
| | Pankaj Kailash Poddar – 15,000 | | | | | | |
| | Pawan Poddar – 10,000 | | | | | | |
| | Arunima Amodkumar Agarwal – 10,000 | | | | | | |
| | Silkasia Exports Private Limited – 10,000 | | | | | | |
| | Mukul Mohandas Goyal – 20,000 | | | | | | |
| | Savita Agarwal – 10,000 | | | | | | |
| | Shreyansh Agarwal – 10,000 | | | | | | |
| | Sachin Agarwal HUF – 10,000 | | | | | | |
| | Ramgopal Satyanarayan Agarwal – 50,000 | | | | | | |
| | Anurag Goel – 50,000 | | | | | | |
| | Rashmi Poddar – 50,000 | | | | | | |
| | Gyaneshwari Saraf – 10,000 | | | | | | |
| | Nidhi Kaura – 20,000 | | | | | | |
| | Meenal Bhati – 20,000 | | | | | | |

| Date of allotment | Details of Allottees | Nature of Allotment | Face value (₹) | Issue price (including Premium if applicable) (₹) | Nature of consideration | No. of Equity Shares allotted | Cumulative number of Equity Shares |
|-------------------|--|---------------------|----------------|---|-------------------------|-------------------------------|------------------------------------|
| | Pooja Vishal Agarwal – 20,000 | | | | | | |
| | Madhav Vishal Agarwal – 20,000 | | | | | | |
| | Amit Gopalprasad Dhanuka / Swati Amit Dhanuka – 20,000 | | | | | | |
| | Stuti Kamalia – 20,000 | | | | | | |
| | Rajani Shlok Kedia – 20,000 | | | | | | |
| | Dr Rajkumar Kedia – 20,000 | | | | | | |
| | Sangeeta Gupta – 50,000 | | | | | | |
| | Swati Shrikant Gajabi – 20,000 | | | | | | |

3. History of preference share capital of our Company

Our Company has not issued any Preference Share Capital in the past.

4. Issue of Shares for consideration other than cash, bonus issues or out of revaluation reserves

Except as set out below, our Company has not issued Equity Shares for consideration other than cash, bonus issues or out of revaluation reserves.

| Date of Allotment | Nature of Allotment | Details of allottees/ shareholders and equity shares allotted | No. of Equity Shares Allotted | Face value (₹) | Issue price (₹) | Reason for allotment and Benefits accrued to our Company |
|-------------------|--------------------------------|---|-------------------------------|----------------|-----------------|---|
| January 11, 2022 | Conversion of Loan into Equity | Shreedhar Cotsyn Private Limited | 1,00,00,000 | 10.00 | 10.00 | Improving Debt-to-Equity Ratio making the company financially healthier to investors. |

5. Equity Shares allotted in terms of any schemes of arrangement

Our Company has not allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230-232 of the Companies Act, 2013, as applicable.

6. Equity Shares allotted at a price lower than the offer price in the last year

The offer price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid / Offer Closing Date. Other than the allotment of Equity Shares on October 06, 2025 as stated below, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

| Date of allotment | Details of Allottees | Nature of Allotment | Face value (₹) | Issue price (including Premium if applicable) (₹) | No. of Equity Shares allotted | Benefits accrued to Company |
|-------------------|---|---------------------|----------------|---|-------------------------------|--|
| October 6, 2025 | Sunita Dharmendra Goyal – 10,000 | Private Placement | 10.00 | 50.00 | 6,50,000 | To comply with the covenant of the sanction letter of loan |
| | Aditi Goyal – 12,500 | | | | | |
| | Varesh Goyal – 12,500 | | | | | |
| | Dimple Sumant Lunia – 1,00,000 | | | | | |
| | Neena Jain – 30,000 | | | | | |
| | Pankaj Kailash Poddar – 15,000 | | | | | |
| | Pawan Poddar – 10,000 | | | | | |
| | Arunima Amodkumar Agarwal – 10,000 | | | | | |
| | Silkasia Exports Private Limited – 10,000 | | | | | |
| | Mukul Mohandas Goyal – 20,000 | | | | | |
| | Savita Agarwal – 10,000 | | | | | |
| | Shreyansh Agarwal – 10,000 | | | | | |

| Date of allotment | Details of Allottees | Nature of Allotment | Face value (₹) | Issue price (including Premium if applicable) (₹) | No. of Equity Shares allotted | Benefits accrued to Company |
|-------------------|--|---------------------|----------------|---|-------------------------------|-----------------------------|
| | Sachin Agarwal HUF – 10,000 | | | | | |
| | Ramgopal Satyanarayan Agarwal – 50,000 | | | | | |
| | Anurag Goel – 50,000 | | | | | |
| | Rashmi Poddar – 50,000 | | | | | |
| | Gyaneshwari Saraf – 10,000 | | | | | |
| | Nidhi Kaura – 20,000 | | | | | |
| | Meenal Bhati – 20,000 | | | | | |
| | Pooja Vishal Agarwal – 20,000 | | | | | |
| | Madhav Vishal Agarwal – 20,000 | | | | | |
| | Amit Gopalprasad Dhanuka / Swati Amit Dhanuka – 20,000 | | | | | |
| | Stuti Kamalia – 20,000 | | | | | |
| | Rajani Shlok Kedia – 20,000 | | | | | |
| | Dr Rajkumar Kedia – 20,000 | | | | | |
| | Sangeeta Gupta – 50,000 | | | | | |
| | Swati Shrikant Gajabi – 20,000 | | | | | |

7. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme. Our company doesn't have any Employee stock option scheme ("ESOP")/ Employee Stock purchase scheme ("ESPS") for our employees and we do not intent to allot any shares to our employees under ESOP and ESPS from the proposed issue. As and when options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
8. All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.

9. Shareholding Pattern of our Company:

Set forth is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

| Cate gory (I) | Category of sharehold er (II) | No. of shareho lders (III) | No. of fully paid-up Equity Shares held (IV) | No. of partly paid- up Equity Share s held (V) | No. of shares underly ing Deposit ory Receipt s (VI) | Total No. of Equity Shares held (VII) =(IV)+(V)+(VI) | Sharehol ding as a % of total number of Equity Shares (calculat ed as per SCRR,19 57) (VIII) as a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Equity shares underly ing outstan ding convert ible securiti es (includi ng warran ts) (X) | Shareh olding, as a % assumi ng full convers ion of convert ible securiti es (as a percent age of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | Number of locked in Equity Shares (XII) | | No. of Equity Shares pledged or otherwise encumbered (XIII) | | No. of Equity Shares held in demater ialized form (XIV) |
|---------------------|---|-------------------------------------|--|---|--|--|---|--|-------------------------------|-------------|----------------------------------|--|--|---|---|--|---|--|
| | | | | | | | | Number of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Equit y Share s held (b) | No. (a) | As a % of total Equit y Share s held (b) | |
| | | | | | | | | Class (Equity Equity Shares) | Clas s (Ot her s) | Total | | | | | | | | |
| (A) | Promoter and Promoter Group | 21 | 1,51,09,600 | Nil | Nil | 1,51,09,600 | 96.55% | 1,51,09,600 | - | 1,51,09,600 | 96.55% | - | - | - | - | 76,50,000 | 48.88% | 1,51,09,600 |
| (B) | Public | 24 | 5,40,400 | Nil | Nil | 5,40,400 | 3.45% | 5,40,400 | - | 5,40,400 | 3.45% | - | - | - | - | - | - | 5,40,400 |

| Cate gory (I) | Category of sharehold er (II) | No. of shareho lders (III) | No. of fully paid-up Equity Shares held (IV) | No. of partly paid-up Equit y Share s held (V) | No. of shares underly ing Deposit ory Receipt s (VI) | Total No. of Equity Shares held (VII) =(IV)+(V)+(VI) | Sharehol ding as a % of total number of Equity Shares (calculat ed as per SCRR,19 57) (VIII) as a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Equity shares underly ing outstan ding convert ible securiti es (includ ing warran ts) (X) | Shareh olding, as a % assumi ng full convers ion of convert ible securiti es (as a percent age of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | Number of locked in Equity Shares (XII) | | No. of Equity Shares pledged or otherwise encumbered (XIII) | | No. of Equity Shares held in demater ialized form (XIV) |
|---------------------|---|-------------------------------------|--|---|--|--|---|--|-------------------------------|-------|----------------------------------|---|---|---|---|--|---|--|
| | | | | | | | | Number of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Equit y Share s held (b) | No. (a) | As a % of total Equit y Share s held (b) | |
| | | | | | | | | Class (Equity Shares) | Cla ss (Ot her s) | Total | | | | | | | | |
| (C) | Non-Promoter-Non-Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| Cate gory (I) | Category of sharehold er (II) | No. of shareho lders (III) | No. of fully paid-up Equity Shares held (IV) | No. of partly paid-up Equit y Share s held (V) | No. of shares underly ing Deposit ory Receipt s (VI) | Total No. of Equity Shares held (VII) =(IV)+(V)+(VI) | Sharehol ding as a % of total number of Equity Shares (calculat ed as per SCRR,19 57) (VIII) as a % of (A+B+C2) (X) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Equity shares underly ing outstan ding convert ible securiti es (includ ing warran ts) (X) | Shareh olding, as a % assumi ng full convers ion of convert ible securiti es (as a percent age of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | Number of locked in Equity Shares (XII) | | No. of Equity Shares pledged or otherwise encumbered (XIII) | | No. of Equity Shares held in demater ialized form (XIV) |
|---------------------|---|-------------------------------------|--|---|--|--|--|--|---------------------------|-------------|----------------------------------|---|--|---|---|--|---|--|
| | | | | | | | | Number of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Equit y Share s held (b) | No. (a) | As a % of total Equit y Share s held (b) | |
| | | | | | | | | Class (Equity Shares) | Class (Ot her s) | Total | | | | | | | | |
| | Total | 45 | 1,56,50,000 | - | - | 1,56,50,000 | 100.00 % | 1,56,50,000 | - | 1,56,50,000 | 100.00 % | - | - | - | - | 76,50,000 | 48.88 % | 1,56,50,000 |

Notes- As on date of this Draft Red Herring Prospectus, one Equity Shares holds one vote.

We have only one class of Equity Shares of face value of ₹ 10/- each.

As on the date of the filing of this DRHP, our Company has 45 Shareholders of Equity Shares.

10. Other details of Shareholding of our Company

- (a) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this DRHP:

| S. No. | Name of the Shareholders | Number of Equity Shares held | Percentage of the pre-Issue Equity Share capital (%) |
|--------|----------------------------------|------------------------------|--|
| 1. | Shreedhar Cotsyn Private Limited | 1,44,99,600 | 92.65 % |
| 2. | Vishal Agarwal | 1,75,000 | 1.12 % |
| | Total | 1,46,74,600 | 93.77 % |

Notes: Details as on January 09, 2026, being the date of this DRHP

- (b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of ten days prior to filing this DRHP:

| S. No. | Name of the Shareholders | Number of Equity Shares held | Percentage of the pre-Issue Equity Share capital (%) |
|--------|----------------------------------|------------------------------|--|
| 1. | Shreedhar Cotsyn Private Limited | 1,44,99,600 | 92.65 % |
| 2. | Vishal Agarwal | 1,75,000 | 1.12 % |
| | Total | 1,46,74,600 | 93.77 % |

Notes: Details as on December 30, 2025, being the date ten days prior to the date of this DRHP

- (c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this DRHP:

| S. No. | Name of the Shareholders | Number of Equity Shares held | Percentage of the pre-Issue Equity Share capital (%) |
|--------|----------------------------------|------------------------------|--|
| 1. | Shreedhar Cotsyn Private Limited | 1,44,99,700 | 96.67 % |
| 2. | Vishal Agarwal | 1,75,000 | 1.17 % |
| | Total | 1,46,74,700 | 97.84 % |

Notes: Details as on January 08, 2025, being the date one year prior to the date of this DRHP

- (d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this DRHP:

| S. No. | Name of the Shareholders | Number of Equity Shares held | Percentage of the pre-Issue Equity Share capital (%) |
|--------|----------------------------------|------------------------------|--|
| 1. | Shreedhar Cotsyn Private Limited | 1,45,00,000 | 96.67 % |
| 2. | Vishal Agarwal | 1,50,000 | 1.00 % |
| | Total | 1,46,50,000 | 97.67 % |

Notes: Details as on January 08, 2024, being the date two years prior to the date of this DRHP

- 11.** There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split/ consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our

Company.

12. Details of Shareholding of our Promoters and Promoter Group in the Company:

- a. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 1,48,27,100 Equity Shares, equivalent to 94.74 % of the issued, subscribed and paid-up equity share capital of our Company, as set forth in the table below:

| S. No | Name of the Shareholders | Pre-Issue | | Post-Issue | |
|--------------------|---|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | | No. of Equity Shares | Percentage of total Shareholding (%) | No. of Equity Shares | Percentage of total Shareholding (%) |
| (A) Promoters | | | | | |
| 1. | Vishal Agarwal | 1,75,000 | 1.12 | 1,75,000 | [●] |
| 2. | Dharmendra Mohandas Goyal | 1,10,000 | 0.70 | 1,10,000 | [●] |
| 3. | Varesh Goyal | 42,500 | 0.27 | 42,500 | |
| 4. | Shreedhar Cotsyn Private Limited | 1,44,99,600 | 92.65 | 1,44,99,600 | [●] |
| Total (A) | | 1,48,27,100 | 94.74 | 1,48,27,100 | [●] |
| (B) Promoter Group | | | | | |
| 1. | Sunita Dharmendra Goyal | 70,000 | 0.45 | 70,000 | [●] |
| 2. | Aditi Goyal | 42,500 | 0.27 | 42,500 | [●] |
| 3. | Mohan Das Goyal | 10,000 | 0.06 | 10,000 | [●] |
| 4. | Twinkle Adukia | 10,000 | 0.06 | 10,000 | [●] |
| 5. | Pooja Agarwal | 30,000 | 0.19 | 30,000 | [●] |
| 6. | Kusum Devi Agarwal | 5,000 | 0.03 | 5,000 | [●] |
| 7. | Vishal Agarwal HUF | 2,500 | 0.02 | 2,500 | [●] |
| 8. | Rajendra Prasad Agarwal HUF | 2,500 | 0.02 | 2,500 | [●] |
| 9. | Ramkrupa Properties Private Limited | 5,000 | 0.03 | 5,000 | [●] |
| 10. | Pankaj Kailash Poddar | 15,000 | 0.10 | 15,000 | [●] |
| 11. | Pawan Poddar | 10,000 | 0.06 | 10,000 | [●] |
| 12. | Arunima Amodkumar Agarwal | 10,000 | 0.06 | 10,000 | [●] |
| 13. | Mukul Mohandas Goyal | 20,000 | 0.13 | 20,000 | [●] |
| 14. | Madhav Vishal Agarwal | 20,000 | 0.13 | 20,000 | [●] |
| 15. | Shree Nagani Silk Mills Private Limited | 10,000 | 0.06 | 10,000 | [●] |
| 16. | Siddhartha Super Spinning Mills Limited | 10,000 | 0.06 | 10,000 | [●] |
| 17. | Himtex Textiles Private Limited | 10,000 | 0.06 | 10,000 | [●] |
| Total (B) | | 2,82,500 | 1.81 | 2,82,500 | [●] |
| Total (A+B) | | 1,51,09,600 | 96.55 | 1,51,09,600 | [●] |

- b. All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

13. Capital Build-up in respect of Shareholding of our Promoters:

Set forth below is the build-up of the Shareholding of our Promoters in our Company since incorporation:

| Date of Allotment / Transfer | Nature of acquisition (Allotment/ Acquired/ transfer) | No. of Equity Shares | Face value per Equity Share (₹) | Issue price/ Transfer price per Equity Share (₹) | % of the pre- Issue capital (%) | % of the post- Issue capital (%) |
|--|--|----------------------|---------------------------------|--|---------------------------------|----------------------------------|
| 1. Shreedhar Cotsyn Private Limited | | | | | | |
| April 22, 2021 | Rights Issue | 45,00,000 | 10.00 | 10.00 | 28.75 | [●] |
| January 11, 2022 | Conversion of Loan into Equity | 1,00,00,000 | 10.00 | 10.00 | 63.90 | [●] |
| May 30, 2024 | Transfer of Shares to Pushpa Sitarm Pareek / Sitaram Bhanwarlal Pareek | (100) | 10.00 | 10.00 | Negligible | [●] |
| May 30, 2024 | Transfer of Shares to Sitaram Pareek HUF | (100) | 10.00 | 10.00 | Negligible | [●] |
| June 03, 2024 | Transfer of Shares to Sandeep Sitaram Pareek / Sitaram Bhanwarlal Pareek | (100) | 10.00 | 10.00 | Negligible | [●] |
| February 11, 2025 | Transfer of Shares to Neena Jain | (100) | 10.00 | 35.00 | Negligible | [●] |
| Total | | 1,44,99,600 | - | - | 92.65 | [●] |
| 2. Vishal Agarwal | | | | | | |
| December 9, 2020 | Initial Subscription to our Memorandum of Association | 50,000 | 10.00 | 10.00 | 0.32 | [●] |
| April 22, 2021 | Rights Issue | 1,00,000 | 10.00 | 10.00 | 0.64 | [●] |
| November 27, 2024 | Transmission of Shares on demise of Rajendra Prasad Agarwal | 25,000 | 10.00 | - | 0.16 | [●] |
| Total | | 1,75,000 | - | - | 1.12 | [●] |
| 3. Dharmendra Mohandas Goyal | | | | | | |
| December 9, 2020 | Initial Subscription to our Memorandum of Association | 50,000 | 10.00 | 10.00 | 0.32 | [●] |
| April 22, 2021 | Rights Issue | 50,000 | 10.00 | 10.00 | 0.32 | [●] |
| November 27, 2024 | Transmission of Shares on demise of Vimla Goyal | 10,000 | 10.00 | - | 0.06 | [●] |
| Total | | 1,10,000 | - | - | 0.70 | [●] |
| 4. Varesh Goyal | | | | | | |
| April 22, 2021 | Rights Issue | 30,000 | 10.00 | 10.00 | 0.19 | [●] |
| October 06, 2025 | Private Placement | 12,500 | 10.00 | 50.00 | 0.08 | [●] |
| Total | | 42,500 | - | - | 0.27 | [●] |
| Total (1) + (2) + (3) + (4) | | 1,48,27,100 | - | - | 94.74 | [●] |

14. Expect as disclosed in the table titled “Capital Build-up in respect of Shareholding of our Promoters” above,

none of the Promoters, member of the Promoter Group, Directors of our Company nor any of their immediate relatives Equity Shares have acquired/ purchased / sold any securities of our Company within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

15. Details of Promoter's Contribution locked-in for Three Years

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post-Issue Capital held by our Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked in for a period of three years from the date of allotment of Equity Shares pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 1,48,27,100 Equity Shares constituting [●] % of the Post Issued, subscribed and Paid up Equity Share Capital of our Company, which are eligible for the Promoters Contribution.

Our Promoters, Shreedhar Cotsyn Private Limited, Vishal Agarwal and Dharmendra Mohandas Goyal, have given written consent to include [●] Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting [●] % of the post issue Equity Shares of our Company. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter's Contribution are set forth in the table below:

| Date of allotment/ Transfer of the Equity Shares | No. of Equity Shares locked-in | Face value per share (₹) | Issue/ Acquisition/ Transfer price per Equity Share (₹) | Nature of transaction | Post-Issue Shareholding (%) | Lock In Period |
|---|--------------------------------|--------------------------|---|-----------------------|-----------------------------|----------------|
| Shreedhar Cotsyn Private Limited | | | | | | |
| [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Vishal Agarwal | | | | | | |
| [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Dharmendra Mohandas Goyal | | | | | | |
| [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Varesh Goyal | | | | | | |
| [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| Total | | | | | | |

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as 'Promoters' under the SEBI (ICDR) Regulations, 2018. All Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e., for a period of three years form the allotment of Equity Shares in this Issue. Equity Shares offered by the Promoter for the minimum Promoter's contribution are not subject to pledge.

The entire pre-issue shareholding of the Promoters and Promoter Group, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of [●] % of the Post Offer Capital of our Company as mentioned above does not consist of ineligible securities and are hence eligible. Details provided below:

| Reg. No | Promoter's Minimum Contribution Conditions | Eligibility Status of Equity Shares forming part of Promoter's Contribution |
|----------------|--|---|
| 237 (1)(a)(i) | Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction. | The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <u>Hence Eligible</u> |
| 237 (1)(a)(ii) | Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issue or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution. | The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible</u> |
| 237 (1)(b) | Specified securities acquired by the promoter's and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer. | The minimum Promoter's contribution does consist of such Equity Shares. <u>Hence Not Eligible.</u> |
| 237 (1)(c) | Specified securities allotted to the promoter and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issue formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoter of the issue and there is no change in the management. | The minimum Promoter's contribution does not consist of Equity Shares allotted to alternative investment funds. <u>Hence Not Applicable.</u> |
| 237 (1)(d) | Specified securities pledged with any creditor. | Our Promoters have pledged shares with creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Not Applicable.</u> |

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

16. Details of Promoters Contribution Locked-in for One Year and Two Years

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018, fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

17. Lock in of Equity Shares held by Persons other than the Promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 8,22,900 Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

18. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

19. Inscription or recording of non-transferability:

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lockin period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository.

20. Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following:

- In case of Minimum Promoters’ Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by the Promoters in excess of Minimum Promoters’ contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

21. Transferability of Locked-In Equity Shares:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters’ Group or to a new promoter (s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The equity shares held by persons other than Promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoters’ Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

22. Other requirements in respect of lock-in

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by the Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank or a public financial institution or Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- a) With respect to the Equity Shares locked-in as Promoter's Contribution for three years from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- b) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI (ICDR) Regulations.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

- 23. Neither we, nor our Promoters, Promoter Group, Directors and the BRLM to this Issue have entered into any Buyback and/ or standby arrangements and/ or similar arrangements for the purchase of the Equity Shares being offered through the Issue from any person.
- 24. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
- 25. The BRLM and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus. The BRLM and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions or investment management services in respect with our Company for which they may in the future receive customary compensation.
- 26. The Book Running Lead Manager or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the Lead Manager or alternate investment funds or a FPI (other than individuals, corporate bodies and family offices) or pension funds sponsored by entities which are associates of the Lead Manager.
- 27. As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
- 28. None of our Promoters or members of our Promoter Group will participate in the Offer.
- 29. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 30. Except as mentioned below, none of the Equity Shares held by our Promoter/ Promoter Group are pledged or otherwise encumbered.

As on the date of this Draft Red Herring Prospectus, 76,50,000 Equity Shares constituting 48.88 % of our pre-Issue Equity Share capital on a fully diluted basis, held by one of our Promoters, i.e., Shreedhar Cotsyn Private Limited, are pledged in favour of SBICAP Trustee Company Limited (in its capacity as the share pledge trustee) ("Pledged Securities") pursuant to share pledge agreements dated January 27, 2022 and first supplemental share pledge agreement dated November 17, 2025 ("Pledge Agreements").

31. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
32. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price.
- Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e.; National Stock Exchange of India Limited. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
33. At any given point of time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
34. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
35. Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Managerial Personnel, Promoter, Promoter Group as on the date of filling this Draft Red Herring Prospectus:

| No. | Name of Director / KMP/ Promoters/ Promoter Group | Number of Equity | % of the Pre – Issue Equity Share Capital |
|------------------|--|------------------|--|
| Directors | | | |
| 1. | Vishal Agarwal | 1,75,000 | 1.12 |
| 2. | Dharmendra Mohandas Goyal | 1,10,000 | 0.70 |
| 3. | Sunita Dharmendra Goyal | 70,000 | 0.45 |
| KMP | | | |
| 1. | Varesh Goyal | 42,500 | 0.27 |
| SMP | | | |
| NIL | | | |

SECTION V – PARTICULARS OF THE OFFER OBJECTS OF THE ISSUE

The Issue comprises a fresh issue of up to 58,00,000 Equity Shares, aggregating up to ₹ [●] lakhs by our Company.

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Funding incremental working capital requirements of our Company;
2. Purchase of machineries into existing manufacturing facility at Amravati, Maharashtra;
3. General corporate purposes

(collectively, the “**Objects**”).

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us: (i) to undertake our existing business activities and other activities set out therein; and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

In addition to the above-mentioned Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

Requirement of Funds

The details of the proceeds from the Issue are summarized in the following table:

| Particulars | Amount (₹ in lakhs) |
|--|---------------------|
| Gross proceeds of the Issue | [●] |
| (Less) Issue related expenses in relation to the Fresh Issue (1) | [●] |
| Net Proceeds (2) | [●] |

(1) See “Issue Expenses” on page 100.

(2) To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

Requirement of funds and utilization of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

| Particulars | Amount (₹ in lakhs) |
|---|---------------------|
| Funding incremental working capital requirements of our Company; | 2103.52 |
| Purchase of machineries into existing manufacturing facility at Amravati, Maharashtra | 472.88 |
| General corporate purposes* | [●] |
| Net Proceeds | [●] |

*To be finalized upon determination of the Issue Price and will be updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹ 10 Crore whichever is lower.

Proposed Schedule of Implementation and Deployment of Net Proceeds

We intend to deploy the Net Proceeds towards the Objects as disclosed in the table below in accordance with the business needs of our Company. However, the actual deployment of funds will depend on a number of factors, including the timing of completion of the Issue, market conditions, our Board’s analysis of economic trends and business requirements, ability to identify and consummate proposed investments and acquisitions, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital. Depending upon such factors, we may have to reduce or extend the deployment period for the stated Objects at the discretion of our management and in accordance with applicable laws. For further details, see ‘Risk Factor – Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency,

which may affect our business and results of operations’. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution’ on page 50.

Estimated deployment of Net Proceeds

| Particulars | Total Estimated Amount (₹ in lakhs) | Proposed Utilization from Net Proceeds In Fiscal 2027 (₹ in lakhs) | Proposed Utilization from Net Proceeds for the period ended September 30, 2027 (₹ in lakhs) |
|---|-------------------------------------|--|---|
| Funding incremental working capital requirements of our Company | 2103.52 | 1,773.56 | 329.96 |
| Purchase of machineries into existing manufacturing facility at Amravati, Maharashtra | 472.88 | 472.88 | - |
| General corporate purposes | ● | ● | ● |
| Net Proceeds | ● | ● | ● |

The above requirement of funds is based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, and quotations obtained from certain vendors, which are subject to change in the future. These funding requirements have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as changes in costs, financial and market conditions, our management’s analysis of economic trends and our business requirements, changes in technology, ability to identify and consummate new business initiatives, inorganic and geographic expansion opportunities, competitive landscape as well as general factors affecting our results of operations, financial condition, access to capital, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned objects at the discretion of our management, subject to compliance with applicable law.

In the event the estimated utilisation of the Net Proceeds is not completely utilised for the Objects during the respective periods stated above due to factors including but not limited to (i) global or domestic economic or business conditions; (ii) timely completion of the Issue; (iii) market conditions beyond the control of our Company; (iv) rapid change in technology; and (v) any other commercial considerations, the balance Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by the Board of Directors of our Company, in accordance with applicable laws. In the event of any increase in the actual utilisation of funds earmarked and allocated for the purposes set forth above, such additional funds for that particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects, as set out above, is lower than the proposed deployment, such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 15% of the Gross Proceeds, in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, we may explore a range of options including utilising our internal accruals, any additional equity or debt arrangements, or both. We believe that such alternate arrangements would be available with our Company to fund any such shortfalls. For further details, please see section titled “Risk Factors 47 -We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the “Objects of the Issue”. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance.” on page 50.

Means of finance

We propose to fund the requirements of the Objects detailed above entirely from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals as required under Regulation 230(1)(e) the SEBI ICDR Regulations.

Details of Use of Issue Proceeds:

1. Funding incremental working capital requirements of our Company

We propose to utilise ₹ 2103.52 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2027 & September 30, 2027. We have significant working capital requirements, and we fund a majority of our working capital requirements in the ordinary course of business from our existing equity, internal accruals and financing facilities from various banks and financial institutions. As on November 30, 2025, we have a fund and non-fund based working capital loan sanctioned amount of ₹ 2775.00 Lakhs against which outstanding is ₹ 1258.19 Lakhs. For further information, see “*Financial Indebtedness*” and “*Financial Information*” on pages 191 and 190 respectively. Further, the funding of the incremental working capital requirements of our Company will help to a consequent increase in our profitability and in achieving the proposed targets as per our business plan.

Existing and Estimated Working Capital Requirement

The details of our Company’s working capital requirement for Fiscal 2023, Fiscal 2024 & Fiscal 2025 and for the period ended September 30, 2025 derived from the standalone financial statements, and the sources of funding of the same and estimated working capital requirements for Fiscal 2027 and for the period ended September 30, 2027 and proposed funding of such working capital requirements are as set out in the table below:

(₹ in Lakhs)

| Particulars | Fiscal 2023 (Audited) | Fiscal 2024 (Audited) | Fiscal 2025 (Audited) | For the period ended September 30, 2025 (Audited) |
|--|--------------------------|--------------------------|--------------------------|---|
| Current Assets | | | | |
| (a) Inventories | 1,092.10 | 1,567.44 | 1,794.82 | 1,356.42 |
| <i>Raw Materials</i> | 620.42 | 843.60 | 1,034.52 | 517.23 |
| <i>Work In Progress</i> | 150.75 | 288.53 | 411.11 | 468.62 |
| <i>Finished goods</i> | 320.93 | 398.86 | 309.73 | 321.99 |
| <i>Stock of Consumables and Stores</i> | - | 31.85 | 22.92 | 32.23 |
| <i>Stock of Packing Materials</i> | - | 4.60 | 16.54 | 16.35 |
| (b) Trade receivables | 7.51 | 118.07 | 150.98 | 77.50 |
| (c) Short-term loans and advances | 309.55 | 234.70 | 248.33 | 334.51 |
| (d) Other Current Assets | 102.14 | 778.56 | 1,026.58 | 1,388.69 |
| Total Current Assets (A) | 1,511.30 | 2,698.77 | 3,220.72 | 3,157.12 |
| Current Liabilities | | | | |
| (a) Trade payables | 345.66 | 905.50 | 1,175.11 | 916.79 |
| (b) Other current liabilities | 165.16 | 281.20 | 363.32 | 655.65 |
| (c) Short term provision | 108.18 | 86.71 | 2.57 | 28.53 |
| Total Current Liabilities (B) | 619.01 | 1,273.40 | 1,541.00 | 1,600.97 |
| Net Working Capital (A-B) | 892.30 | 1,425.36 | 1,679.72 | 1,556.14 |
| Sources of Funds | | | | |
| Borrowings | 852.53 | 1,058.58 | 1,180.02 | 1,260.48 |
| Internal Accruals | 39.77 | 366.78 | 499.70 | 295.66 |
| Total | 892.30 | 1,425.36 | 1,679.72 | 1,556.14 |

Considering, the existing working capital requirements and as expected for the future, our Board of Directors, pursuant to their resolution dated January 09, 2026, have approved the estimated working capital requirements for Fiscal 2026, Fiscal 2027 and for the period ended September 30, 2027 the proposed funding of such working capital requirements which are detailed below:

(₹ in Lakhs)

| Particulars | Fiscal 2026 (Projected) | Fiscal 2027 (Projected) | For the period ended September 30, 2027 (Projected) |
|--------------------------------------|----------------------------|----------------------------|---|
| Current Assets | | | |
| Inventories | 2,426.68 | 4,300.63 | 4,694.52 |
| Raw Materials | 1,310.70 | 2,794.53 | 2,538.67 |
| Work In Progress | 418.87 | 626.23 | 1,088.00 |
| Finished goods | 667.11 | 849.31 | 1,039.80 |
| Stock of Consumables and Stores | - | - | - |
| Stock of Packing Materials | 29.99 | 30.56 | 28.05 |
| Trade receivables | 371.68 | 1,014.22 | 923.49 |
| Short-term loans and advances | 334.51 | 334.51 | 334.51 |
| Other Current Assets | 900.18 | 1,069.99 | 1,069.99 |
| Total Current Assets (A) | 4,033.05 | 6,719.34 | 7,022.51 |
| Current Liabilities | | | |
| (a) Trade payables | 838.95 | 615.35 | 570.64 |
| (b) Other current liabilities | 207.62 | 211.57 | 194.58 |
| (c) Short term provision | 32.79 | 30.75 | 48.57 |
| Total Current Liabilities (B) | 1,079.37 | 857.66 | 813.79 |
| Net Working Capital (A-B) | 2,953.68 | 5,861.68 | 6,208.72 |
| Sources of Funds | | | |
| Borrowings | 2,400.00 | 2,400.00 | 2,400.00 |
| Internal Accruals | 553.68 | 1,688.12 | 3,478.76 |
| IPO Proceeds | 0 | 1,773.56 | 329.96 |
| Total | 2,953.68 | 5,861.68 | 6,208.72 |

Holding Period (Number of Days)

The table below contains the details of holding period (in number of days) for Financial Year 2023, 2024, 2025 and for the period ended September 30, 2025 the estimated holding period (in days) for the Fiscal 2026, Fiscal 2027 and for the period ended September 30, 2027 the assumptions based on which the working plan projections have been made and approved by the Board of Directors of the Company:

(in days)

| S. No. | Particulars | Fiscal 2023 | Fiscal 2024 | Fiscal 2025 | For the period ended September 30, 2025 | Fiscal 2026 | Fiscal 2027 | For the period ended September 30, 2027 |
|-----------|-------------------------|-------------|-------------|-------------|---|-------------|-------------|---|
| | | (Actual) | (Actual) | (Actual) | (Actual) | (Estimated) | (Projected) | (Projected) |
| I. | Current Assets | | | | | | | |
| | Inventories | 266 | 58 | 62 | 46 | 66 | 77 | 91 |
| | <i>Raw Materials</i> | 151 | 31 | 36 | 18 | 36 | 50 | 49 |
| | <i>Work In Progress</i> | 37 | 11 | 14 | 16 | 11 | 11 | 21 |

| S. No. | Particulars | Fiscal 2023 | Fiscal 2024 | Fiscal 2025 | For the period ended September 30, 2025 | Fiscal 2026 | Fiscal 2027 | For the period ended September 30, 2027 |
|------------|--|-------------|-------------|-------------|---|-------------|-------------|---|
| | | (Actual) | (Actual) | (Actual) | (Actual) | (Estimated) | (Projected) | (Projected) |
| | <i>Finished goods</i> | 78 | 15 | 11 | 11 | 18 | 15 | 20 |
| | <i>Stock of Consumables and Stores</i> | - | 1 | 1 | 1 | 0 | 0 | 0 |
| | <i>Stock of Packing Materials</i> | - | 0 | 1 | 1 | 1 | 1 | 1 |
| | Trade Receivables | 1 | 3 | 4 | 2 | 9 | 15 | 15 |
| II. | Current Liabilities | | | | | | | |
| | Trade Payables | 49 | 32 | 40 | 34 | 25 | 12 | 12 |
| III | Working Capital Days | 218 | 29 | 26 | 14 | 50 | 80 | 93 |

Notes:

⁽¹⁾Holding period level days of Inventories is calculated by dividing inventories by sum of cost of material consumed and Changes in inventories of finished goods, work-in-progress and Stock-in-trade multiplied by number of days in the year/period.

⁽²⁾Holding period level days of Trade Receivables is calculated by dividing trade receivables by revenue from operations multiplied by number of days in the year/period.

⁽³⁾Holding period level days of trade payables is calculated by dividing trade payables by sum of purchase of raw material multiplied by number of days in the year/period.

Rationale for raising additional working capital

Our Company has commenced operation in 2022 and has recorded steady growth across key performance indicators, supported by increasing demand for our products. We intend to further deepen and broaden our presence by introducing new product, catering to new customers, sectors and entering new geographies.

Our business is working capital intensive and we fund our working capital requirements in the ordinary course of business from our internal accruals and financing facilities from various banks, financial institutions and unsecured borrowings. Our Company requires additional working capital for funding future growth requirements of our Company and for other corporate purposes.

As part of our growth strategy, we have established unit 2 with an installed capacity of 10,368 spindles and 1,440 TFO spindles. The establishment of the Proposed Unit is expected to increase our production and operational scale. Consequently, the commencement of operations at the Proposed Unit will result in increased working capital requirements, primarily towards procurement of raw materials, maintenance of higher inventory levels, payment of wages and overheads, and funding of receivables arising from increased sales volumes. Accordingly, we require additional working capital to support the efficient functioning of the Proposed Unit and to ensure uninterrupted operations during the expansion phase.

Further, our business requires working capital majorly for investment in Inventories, trade receivables, advances to suppliers, payment to trade payables and funding day to day operations. To expand our business, it is necessary to maintain adequate inventory levels to ensure timely fulfilment of customer orders and avoid production delays. Our manufacturing process depends on a steady supply of raw materials, making advance payments to suppliers helps secure raw materials at competitive rates.

Key justification for holding levels

The incremental working capital requirement of our company is primarily driven by increase in the trade receivables and Inventories guided by the increase in the revenue from operations. Further, with the fund infusion from the net issue proceeds, we will also be in position to provide timely payment to our suppliers resulting into reduction in trade payables.

Key assumptions for working capital projections made by our Company:

| Particulars | Justification |
|--------------------|---|
| Inventories | |
| Raw Material | <p>A substantial portion of our working capital is allocated towards the procurement of raw materials, primarily cotton bales. Cotton is a seasonal agricultural commodity, and its availability and pricing are subject to fluctuation. To ensure cost efficiency and uninterrupted production, we procure cotton bales during the peak season when prices are favorable or to ensure the supply of raw material is sufficient for our production throughout the calendar year. This seasonal nature of procurement leads to higher upfront working capital requirements during specific periods of the year.</p> <p>In Fiscal 2023, our Company's inventory holding levels were 151 days. In Fiscal 2024, we achieved a 523.18% growth in revenue from operations compared to Fiscal 2023 while maintaining inventory holding levels at 31 days. For the Fiscal 2025, our Company maintained raw material to ensure uninterrupted production, meeting fluctuating customer demand, and mitigating supply chain requirements. Thus, our inventory holding level rose to 36 days in Fiscal 2025. For the period ended September 30, 2025, inventory holding days were 18 days.</p> <p>For Fiscal 2026, raw material inventory holding levels are expected to increase to approximately 36 days, driven by anticipated growth in operations, expected commencement of the expanded capacity and the need to maintain adequate cotton inventory to support continuous production. Raw material inventory holding levels are projected at 50 days for Fiscal 2027 and 49 days for the period ended September 30, 2027, primarily to support increased scale of operations, ensure timely availability of cotton for manufacturing, and meet day-to-day operational requirements. Further, pursuant to our expansion plans, including the establishment of the proposed manufacturing unit, we will be required to maintain higher raw material inventory levels to support increased production capacity and to ensure uninterrupted operations.</p> |
| Work-in- progress | <p>The holding period is projected to remain in the range of 11-21 days over the projection period, broadly in line with historical levels of 37 days for FY 2023, 11 days for FY 2024, 14 days FY 2025 and 16 days for the six-months period ended September 30, 2025.</p> <p>The decline in WIP holding days over the historical period reflects improvements in production planning, process efficiencies, and cycle time optimization across manufacturing operations. The projected WIP holding period assumes continued operational efficiencies, stable production throughput, and effective coordination between raw material availability and production schedules.</p> <p>Fluctuations within the projected range may arise due to changes in order volumes, production batch sizes, and the mix of customer orders. However, we expects to maintain WIP inventory within this range through disciplined production management, efficient workflow sequencing, and timely conversion of WIP into finished goods, thereby minimizing inventory lock-in while ensuring uninterrupted manufacturing operations.</p> |
| Finished Goods | <p>We are producing cotton spun yarn. Generally, we manufacture the yarn based on orders received from customers in advance. The finished good stock is usually stock</p> |

| Particulars | Justification |
|-------------------------------|---|
| | <p>sold and pending dispatch or pending completion, however some finished goods may be produced to mitigate risks like unexpected demand surges, and to ensure timely order fulfilment, ultimately improving customer satisfaction and preventing lost sales. In the last three fiscal, we have maintained average stock of about 30 days.</p> <p>The finished goods holding period was 78 days in Fiscal 2023, which declined to 15 days in Fiscal 2024 and remained at 11 days in Fiscal 2025. For the period ended September 30, 2025, finished goods inventory holding days were 11 days. The finished goods inventory holding period has shown a significant reduction over the historical period, reflecting improved demand forecasting, efficient order execution, and better alignment between production and dispatch schedules.</p> <p>The projected finished goods holding period is expected to increase moderately to 18 days in Fiscal 2026 and remain at 15 days in Fiscal 2027, while for the period ended September 30, 2027, it is projected at 20 days. The increase in the projected period primarily reflects the need to maintain adequate finished goods inventory to support higher sales volumes, meet time-sensitive customer orders, and ensure timely fulfilment during peak demand periods.</p> <p>Overall, the projected finished goods inventory holding levels are expected to remain within a manageable range, supported by continued improvements in production planning, dispatch coordination, and customer order management, thereby minimizing inventory accumulation while ensuring operational flexibility.</p> |
| Trade Receivables | <p>The holding levels of the Company's trade receivables have ranged from 1-4 days during the last 3 Fiscals.</p> <p>In Fiscal 2023, our Company's trade receivable days were 1 days. In Fiscal 2024, there was an increase in trade receivable holding level to 3 days which has further increased to 4 days in Fiscal 2025. This is due to increased credit terms given to our customers to stay competitive for both Fiscals 2024 and 2025. Further for the period ended September 30, 2025, our Company's trade receivable days were 2 days.</p> <p>For fiscal 2026 trade receivables days are projected to 9 days. In Fiscal 2027 and period ended September 30, 2027, further rises to 15 days. Increase in Trade Receivable days is in line with the past trend and is mainly due to deeper market penetration, exploring new geographical markets and strategic investments in proposed unit requiring increased business operation.</p> <p>Additionally, as part of our expansion plans, including strategic investments in the proposed manufacturing unit and the consequent scale-up of operations, we expect an increase in business volumes, customer base, and order sizes. This is expected to result in a corresponding increase in trade receivable levels. Despite the projected increase, we intend to continue monitoring receivables closely and maintain prudent credit assessment and collection practices to mitigate credit risk and ensure efficient working capital management.</p> |
| Short term loans and advances | Short term loans and advances comprises of advance to suppliers and GST Receivables. Herein there is no major variation except for growth in business |
| Other Current Assets | Other Current Assets comprises of Fixed Deposit and Subsidy Receivable from government. Herein there is no major variation except for growth in business. |
| Trade Payables | Trade payables represent amounts due to suppliers for raw materials procured us. Historically, raw materials were sourced predominantly from the open market, where suppliers typically extended average credit periods ranging from approximately 30 to 45 days during Fiscal 2023, Fiscal 2024, Fiscal 2025 and the period ended September 30, 2025. This trade credit facilitated working capital management under normal market procurement conditions. |

| Particulars | Justification |
|---------------------------|---|
| | <p>During the recent cotton marketing seasons, the Government of India, through the Cotton Corporation of India (“CCI”), commenced cotton procurement operations at the Minimum Support Price (“MSP”) to support farmers when market prices were below MSP levels. For the 2024–25 and 2025–26 cotton seasons, MSP procurement by CCI began from October in key cotton producing states, including Maharashtra, with procurement operations commencing around mid-October in central states such as Maharashtra. The MSP for cotton during the relevant seasons was fixed by the Government and cotton purchase centres were operational across the State to ensure support prices to farmers.</p> <p>Under MSP procurement, cotton supplies by CCI were made available at predetermined support prices or prevailing prices as per the quality and bid prices on their purchasing portal, however advance payments were required to secure allocations and book cotton bales, additionally full advance payment were required before dispatch of raw material, as opposed to the longer supplier credit available in open market purchases. Given the advance payment requirement for MSP cotton procurement and comparatively shorter vendor credit at MSP centres, we anticipate a reduction in trade payables days in the projected period.</p> <p>Accordingly, trade payables days are forecasted to decline to approximately 25 to 12 days during Fiscal 2026 through the period ended September 30, 2027. This reduction reflects our procurement of cotton under MSP arrangements, which have required advance or shorter credit terms relative to open market supplies, and the Company’s working capital strategy to ensure timely availability of cotton for uninterrupted production. We continue to optimise its payables management while balancing supplier relationships and cost considerations.</p> |
| Other Current Liabilities | Other current liabilities majorly comprise of advance from customers, statutory dues payable and interest on loan payable. It has been maintained in line with the projected business activity. |
| Short term provision | Short term provision majorly comprises of provision on loan and provision for employee benefits. It has been maintained in line with the projected business activity. |

Notes: As certified by M/s MRB & Associates, Chartered Accountants through their certificate dated January 09, 2026

Conclusion:

Without sufficient working capital, we may face challenges in meeting short-term obligations, such as paying suppliers or employees, which can ultimately impact overall business performance. Additionally, having adequate working capital also allows company to take advantage of growth opportunities and maintain a competitive edge in the market.

| Particulars | Fiscal 2023 | Fiscal 2024 | Fiscal 2025 | For the period ended September 30, 2025 |
|---------------------------------|----------------|----------------|----------------|--|
| Working Capital | 892.30 | 1,425.36 | 1,679.72 | 1,556.14 |
| Working Capital to sales (%) | 44% | 11% | 13% | 22% |

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

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

Accordingly, the proposed infusion of ₹2103.52 lakhs from the Net Proceeds will help us address the increased working capital needs, maintain business continuity, and support future growth. Considering, the commencement of operation of proposed manufacturing unit 2 and the anticipated growth in the Company's business, additional working capital will be required to support higher operational volumes and increased working capital intensity. The proposed utilization of Net Proceeds is therefore essential to fund the Company's growth plans and ensure business continuity.

2. Purchase of machineries into existing manufacturing facility at Amravati, Maharashtra

We are an ISO 9001: 2015 certified Company engaged in the business of manufacturing of cotton yarn. Our Company is primarily engaged into manufacturing of spun cotton yarn of various counts which includes combed, semi combed and carded yarn at our manufacturing facility located at manufacturing units located at Plot No. T-15, additional Amravati industrial area textile park, Tuljapur, Amravati – 444901, Maharashtra, India for a period of 95 years spread across 1,20,000 sq. mt. and has a production capacity of 5500 MT per annum of cotton yarn, with 18,240 spindles as on September 30, 2025.

In a strategic move for operational efficiency and manufacturing excellence, the Company proposes to utilise a portion of the Issue proceeds towards the upgradation of its existing manufacturing facility with the objective of enhancing diversifying product and strengthening manufacturing capabilities. This includes investments in technologically advanced and high-performance spinning machinery, automation systems, and comprehensive quality control infrastructure, including in-house testing laboratories. These enhancements are expected to improve process reliability, reduce operational bottlenecks, ensure adherence to stringent quality parameters, and support the consistent production and delivery of superior-quality yarn, thereby strengthening customer satisfaction and market competitiveness.

We propose to utilise an amount of up to ₹ 472.88 Lakhs of the Net Proceeds towards funding the capital expenditure for setting up machineries into existing manufacturing unit. Our Board in its meeting dated January 09, 2026 approved the proposed objects of the Issue and the respective amounts proposed to be utilized from the Net Proceeds for each Object.

An indicative list of such machinery that we intend to purchase for deployment at our principal production facilities at Amravati, based on management estimates, along with details of the quotations, as certified by Rajendra V Khodaskar, Chartered Engineer, pursuant to their certificate dated January 09, 2026, have been set forth:

| S. No. | Description of Equipments | Name of the supplier / vendor | Date of Quotation ^ | Amount | Qty | Amount to be utilised from Net Proceeds (₹ In Lakhs) | Installed Capacity | Purpose |
|--------|---------------------------------------|-------------------------------|---------------------|-------------|-----|--|----------------------------|--|
| 1 | Comber Lk69 S/M | LMW Limited^ | December 30, 2025 | INR 49.63 | 3 | 148.90 | 2.1MT per machine, per day | Preparatory for spinning of Combed yarn. |
| 2 | 0000.255000-20000 CTO - USTER HVI1000 | Uster Technologies AG ^^ | December 02, 2025 | CHF 140000* | 1 | 159.15* | N/A | Testing equipment for Raw Cotton Fibre |
| | 0000.255000-12000 CTO - USTER AFIS 6 | | December 02, 2025 | CHF 145000* | 1 | 164.84* | N/A | Testing equipment for Raw Cotton Fibre and In-Process cotton sliver. |

| S. No. | Description of Equipments | Name of the supplier / vendor | Date of Quotation ^ | Amount | Qty | Amount to be utilised from Net Proceeds (₹ In Lakhs) | Installed Capacity | Purpose |
|--------------|---------------------------|-------------------------------|------------------------|--------|-----|---|--------------------|----------|
| TOTAL | | | | | | 472.88 | - | - |

[^]Quotation is valid for 45 days

^{^^}Quotation is valid upto May 31, 2026

*1 CHF = ₹ 113.68 as on January 07, 2026

Methodology for selection of vendor quotation

Our estimated costs for our purchase of machinery are based on valid and existing quotations received from the vendors as mentioned above. The Board of director vide their resolution dated January 09, 2026 has selected the quotations of the LMW Limited and Uster Technologies AG on the basis of the following criteria:

1. The Company has history of purchase of machinery from such vendor for both of its manufacturing units.
2. Competitive Pricing: Submitted the most cost-effective proposal while maintaining the required quality standards, resulting in overall project cost savings.
3. Past Experience: Vendor has demonstrated experience in similar-scale projects, with positive references and a strong portfolio
4. Lead Time & Execution Capacity: Offered the shortest project timeline and has adequate manpower and infrastructure to ensure timely delivery without compromising on quality

All quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the equipment at the same costs. Some of the quotations mentioned above do not include cost of freight, insurance, octroi, entry tax, customs duty and other charges as these can be determined only at the time of placing of orders. Therefore, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item. Additionally, there may be also changes in the costs due to factors outside of our control, including changes in price of materials required or machinery and equipment, changes in market conditions, competitive environment, inflation, technological changes, changing customer preferences, interest or exchange rate fluctuations and changes in regulations or government policies. We are yet to place orders for any of the machinery. Further, for risk arising out of the Objects, see Risk Factor 22– “ *We intend to utilise ₹ 472.88 Lakhs from the Net Proceeds for funding our capital expenditure requirements towards purchase of new machinery, for which we have not placed any orders or entered into any definitive agreement.* ” on page 41 of this Draft Red Herring Prospectus.

The quantity of machinery to be purchased is based on the estimates of our Company’s management. Accordingly, the number of units of each machine proposed to be purchased may be varied based on the availability, technological improvements, commercial and logistics, specifications of the machinery or negotiations with the relevant vendor.

Moreover, if the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 15% of the aggregate of the gross proceeds of the Issue or Rs. 1,000 lakhs whichever is less, in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking debt lenders. In furtherance, that such alternate arrangements would be available to fund any such shortfalls.

No Second-hand or used equipment is proposed to be purchased out of the Net Proceeds. No land is proposed to be acquired from the Net Proceeds.

Our Promoters, Directors, Key Managerial Personnel and Senior Management do not have any interest in the proposed acquisition of the equipment or in the entity from whom we have obtained quotations in relation to such proposed acquisition of the equipment. Any equipment not purchased from the Net Proceeds shall be purchased from our internal accruals. Our Company shall have the flexibility to deploy such machinery at any of our existing and future plants, according to our business requirements based on the estimates of our Company's management.

3. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Net Proceeds aggregating ₹ [●] lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, initial development costs for new products, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Draft Red Herring Prospectus, shall not exceed 15% of the Gross Proceeds raised by our Company through this Issue or ₹ 1,000 Lakhs whichever is lower.

Issue related expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The Issue related expenses primarily include fees payable to the Book Running Lead Manager and legal counsel, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up of the estimated Issue expenses is set forth below:

| Particulars | Amount | % of Total Issue Expenses | % of Total Issue Size |
|--|------------|---------------------------|-----------------------|
| Book Running Lead Manager fees [including underwriting] as applicable | [●] | [●] | [●] |
| Brokerage, selling commission and other uploading fees | [●] | [●] | [●] |
| Fees payable to Registrar to the Offer | [●] | [●] | [●] |
| Fees to the legal advisor, audit / chartered accountant fees and other Professional Agencies | [●] | [●] | [●] |
| Advertising and marketing Expenses | [●] | [●] | [●] |
| Fees payable to regulators including stock exchange | [●] | [●] | [●] |
| Printing and distribution expenses | [●] | [●] | [●] |
| Miscellaneous (including fees payable to Marketing & distribution expenses, and market research firms) | [●] | [●] | [●] |
| Total Expense | [●] | [●] | [●] |

* Issue expenses include taxes, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

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

| | |
|---------------------------------|---|
| Portion for Individual Bidders^ | [●]% of the Amount Allotted (plus applicable taxes) |
|---------------------------------|---|

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

[^] Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

No additional bidding charges shall be payable by the Company to the SCSBs on the applications directly procured by them. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of NSE.

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

| | |
|---------------------------------------|--|
| Portion for Individual Bidders | ₹ [●] per valid Bid cum Application Form (plus applicable taxes) * |
| Portion for Non-Institutional Bidders | ₹ [●] per valid Bid cum Application Form (plus applicable taxes) * |

* For each valid application

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹ [●] lakhs (plus applicable taxes) and in case if the total processing fees exceeds ₹ [●] lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of Individual Investors and Non-Institutional Investors, as applicable.

Brokerage, selling commission and processing/ uploading charges on the portion for Individual Investors and Non-Institutional Investors (excluding UPI Bids) which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their sub-Syndicate members) would be as follows:

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

[^] Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

The selling commission payable to the Syndicate/sub-Syndicate members will be determined (i) for IIs, NIIs (up to ₹ [●] lakhs) on the basis of the application form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if a Syndicate ASBA application on the application form number/series of a Syndicate/sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/sub-Syndicate member; (ii) for NIIs (above ₹ [●] lakhs), Syndicate ASBA Form bearing SM code and sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the exchange platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the Syndicate / sub-Syndicate members and not the SCSB.

Bidding charges payable to members of the Syndicate (including their sub-Syndicate members) on the applications made using 3-in-1 accounts would be ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate members). Bidding charges payable to SCSBs on the QIB Portion and NIIs (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹[●] per valid application (plus applicable taxes).

Bidding charges payable on the application made using 3-in-1 accounts will be subject to a maximum cap of ₹ [●] lakhs (plus applicable taxes), in case if the total processing fees exceeds ₹ [●] lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of Individual Investors and Non-Institutional Investors, as applicable.

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

Selling commission/ bidding charges payable to the Registered Brokers on the portion for Individual Investors and Non-Institutional Investor which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

| | |
|--|--|
| <i>Portion for Individual Bidders</i> | <i>₹ [●] per valid Bid cum Application Form (plus applicable taxes)*</i> |
| <i>Portion for Non-Institutional Bidders</i> | <i>₹ [●] per valid Bid cum Application Form (plus applicable taxes)*</i> |

** For each valid application.*

The Processing fees for applications made by Individual Bidders or Individual investors bidding under the Non-Institutional Portion for an amount of more than ₹ [●] lakhs and up to ₹ [●] lakhs using the UPI Mechanism would be as follows:

| | |
|------------|---|
| <i>[●]</i> | <i>₹ [●] per valid Bid cum Application Form* (plus applicable taxes)</i> <i>The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.</i> |
|------------|---|

** For each valid application.*

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

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public issuing (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark “Syndicate ASBA” may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for IB and NIB bids up to ₹ 5 lakhs will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Interim use of the Net Proceeds

Our Company, in accordance with the applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described in this section, our Company may temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

Appraising entity

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

Bridge financing facilities

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

Monitoring of utilisation of funds

As the Net Proceeds of the Issue will be less than ₹ 5000 Lakhs, under the SEBI ICDR Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through our Audit Committee. Pursuant to Regulation 262(5) of the SEBI ICDR Regulations, the Issuer company shall submit a certificate of the statutory auditor for utilization of money raised through the public issue to SME exchange(s) while filing the quarterly financial results, till the issue proceeds are fully utilized.

Pursuant to Regulation 262(6) of SEBI ICDR Regulations, In an issue where working capital is one of the objects of the issue and the amount raised for the said object exceeds five crore rupees, the issuer shall submit a certificate of the statutory auditor to SME exchange(s) while filing the quarterly financial results, for use of funds as working capital in the same format as disclosed in the Issue document, till the proceeds raised for the said object are fully utilized.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, or Key Managerial Personnel, Senior Management or Group Companies. Our Company has not entered into or is not planning to enter into any arrangement / agreements with our Directors, our Promoters, the members of our Promoter Group, the Key Managerial Personnel or Senior Management in relation to the utilization of the Net Proceeds of the Issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Issue as set out above.

BASIS FOR ISSUE PRICE

The Price Band and the Offer Price will be determined by our Company in consultation with the BRLM based on an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is [●] times of the face value.

Investors should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 30, 190, 231 and 135 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Issue price are:

1. Long term and expanding customer relationship across textile industry
2. Fully integrated cotton spinning infrastructure with modern technologies to support our product portfolio
3. Experienced management team
4. Location advantage of our manufacturing facility
5. Cost effective production and timely fulfilment of orders

For further details regarding some of the qualitative factors, which form the basis for computing the Offer Price, please see chapter titled “Our Business” beginning on page 135 of this Draft Red Herring Prospectus.

Quantitative Factors

The information presented in this chapter is derived from company’s Restated Financial Statements for the period ended September 30, 2025 and for the financial year ended March 31, 2025, 2024 and 2023 prepared in accordance with Indian GAAP. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 190 of this Draft Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Adjusted Basic and Diluted Earnings / (Loss) Per Share (“EPS”)

As per Restated Financial Statements –

| Particulars | Basic and Diluted EPS | Weights |
|--|-----------------------|-------------|
| March 31, 2025 | 2.28 | 1 |
| March 31, 2024 | 2.23 | 2 |
| March 31, 2023 | (0.95) | 3 |
| Weighted Average | | 1.73 |
| For the period ended on September 30, 2025 (Not annualized) | | 2.03 |

Notes:

- (1) Adjusted Basic and Diluted EPS is computed in accordance with Accounting Standards
- (2) Basic and diluted EPS is calculated as Profit/(loss) for the year/period attributable to Equity shareholders divided by the adjusted weighted average number equity shares outstanding during the year/period.

2. Price Earnings Ratio (“P/E”) in relation to the Floor Price [●]/- / Cap Price of [●]/- per share of ₹ 10/- each fully paid-up.

| Particulars | P/E at the lower end of Price Band (no. of times) | P/E at the higher end of Price band (no. of times) |
|--|---|--|
| Based on Restated Financial Statements | | |
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2024-25 | [●] | [●] |
| P/E ratio based on the Basic & Diluted EPS, as restated for September 30, 2025 | [●] | [●] |

| Industry P/E Ratio* | Name of the Company | |
|---------------------|------------------------|------|
| Highest | A B Cotspin Limited | 50** |
| Lowest | Siddhi Cotspin Limited | 5 |
| Average | | 27 |

**Note : The industry high and low has been considered from the industry peer set provided later in this chapter. For further details, see “Peer Competitors – Comparison of Accounting Ratios with Industry Peers” at point 5 below.*

***Calculated on diluted EPS*

3. Return on Net worth (RoNW) As per Restated Financial Statements

| Particulars | RONW (%) | Weights |
|--|----------|---------------|
| March 31, 2025 | 16.79% | 3 |
| March 31, 2024 | 19.81% | 2 |
| March 31, 2023 | (10.55%) | 1 |
| Weighted Average | | 13.24% |
| For the period ended on September 30, 2025 (Not annualized) | | 13.00% |

Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.

4. Net Asset Value (NAV)

As per Restated Financial Statements

| Financial Year | NAV (₹) |
|--|--------------|
| March 31, 2025 | 13.56 |
| For the period ended on September 30, 2025 (Not annualized) | 15.58 |
| Net Asset Value per Equity Share after the Offer at Offer Price | |
| Offer Price* | [●] |
| Floor Price* | [●] |
| Cap Price* | [●] |

Note: NAV has been calculated as net worth divided by number of Equity Shares outstanding at the end of the year

**To be updated upon finalisation of the Price Band. Offer Price will be determined on conclusion of the Book Building Process*

5. Comparison of Accounting Ratios with Industry Peers

We understand that listed industry peers of the Company have been identified as AB Cotspin India Limited and Siddhi Cotspin Limited (the “**Industry Peers**”).

Based on our review of the audited financial statements of such Industry Peer for their latest available financial statement on stock exchange i.e. (for period ended September 30, 2025) : (a) that the P/E ratio is [●] and (b) the additional details as set forth below:

| (₹ in lakh) | | | | | | | | | | |
|----------------------------|---------------------------|------------------------------------|---------------------------------|----------------------|-----|--------------------------------------|--|----------|-------------------|----------------------|
| Name of the Company | Standalone / Consolidated | Total Revenue as on March 31, 2025 | Face Value per Equity Share (₹) | Current market price | P/E | EPS (Basic) as on March 31, 2025 (₹) | EPS (Diluted) as on March 31, 2025 (₹) | RoNW (%) | NAV (₹ per share) | Profit after tax (₹) |
| Shreedhar Spinners Limited | Standalone | 2,033.55 | 10 | [•] | [•] | 2.28 | 2.28 | 16.79 % | 13.56 | 341.53 |
| Industry Peers: | | | | | | | | | | |
| AB Cotspin India Limited | Consolidated | 29,817.61 | 10 | 407.10** | 50* | 9.60 | 8.21 | 9.18% | 6.12 | 1,016.74 |
| Siddhi Cotspin Limited | Standalone | 72,454.45 | 10 | 30.30* | 5* | 6.52 | 6.52 | 16.23 % | 40.78 | 1288.16 |

Source: All the financial information for listed industry peer mentioned above is on standalone basis and is sourced from the filings made with Stock Exchanges available on www.nseindia.com.

* Computed by dividing the closing market price on January 07, 2026 on NSE by EPS.

** Closing price on January 07, 2026 at NSE and for our Company it is considered as issue price.

Notes:

- P/E Ratio has been computed based on the issue price of equity shares divided by the Post-Issue Diluted EPS as on period ended March 31, 2025
- Return on Net Worth (%) = Net profit after tax, as restated / Net worth as restated as at period/year end.
- NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.

6. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyses the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 09, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M R B & Associates vide their certificate dated January 09, 2026.

The KPIs of our Company have been disclosed in the chapters titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators**” on pages 135 and 231 of this Draft Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in “**Definitions and Abbreviations**” on page 2 of this Draft Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Offer as per the disclosure made in the chapter titled “**Objects of the Issue**” on page 91, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Financial KPIs

A list of certain financial data, based on our Restated Financial Information is set out below for the indicated Fiscals:
(₹ in Lakhs, unless otherwise specified)

| Particulars | Unit | For the period ended September 30, 2025 | For the financial year ended March 31, 2025 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 |
|--|----------------|---|---|---|---|
| Revenue from Operations ⁽¹⁾ | ₹ | 7,000.62 | 13,426.66 | 12,613.85 | 2,024.11 |
| Total Income ⁽²⁾ | ₹ | 7009.64 | 13442.60 | 12635.16 | 2027.68 |
| Revenue CAGR ⁽³⁾ | % | NA | 157.55% | | |
| EBITDA ⁽⁴⁾ | ₹ | 785.17 | 1,310.50 | 1,340.91 | 150.57 |
| EBITDA Margin ⁽⁵⁾ | % | 11.22% | 9.76% | 10.63% | 7.44% |
| Profit After Tax ⁽⁶⁾ | ₹ | 303.78 | 341.53 | 335.20 | -143.18 |
| Profit After Tax Margin ⁽⁷⁾ | % | 4.34% | 2.54% | 2.66% | -7.07% |
| Return on Equity (RoE) ⁽⁸⁾ | % | 13.00% | 16.79% | 19.81% | -10.55% |
| Return on Capital Employed ⁽⁹⁾ | % | 6.82% | 11.49% | 13.14% | 0.49% |
| Net Fixed Asset Turnover Ratio ⁽¹⁰⁾ | Times | 1.22 | 2.27 | 2.04 | 0.31 |
| Working Capital Turnover Ratio ⁽¹¹⁾ | Times | 4.50 | 7.99 | 8.85 | 2.27 |
| Working Capital Days ⁽¹²⁾ | Number of days | 14 | 26 | 29 | 218 |
| Debt to Equity Ratio ⁽¹³⁾ | Times | 2.88 | 3.21 | 3.67 | 4.64 |
| Return on Assets ⁽¹⁴⁾ | % | 0.03 | 0.03 | 0.04 | -0.02 |
| Current Ratio ⁽¹⁵⁾ | Times | 0.94 | 1.02 | 1.00 | 0.86 |
| Inventory turnover ratio ⁽¹⁶⁾ | Times | 3.40 | 6.26 | 7.48 | 2.75 |
| Trade Receivables turnover ratio ⁽¹⁷⁾ | Times | 61.28 | 99.81 | 200.89 | 538.95 |
| Trade payables turnover ratio ⁽¹⁸⁾ | Times | 5.11 | 10.11 | 15.89 | 8.54 |

As certified by M R B & Associates, Chartered Accountant by their certificate dated January 09, 2026.

Notes:

⁽¹⁾ Revenue from operations as derived from restated financial statements

⁽²⁾ Total Income as derived from restated financial statements

⁽³⁾ Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising to the power of one divided by the number of compounding period i.e. 2 years and subtracting by one.

⁽⁴⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.

⁽⁵⁾ EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁶⁾ Profit After Tax as derived from restated financial statements

⁽⁷⁾ PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

⁽⁸⁾ Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.

⁽⁹⁾ Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization

⁽¹⁰⁾ Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset

⁽¹¹⁾ Working Capital Turnover Ratio is calculated as Revenue from operation divided by Capital employed

⁽¹²⁾ Working Capital days is Inventory days + Receivables Days – Trade Payable Days

⁽¹³⁾ Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities.

⁽¹⁴⁾ Return on Assets is calculated by dividing the total assets by the profit after tax.

⁽¹⁵⁾ Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

⁽¹⁶⁾ Inventory Turnover Ratio = Cost of Goods Sold ÷ Average Inventory

⁽¹⁷⁾ Trade Receivables turnover ratio = Revenue from Operations ÷ Average Trade Receivables

⁽¹⁸⁾ Trade Payable turnover ratio = Purchases ÷ Average Trade Payables

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 135 and 231 respectively

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

| Sr No. | KPI | Rationale / Relevance |
|--------|---|---|
| 1 | Revenue from Operations | Revenue from operations is used by the management to track revenue generated from the Company’s core business activities. |
| 2 | Revenue CAGR (FY 23 to FY 25) | Revenue CAGR provides information regarding growth in revenue over the specified period. |
| 3 | Total Income | Total income comprises revenue from operations and other income and is used to assess overall income generation of the Company. |
| 4 | EBITDA | EBITDA is used by the management to track the operational profitability of the business before the impact of financing, depreciation, amortization, and taxes. |
| 5 | EBITDA Margin | EBITDA Margin is an indicator of operational efficiency, profitability margins, and overall financial performance of the business. |
| 6 | Profit After Tax (PAT) | Profit after tax is used by the management to track the overall profitability of the Company after accounting for all expenses and taxes. |
| 7 | Profit After Tax Margin | Profit after tax margin is an indicator of the overall profitability margin and financial performance of the business. |
| 8 | ROE (Return on Equity) | ROE is used by the management to track how efficiently the Company generates profits from shareholders’ funds and how effectively it converts shareholders’ funds into profits. |
| 9 | ROCE (Return on Capital Employed) | ROCE is used by the management to track how efficiently the Company generates earnings from the capital employed in the business and how effectively it converts its total capital into profits. |
| 10 | Fixed Asset Turnover Ratio | Fixed Asset Turnover Ratio provides information on the efficiency of utilization of fixed assets to generate revenue from operations. |
| 11 | Working Capital Turnover Ratio (in Times) | Working Capital Turnover Ratio is used by the management to assess the efficiency with which the Company utilizes its working capital to generate revenue from operations, indicating the effectiveness of working capital management and operational efficiency. |
| 12 | Net Working Capital Days | Net Working Capital Days is used by the management to assess the efficiency of managing current assets and liabilities, indicating the Company’s liquidity position and operational efficiency. |
| 13 | Net Debt / Equity | Net Debt / Equity ratio provides information on the leverage level of the Company and is used to assess its capital structure and financial risk. |

| Sr No. | KPI | Rationale / Relevance |
|---------------|----------------------------------|---|
| 14 | Return on Assets | Return on Assets is used by the management to assess how efficiently the Company utilizes its total assets to generate profits and to evaluate overall operational efficiency and asset productivity. |
| 15 | Current Ratio | Current Ratio is used by the management to assess the Company's ability to meet its short-term obligations using its current assets and indicates the short-term liquidity position of the Company. |
| 16 | Inventory Turnover Ratio | Inventory Turnover Ratio is used by the management to evaluate the efficiency with which inventory is managed and converted into sales, indicating inventory management effectiveness and operational efficiency. |
| 17 | Trade Receivables Turnover Ratio | Trade Receivables Turnover Ratio is used by the management to assess the efficiency of collection of receivables and the effectiveness of the Company's credit policies. |
| 18 | Trade Payables Turnover Ratio | Trade Payables Turnover Ratio is used by the management to assess how efficiently the Company manages its payments to suppliers and its short-term working capital management. |

Comparison of KPI with Listed Industry Peers

| | | Shreedhar Spinners | | | AB Cotspin India Limited | | | Siddhi Cotspin Limited | | |
|--|----------------|---|---|---|---|---|---|---|---|---|
| Particulars | Unit | For the financial year ended March 31, 2025 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 | For the financial year ended March 31, 2025 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 | For the financial year ended March 31, 2025 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 |
| Revenue from Operations ⁽¹⁾ | ₹ | 13,426.66 | 12,613.85 | 2,024.11 | 29,806.36 | 25,576.54 | 16,910.01 | 72,454.45 | 58,880.75 | 19,932.60 |
| Total Income ⁽²⁾ | ₹ | 13,442.60 | 12,635.16 | 2,027.68 | 30,091.09 | 25,696.78 | 16,965.76 | 72,465.94 | 58,117.65 | 19,989.07 |
| Revenue CAGR ⁽³⁾ | % | 157.55% | | | 32.76% | | | 90.66% | | |
| EBITDA ⁽⁴⁾ | ₹ | 1,310.50 | 1,340.91 | 150.57 | 2,956.73 | 2,618.61 | 1,037.54 | 3,238.88 | 3,432.93 | 2,452.05 |
| EBITDA Margin ⁽⁵⁾ | % | 9.76% | 10.63% | 7.44% | 0.10 | 0.10 | 0.06 | 4.47% | 5.83% | 12.30% |
| Profit After Tax ⁽⁶⁾ | ₹ | 341.53 | 335.20 | -143.18 | 999.03 | 669.84 | 193.3 | 1288.16 | 1176.62 | 605.06 |
| Profit After Tax Margin ⁽⁷⁾ | % | 2.54% | 2.66% | -7.07% | 3.35% | 2.62% | 1.14% | 1.78% | 2.00% | 3.04% |
| Return on Equity (RoE) ⁽⁸⁾ | % | 16.79% | 19.81% | -10.55% | 9.04% | 9.78% | 4.54% | 16.23% | 17.70% | 11.06% |
| Return on Capital Employed ⁽⁹⁾ | % | 11.49% | 13.14% | 0.49% | 8.56% | 9.25% | 4.25% | 15.69% | 16.01% | 9.41% |
| Net Fixed Asset Turnover Ratio ⁽¹⁰⁾ | Times | 2.27 | 2.04 | 0.31 | 4.53 | 3.55 | 2.19 | 12.50 | 8.76 | 2.61 |
| Working Capital Turnover Ratio ⁽¹¹⁾ | Times | 7.99 | 8.85 | 2.27 | 1.83 | 2.26 | 1.18 | 8.06 | 6.43 | 2.45 |
| Working Capital Days ⁽¹²⁾ | Number of days | 26 | 29 | 218 | 182 | 174 | 142 | 45 | 45 | 119 |
| Debt to Equity Ratio ⁽¹³⁾ | Times | 3.21 | 3.67 | 4.64 | 1.50 | 1.78 | 0.05 | 0.85 | 1.36 | 2.08 |
| Return on Assets ⁽¹⁴⁾ | % | 0.03 | 0.04 | -0.02 | 0.03 | 3.38% | 1.29% | 119.84% | 67.23% | 28.48% |
| Current Ratio ⁽¹⁵⁾ | Times | 1.02 | 1.00 | 0.86 | 1.65 | 1.45 | 1.29 | 1.61 | 1.59 | 1.92 |
| Inventory turnover ratio ⁽¹⁶⁾ | Times | 6.26 | 7.48 | 2.75 | 4.07 | 4.72 | 5.48 | 19.89 | 25.8 | 7.81 |
| Trade Receivables turnover ratio ⁽¹⁷⁾ | Times | 99.81 | 200.89 | 538.95 | 6.23 | 9.91 | 15.73 | 10.95 | 9.79 | 4.36 |
| Trade payables turnover ratio ⁽¹⁸⁾ | Times | 10.11 | 15.89 | 8.54 | 166.53 | 189.66 | 221.95 | 34.88 | 47.47 | 25.45 |

7. Justification for Basis for Offer price

- a. *Price per share of our Company based on primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)*

There have been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Draft Red Herring Prospectus, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

- b. *The price per share of our Company based on the secondary sale / acquisition of shares (equity shares) or acquisition of equity shares or convertible securities (excluding gifts) involving any of the members of Promoter Group or other Shareholders with rights to nominate directors during the 18 months preceding the date of filing of the DRHP/ RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)*

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

- c. Since there are no eligible transaction of our Company reported in (a) and (b) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoter/ Promoter Group entities or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this Draft Red Herring Prospectus has been computed as under:

| (A) Primary Transaction | | | | |
|--|-----------------------|----------------------|-----------------------|--------------|
| Date of Allotment | Nature of Transaction | No. of Equity Shares | Cost per Equity Share | Total Cost |
| October 06, 2025 | Private Placement | 6,50,000 | 50 | 3,25,00,000 |
| Weighted average cost of acquisition (Primary Transaction) (₹ per Equity Share) | | | | 50.00 |

| (B) Secondary Transaction | | | | | | |
|--|------------------------------|-----------------------------------|------------|-------------|----------------------------------|---------------------|
| Name of the Acquirer | Date of Allotment / Transfer | nature of Allotment / transaction | Face Value | Offer Price | Number of Equity Shares Allotted | Total Consideration |
| Transfer from Shreedhar Cotsyn Private Limited to Pushpa Sitarm Pareek / | May 30, 2024 | Transfer | 10 | 10 | 100 | 1000 |

| (B) Secondary Transaction | | | | | | |
|--|-------------------------------------|--|-------------------|--------------------|---|----------------------------|
| Name of the Acquirer | Date of Allotment / Transfer | nature of Allotment / transaction | Face Value | Offer Price | Number of Equity Shares Allotted | Total Consideration |
| Sitaram Bhanwarlal Pareek | | | | | | |
| Transfer from Shreedhar Cotsyn Private Limited to Sitaram Pareek HUF | May 30, 2024 | Transfer | 10 | 10 | 100 | 1,000 |
| Transfer from Shreedhar Cotsyn Private Limited to Sandeep Sitaram Pareek / Sitaram Bhanwarlal Pareek | March 06, 2025 | Transfer | 10 | 10 | 100 | 1,000 |
| Transfer from Shreedhar Cotsyn Private Limited to Neena Jain | November 02, 2024 | Transfer | 10 | 30 | 100 | 3,000 |
| Transmission of Shares from Vimla Goyal to Dharmendra Mohandas Goyal | November 27, 2024 | Transmission | 10 | NA | 10,000 | - |
| Transmission of Shares from Rajendra Prasad Agarwal to Vishal Agarwal | November 27, 2024 | Transmission | 10 | NA | 25,000 | - |
| Total | | | | | 35,400 | 6,000 |
| Weighted Average Cost of Acquisition (Secondary Transaction) (₹ per Equity Share) | | | | | | 0.18 |

As certified by M R B & Associates, statutory auditors, vide their certificate dated January 09, 2026

8. *The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition at which the Equity Shares were issued by our Company, or acquired or sold by any other shareholders with rights to nominate directors are disclosed below*

Based on the disclosures in (a) above, the weighted average cost of acquisition of Equity Shares as compared with the Offer Price is set forth below:

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Share) | Floor Price (₹[●]/-) | Cap Price (₹[●]/-) |
|--|--|-----------------------------|---------------------------|
| Weighted average cost of acquisition of primary issuances as per paragraph 7(a) above | NA [^] | [●] | [●] |
| Weighted average cost of acquisition for secondary transactions as per paragraph 7(b) above | NA ^{^^} | [●] | [●] |
| Weighted average cost of acquisition of primary issuance as per paragraph 7(c) (A) above | 50.00 | [●] | [●] |
| Weighted average cost of acquisition of secondary transactions as per paragraph 7(c) (B) above | 0.18 | [●] | [●] |

[^]There were no primary / new issue of shares (equity/convertible securities).

^{^^}There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months from the date of this Draft Red Herring Prospectus, the detail as required under paragraph (b) above is

thus applicable.

As certified by M R B & Associates, Statutory Auditor Certificate by their certificate dated January 09, 2026.

9. ***Explanation for Issue Price / Cap Price being [●] times of weighted average cost of acquisition of secondary issuance price of Equity Shares (set out in 7(d) above) along with our Company's key performance indicators and financial ratios and in view of external factors the period ended September 30, 2025 and financial year ended March 31, 2025, March 31, 2024 and March 31, 2023.***

[●]*

**To be included on finalisation of Price Band and updated in the Prospectus.*

10. ***Explanation for Issue Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as set out above) in view of the external factors which may have influenced the pricing of the Offer.***

[●]*

**To be included on finalisation of Price Band and updated in the Prospectus.*

11. ***The Offer Price is [●] times of the face value of the equity shares***

The face value of our share is ₹ 10/- per share and the Offer Price is of ₹ [●]/- per share are [●] times of the face value. Our Company and in consultation with the Lead Manager believes that the Offer Price of ₹ [●]/- per share for the Public Offer is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled “*Risk Factors*” beginning on page 30 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “*Restated Financial Statements*” beginning on page 190 of this Draft Red Herring Prospectus.

STATEMENT OF SPECIAL TAX BENEFIT

Date : January 09, 2026

To,
The Board of Directors,
Shreedhar Spinners Limited
503, Matharu Arcade,
Subhash Road, Vile Parle East,
Mumbai - 400057, Maharashtra

Marwadi Chandarana Intermediaries Brokers Private Limited
X-Change Plaza, Office No. 1201 to 1205,
12th Floor, Building No. 53E,
Zone-5, Road 5E, Gift City,
Gandhinagar-382355, Gujarat, India

(Marwadi Chandarana Intermediaries Brokers Private Limited is appointed in relation to the Offer referred to as the "Book Running Lead Manager" or the "BRLM")

Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the "Equity Shares" and such offering, the "Offer") of Shreedhar Spinners Limited

We, M R B & Associates, statutory auditors to the Company, Firm Registration Number 136306W, hereby confirm that the enclosed Annexure A provides the special tax benefits available to the Company and its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to [(i) the Income Tax Act, 1961, as amended by the Finance Act, 2023 and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto]

Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders is neither designed nor intended to be a substitute for professional tax advice.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with; or.
- iii) The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This certificate, including Annexure A herein, is for your information and for inclusion in the draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together the "Offer Documents") with the Securities and Exchange Board of India ("SEBI"), Emerge Platform of National Stock Exchange of India Limited (collectively, the "Stock Exchanges") and subsequently the red herring prospectus and the prospectus with the Registrar of Companies, Mumbai ("RoC"), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") may be prepared in connection with the Offer.

The aforesaid information contained herein and in Annexure A may be relied upon by the Book Running Lead Manager appointed pursuant to the Offer and may be submitted to the stock exchange, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Book Running Lead Managers.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Yours Sincerely,

For M R B & Associates
Chartered Accountants
ICAI Firm Registration Number: 136306W

Manish R Bohra
Partner
Membership No.: 058431
Place: Mumbai
UDIN: 26058431SFNJFP3316
Annexure - A

The statement of special tax benefits (covering direct and indirect tax) available to the Company and its shareholders

A. Special tax benefits available to the Company

1. **Lower corporate tax rate under Section 115BAB of the Income Tax Act : The Company has opted to be covered under the provisions of Section 115BAB* of the Income Tax Act, 1961 and is eligible for a reduced tax rate of 15.00% (17.16%) along with surcharge and health and education cess) from Assessment year 2021-22.**

*Note

- a. It will not be allowed to claim any of the following deductions/ exemptions
 - Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);
 - Deduction under clause (iia) of sub-section (1) of Section 32 (Additional depreciation);
 - Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
 - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);
 - Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);
 - Deduction under Section 35CCD (Expenditure on skill development);
 - Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-corporate dividends);
 - No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
 - No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.
- b. The provisions of Section 115JB regarding Minimum Alternate Tax (“MAT”) are not applicable if the Company opts for the concessional income tax rate as prescribed under Section 115BAB of the ITA.

2. **Deduction in respect of employment of new employees under Section 80JJAA of the ITA**

As per Section 80JJAA of the ITA, an assessee subject to tax audit under Section 44AB of the ITA, is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided, subject to the fulfilment of prescribed conditions therein.

The deduction under Section 80JJAA is available even if the Company opts for concessional tax rate under Section 115BAB of the ITA.

3. **Deduction in respect of certain inter-corporate dividends under Section 80M of the ITA**

As per Section 80M of the ITA, where domestic companies have declared dividend and are also in receipt of the dividend from another domestic company or a foreign company or a business trust, deduction is allowed with respect to the dividend received as long as the same is distributed as dividend one month prior to the due date of furnishing the return of income under sub-section (1) of Section 139 of the ITA.

The deduction under Section 80M is available even if domestic company opts for concessional tax rate under Section 115BAA of the ITA.

Though the Company is eligible to avail Section 80M of the ITA, it does not own shares of any domestic company, foreign company or business trust (as on year ended 31 March 2025). Hence, the Company has not availed any deduction under Section 80M of ITA for the AY 2025-26.

4. **Export of services under the GST law**

Under the GST regime, supplies of goods and services which qualify as export of goods or services are zero-rated. On account of zero rating of supplies, the supplier is entitled to claim Input Tax Credit (ITC) in respect of input and input services used for such supplies and can seek refund of accumulated/ unutilized ITC.

GST law inter-alia allows export of services at zero rate on fulfilment of certain conditions. Exporters can export services under Letter of Undertaking (LUT) without payment of IGST and claim refund of accumulated ITC. There is also an alternative available to export services with payment of IGST and subsequently claim refund thereof, as per the provisions of section 54 of the CGST Act.

We understand that the Company is not undertaken exports of goods or services during the period covered. However, in case company engages in export of goods or services, it is entitled for above benefits.

5. Incentive under GST Law for sales within Maharashtra State:

The company is entitled to claim benefit of Package Scheme of under New Industrial Policy - 2019 Incentives during the period from 1st April, 2019 to 31 March, 2024 or till the new Package Scheme of Incentives comes into force.

The Company has been classified under Large Scale Industries (LSI) of Package Scheme of Incentives (PSI) and eligible LSI units shall be offered Investment Promotion Subsidy (IPS) on 100 % of Gross SGST payable by the unit on the first sale of eligible product(s) billed and delivered within Maharashtra.

The company has made application for grant of aforesaid incentives with the respective department.

B. Special tax benefits available to the Shareholders of the Company

There are no special tax benefits available to the Shareholders of the Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act.

Section 112A of the Act provides for concessional rate of tax on long term capital gain arising on transfer of equity shares with effect from April 1, 2025 [ie., Assessment Year 2025-26) subject to conditions. Any long term capital gain, exceeding INR 1,25,000 arising from the transfer of a long-term capital asset (ie., capital asset held for the period of 12 months or more) being an Equity Share in a company wherein Securities Transaction Tax (STT) is paid on both acquisition and transfer, income tax is charged at a rate of 10.00% (12.50% w.e.f. July 23, 2024) without giving effect to indexation.

Section 111A of the Act provides for concessional rate of tax 15.00% (20.00% w.e.f. July 23, 2024) in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of income exemption, where applicable) arising from the transfer of a short term capital asset (i.e., capital asset held for the period of less than 12 months) being an Equity Share in a company or wherein STT is paid on both acquisition and transfer.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident shareholder has fiscal domicile.

Notes:

1. This Annexure is as per the Income-tax Act, 1961 as amended by the Finance Act, 2024 read with relevant rules, circulars and notifications applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India.
2. The Company does not have any subsidiary.
3. This Annexure covers only certain relevant direct and indirect tax law benefits and does not cover benefit under any other law.
4. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Offer.
5. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
6. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders/investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

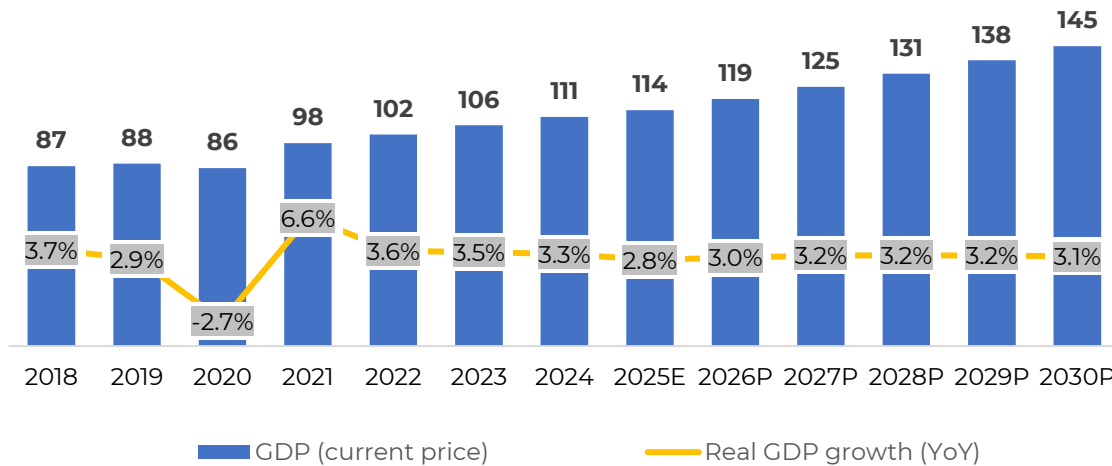
The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.

GLOBAL ECONOMIC OVERVIEW –

GDP and GDP Growth

As per the International Monetary Fund (IMF), the global economy (GDP at current prices) was US\$ 110.5 trillion in CY 2024. Global growth was 3.3% in CY 2024 and is projected to fall to 2.8% in CY 2025 and is expected to show recovery to reach 3.1% by CY 2030. Emerging and developing economies are expected to witness stable growth during this period, subject to regional variances. Key macroeconomic factors including rising per capita income, population growth, and increasing levels of urbanization are anticipated to drive sustained economic expansion. Consequently, the global GDP is projected to reach approximately US\$ 144.6 trillion by the year 2030.

Figure 1.1: Global GDP at current price (US\$ trillion) and real GDP growth (%), In CY



Source: IMF

Note: E – Estimated; P – Projected; Data represents calendar year

Outlook of GDP growth in Key Global Economies

Amid global geopolitical tension, trade wars, and tough market conditions, India continues to exhibit strong economic growth. The Indian economy remained the fastest-growing major economy in the world during CY 2024. The forecast GDP growth rate for India is the highest amongst the G20 nations, at an expected growth rate of 6.2% during CY 2025 and projected to grow at 6.5% by CY 2030.

Table 1.1: Real GDP growth YoY (%) comparison of major economies with world, In CY

| Country | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2030P |
|---------|------|------|-------|------|------|------|------|-------|-------|
| USA | 3.0% | 2.6% | -2.2% | 6.1% | 2.5% | 2.9% | 2.8% | 1.8% | 2.1% |

| Country | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2030P |
|--------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| UK | 1.4% | 1.6% | -10.3% | 8.6% | 4.8% | 0.4% | 1.1% | 1.1% | 1.4% |
| Europe | 2.3% | 2.0% | -5.4% | 6.4% | 2.4% | 1.3% | 1.7% | 1.3% | 1.5% |
| China | 6.8% | 6.1% | 2.3% | 8.6% | 3.1% | 5.4% | 5.0% | 4.0% | 3.4% |
| Japan | 0.6% | -0.4% | -4.2% | 2.7% | 0.9% | 1.5% | 0.1% | 0.6% | 0.5% |
| India | 6.5% | 3.9% | -5.8% | 9.7% | 7.6% | 9.2% | 6.5% | 6.2% | 6.5% |

Source: IMF

Note: E: Estimated; P: Projected data; Data represents calendar year

Difference between Emerging and Developed Markets

Developing economies are projected to grow faster than advanced economies, though their pace of expansion is expected to slow gradually between CY 2024 and CY 2030. The average real GDP growth rate for developing economies is estimated at 4.3% in CY 2024, gradually easing to 4% by CY 2030. In comparison, advanced economies are likely to follow a slower but stable path, with growth projected at 1.8% in CY 2024 and marginally softening to 1.7% from CY 2027 onwards.

This divergence underscores the structural advantages of emerging markets, including favourable demographics, urbanization, rising middle-class consumption, and increasing digital adoption, compared to the more mature and slower-growing economies of developed nations.

Table 1.2: Real GDP growth (%) comparison of developing economies and advanced economies, In CY

| Economy | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025E | 2030P |
|-------------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| India | 6.5% | 3.9% | -5.8% | 9.7% | 7.6% | 9.2% | 6.5% | 6.2% | 6.5% |
| Developing | 4.7% | 3.7% | -1.7% | 7.0% | 4.1% | 4.7% | 4.3% | 3.7% | 4.0% |
| Advanced | 2.3% | 1.9% | -4.0% | 6.0% | 2.9% | 1.7% | 1.8% | 1.4% | 1.7% |
| World | 3.7% | 2.9% | -2.7% | 6.6% | 3.6% | 3.5% | 3.3% | 2.8% | 3.1% |

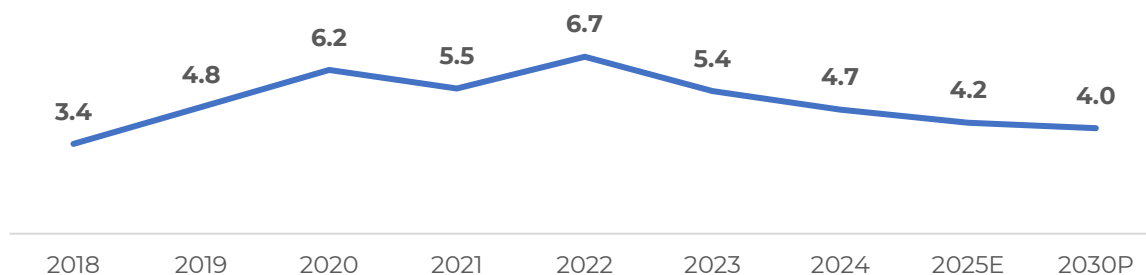
Source: IMF

Note: E: Estimated; P: Projected data; Developing economies include India, Brazil, China, etc.; Advanced economies include USA, UK, Germany, France, Japan, Australia, etc.; Data represents calendar year

Near Term Review and Outlook on Inflation

The Consumer Price Index (CPI) demonstrated an upward trend from CY 2018 to CY 2022, indicating a persistent increase in the overall price level of goods and services over this period. Beginning at 3.4% in CY 2018, the CPI climbed steadily to 6.2% in CY 2020 signalling rising inflationary pressures. This upward trajectory continued into CY 2022 with the CPI reaching 6.7%, reflecting sustained inflationary trends and potentially impacting consumers' purchasing power. However, CY 2023 saw a decrease in the CPI to 5.4%, suggesting a possible moderation in inflation rates. Inflation has declined to 4.7% in CY 2024 and is further expected to decline to 4.2% by CY 2025. It is projected to reach 4.0% by CY 2030.

Figure 1.2: Inflation rate, average consumer price index (%), In CY



Source: IMF

Note: P: Projected data; Data represents calendar year

Over the past five years, India's repo rate has steadily risen from 4.2% in CY 2020 to a peak of 6.5% in CY 2023 & CY 2024, before easing slightly to 6% in April 2025. This reflects the RBI's proactive approach to manage inflation. Cutting the repo rates would increase the average consumption and spending capability, which would help accommodate the inflation. Whereas China's 7-day rate (the country's main policy rate) shows an increasingly accommodative stance, with rates falling to 1.5%. The US Federal Reserve saw sharp rate hikes post CY 2022 to combat inflation, peaking at 5.1% in CY 2024. India's stable yet elevated rate indicates a focus on balancing growth with inflation control. RBI has reduced the repo rate to 5.5% which was announced on 6 August 2025, which is likely to support increased consumption and contribute positively to overall economic growth.

Table 1.3: Central bank rates for India, China and USA, In CY

| Country | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 (Aug) |
|--------------------------|------|------|------|------|------|------------|
| India | | | | | | |
| (RBI) | 4.2% | 4.0% | 5.0% | 6.5% | 6.5% | 5.5% |
| USA | | | | | | |
| (US Federal Reserve) | 0.4% | 0.0% | 1.7% | 5.0% | 5.1% | 4.3% |
| China | | | | | | |
| (People's Bank of China) | 2.3% | 2.2% | 2.1% | 1.9% | 1.7% | 1.4% |

Source: Reserve Bank of India, The People Bank of China, Board of Governors of the Federal Reserve System (US)

Note: Data represents calendar year

INDIAN ECONOMIC OVERVIEW -

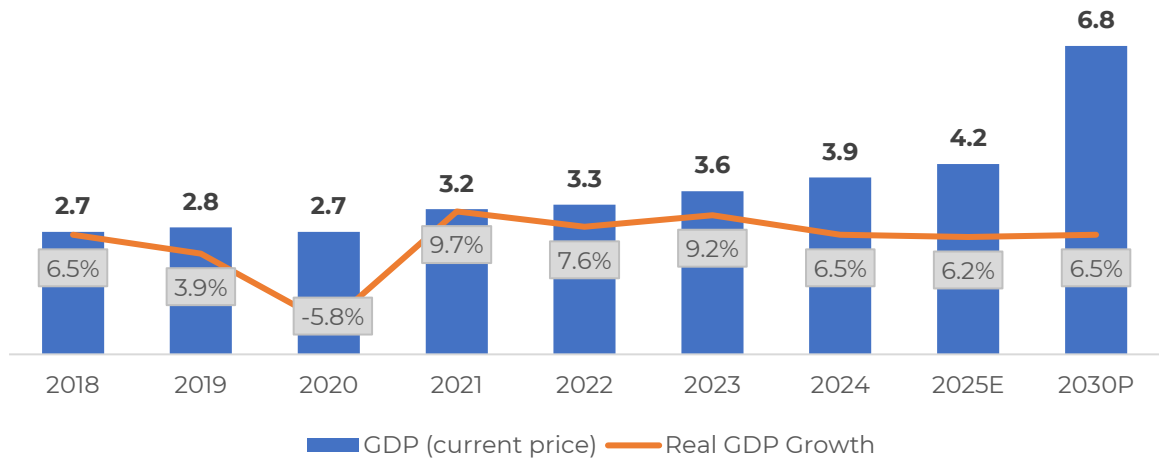
India's GDP and Growth

In CY 2024, India, ranked as the fifth largest economy by GDP, has demonstrated strong economic resilience, with a GDP of US\$ 3.9 trillion at current prices in CY 2024. Real GDP is expected to grow with 6.5% year-on-year increase from CY 2024 to CY 2025, with GDP reaching US\$ 4.2 trillion in CY 2025. The country's GDP has maintained a steady upward trajectory, rising from US\$ 2.7 trillion in CY 2018 to an estimated US\$ 4.2 trillion in CY 2025.

After a contraction of -5.8% in CY 2020 due to COVID-19 pandemic where lockdowns halted economic activities, the economy rebounded with 9.7% growth in CY 2021, and growth has since stabilized at 7-8%, reinforcing India's status as one of the fastest-growing major economies. Key sectors such as agriculture, benefiting from favorable monsoon conditions and increased rural demand, infrastructure, driven by heightened government spending on urban

development, manufacturing, supported by strengthening domestic demand, lower input costs, and a conducive policy environment are positioning India to bolster its GDP and overall economic growth.

Figure 2.1: India GDP at current price (US\$ trillion) and real GDP growth at constant price (%), In CY

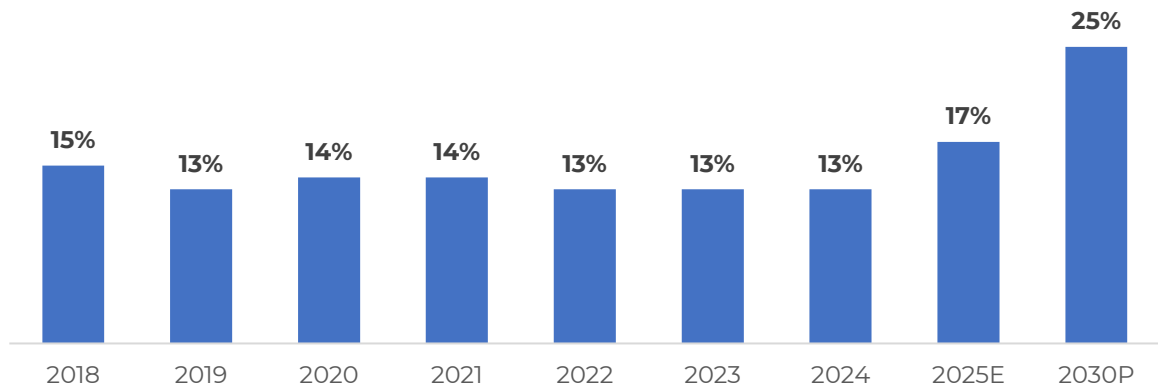


Source: IMF
 Note: E: Estimated; P: Projected; Data represents calendar year

Position of India's Manufacturing Sector

Manufacturing has emerged as a high-growth sector central to India's economic strategy. The Government of India has set an ambitious goal to increase the manufacturing sector's contribution to the nation's Gross Domestic Product (GDP) to **25% by 2025**, up from a base of approximately 16%. The cornerstone of this policy is the **'Make in India'** initiative, which aims to establish the country as a global manufacturing and investment hub by fostering innovation, enhancing skill development, and building best-in-class infrastructure.

Figure 2.2: India GDP at current price (US\$ trillion) and real GDP growth at constant price



(%), In CY

Source: IMF
 Note: E: Estimated; P: Projected; Data represents calendar year

INTRODUCTION TO THE TEXTILE AND APPAREL INDUSTRY

India’s Position in Global Trade

India's export performance across the textile value chain reflects a structurally strong and diversified competitive position, particularly in upstream segments. The country holds a **dominant global standing in yarn**, ranking **2nd overall** with an **11% global share**, supported by leadership in **natural spun yarn**, where India ranks **1st with a 21% share**. Fibre exports also position India among the top global suppliers, ranking **5th**, driven mainly by natural fibres. In fabrics, India maintains a **3rd global rank**, underpinned by its large woven fabric export base. Although apparel exports place India **7th globally**, the scale of the segment at US\$ 15.5 billion highlights substantial downstream potential.

Table 3.1: Indian textile and apparel exports 2024 and global positioning

| Category | Export Value | Global Rank | Global Share |
|----------------------|--------------|-----------------------|--------------|
| Fibre | 1.9 | 5th | 5% |
| Natural | 1.4 | 4 th | 5% |
| Manmade | 0.5 | 8 th | 4% |
| Yarn | 5.2 | 2nd | 11% |
| Spun | 4.2 | 2 nd | 17% |
| Natural | 3.6 | 1 st | 21% |
| Manmade | 0.6 | 4 th | 8% |
| Filament | 0.9 | 4 th | 4% |
| Fabric | 4.3 | 3rd | 4% |
| Knit | 0.6 | 9 th | 1% |
| Woven | 3.9 | 3 rd | 5% |
| Apparel | 15.5 | 7th | 3% |
| Knit | 7.4 | 8 th | 3% |
| Woven | 8.1 | 7 th | 3% |
| Home Textiles | 6.3 | 2nd | 11% |

Source: UN Comtrade

MARKET SIZE AND GROWTH –

Global Apparel Market Overview

Global apparel market is estimated to be **US\$ 1.8 trillion** in 2024 and is expected to reach **US\$ 2.3 trillion** by the year 2030, growing at a CAGR of **4%** from 2024. The European Union (EU) and US are the largest apparel markets globally with India ranked 4th.

Table 3.1: Global apparel market overview (US\$ Trillion)

| Region | 2019 | 2021 | 2022 | 2023 | 2024 (E) | CAGR 2019-24 | CAGR 2024-30 (P) | 2030 (P) |
|--------------|------|------|------|------|----------|-----------------|---------------------|----------|
| EU-27 | 300 | 297 | 304 | 315 | 316 | 1% | 1% | 345 |
| USA | 240 | 260 | 272 | 281 | 288 | 4% | 3% | 345 |
| China | 184 | 219 | 173 | 190 | 187 | 0.3%* | 5% | 250 |

| | | | | | | | | |
|---------------|--------------|--------------|--------------|--------------|--------------|-----------|-----------|--------------|
| India | 78 | 80 | 92 | 102 | 108 | 7% | 8% | 175 |
| UK | 40 | 34 | 43 | 46 | 52 | 5% | 3% | 62 |
| Japan | 101 | 78 | 66 | 61 | 55 | -11%* | 1% | 60 |
| Brazil | 48 | 39 | 39 | 49 | 51 | 1% | 2% | 57 |
| Canada | 23 | 22 | 19 | 27 | 25 | 2% | 2% | 28 |
| RoW | 613 | 438 | 646 | 633 | 734 | 4% | 5% | 978 |
| World | 1,628 | 1,468 | 1,655 | 1,703 | 1,817 | 2% | 4% | 2,300 |

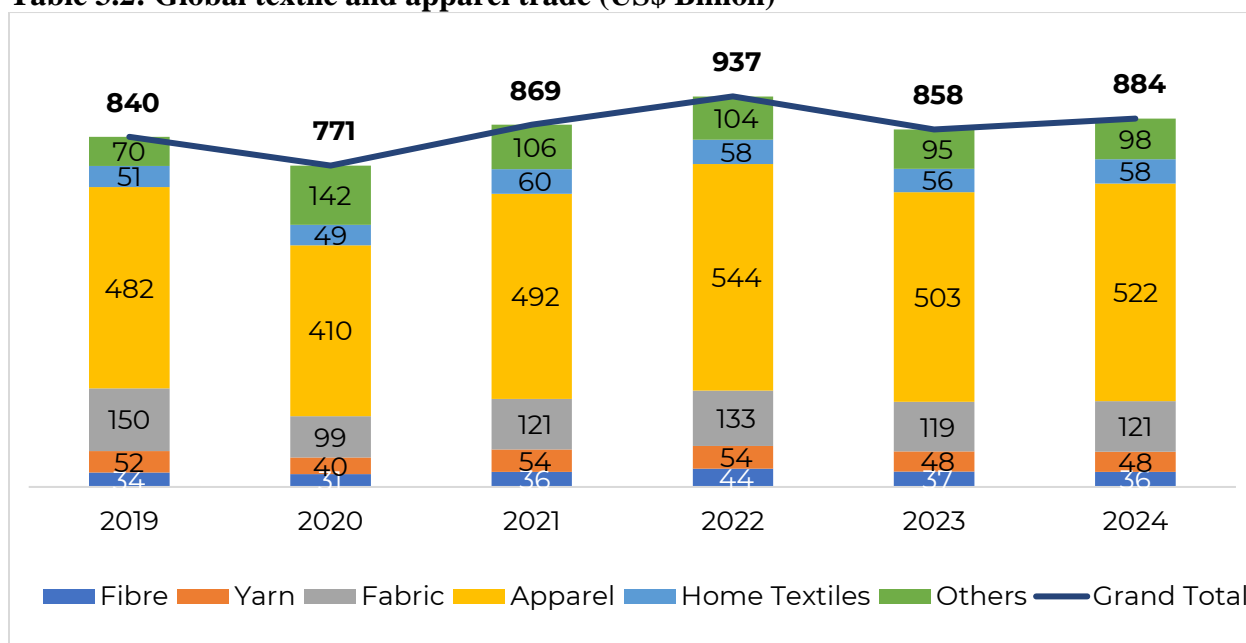
Source – Euratex, US Census Bureau, HKTDC, METI Japan, TEXBRASIL, Statistics Canada, IMF, and Wazir Advisors

* Note – Low growth rate in Chinese and Japanese market is mainly due to the currency depreciation against the US Dollar

Global Textile and Apparel Trade

The global textile and apparel (T&A) industry recorded exports worth **US\$ 884 billion**, reflecting a **3% increase** compared to the previous year. **Apparel** remained the dominant segment, contributing **59%** to total trade, followed by **fabrics (14%)**. **Yarns, with a share of 5%**, were valued at approximately **US\$ 48 billion**.

Table 3.2: Global textile and apparel trade (US\$ Billion)



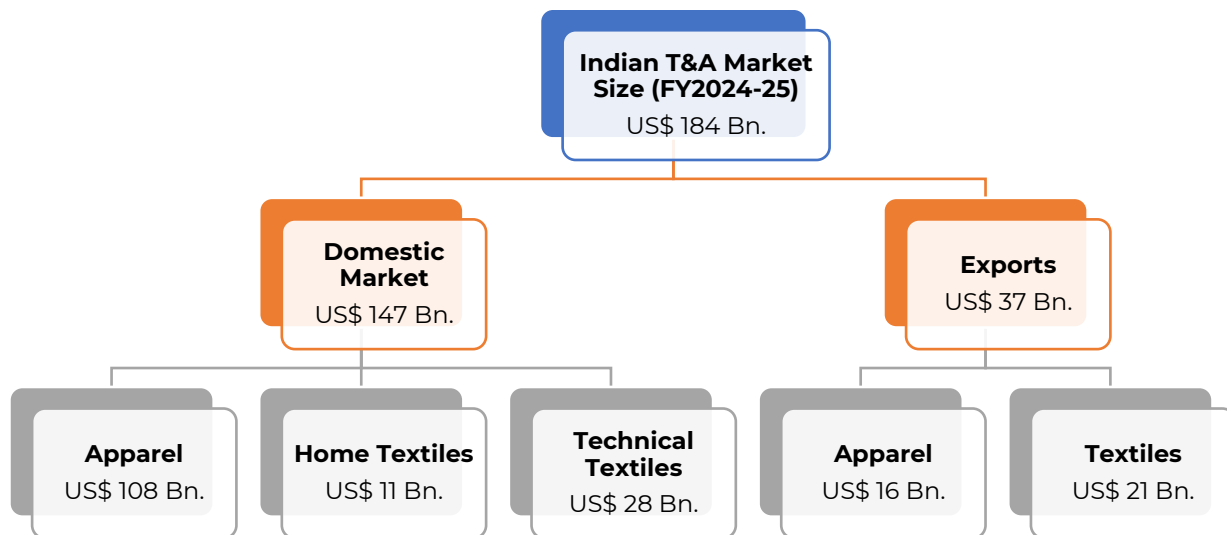
Source: UN Comtrade

China is the **largest global supplier** of textiles and apparel, accounting for **34%** of the total T&A exports in 2023. **Bangladesh** and **Vietnam** rank 2nd and 3rd respectively, both holding strong positions in apparel exports but limited presence in textiles and home textiles. **India** ranked 6th globally, holding a **4% share** of total T&A exports, and is recognized as the **second-largest home textile exporter** in the world.

Indian Market Scenario

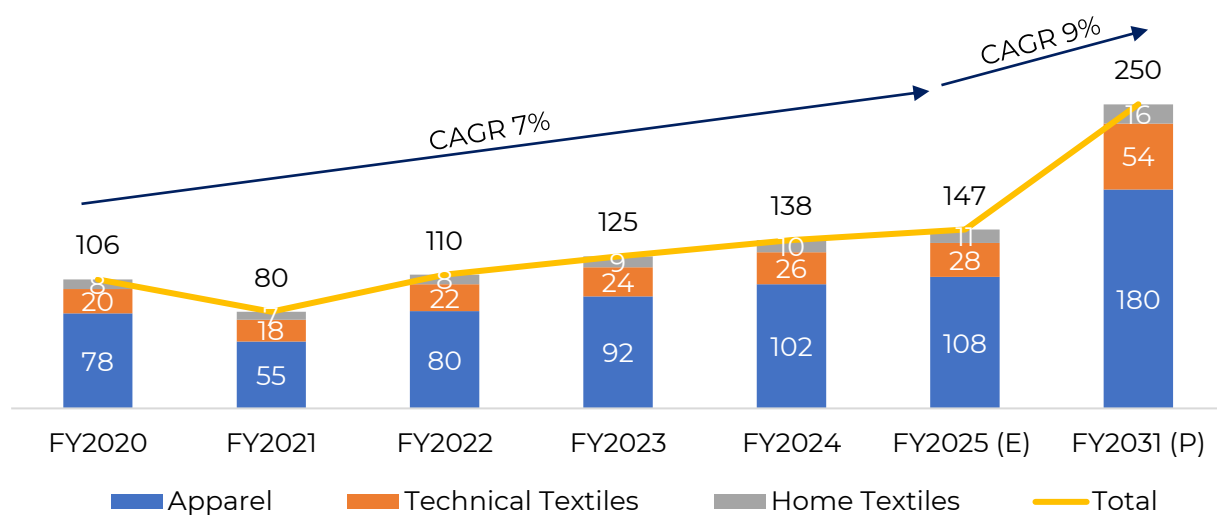
The overall size of India's textile and apparel market was around **US\$ 184 Bn. in FY2025**. **Indian domestic textile and apparel market was US\$ 147 Bn.** which has recovered at a **7% CAGR** since the drop in 2020. The Ministry of Textiles has set a target for the domestic market to reach **US\$ 250 Bn. by FY2031**, for this to happen the market must grow at a CAGR of 9% from FY2025.

Figure 4.1: Overview of Indian textile and apparel market FY2045



Source: DGCI&S and Ministry of Textiles, GoI

Figure 4.2: Indian textile and apparel market growth trend (US\$ Billion)

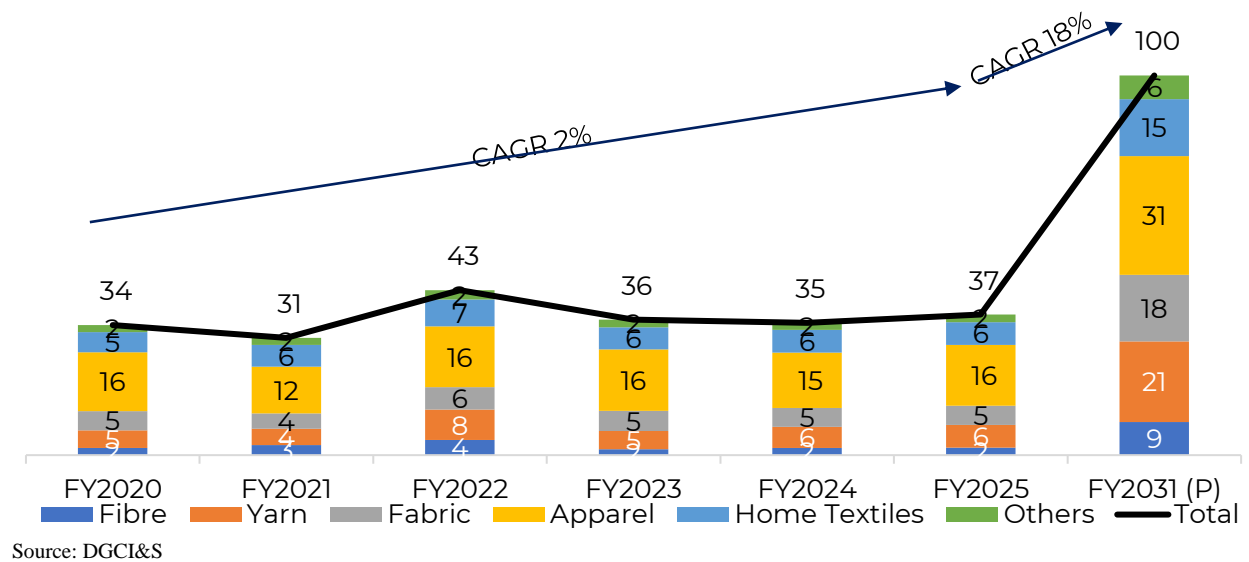


Source: DGCI&S and Ministry of Textiles, GoI

Indian Trade Overview

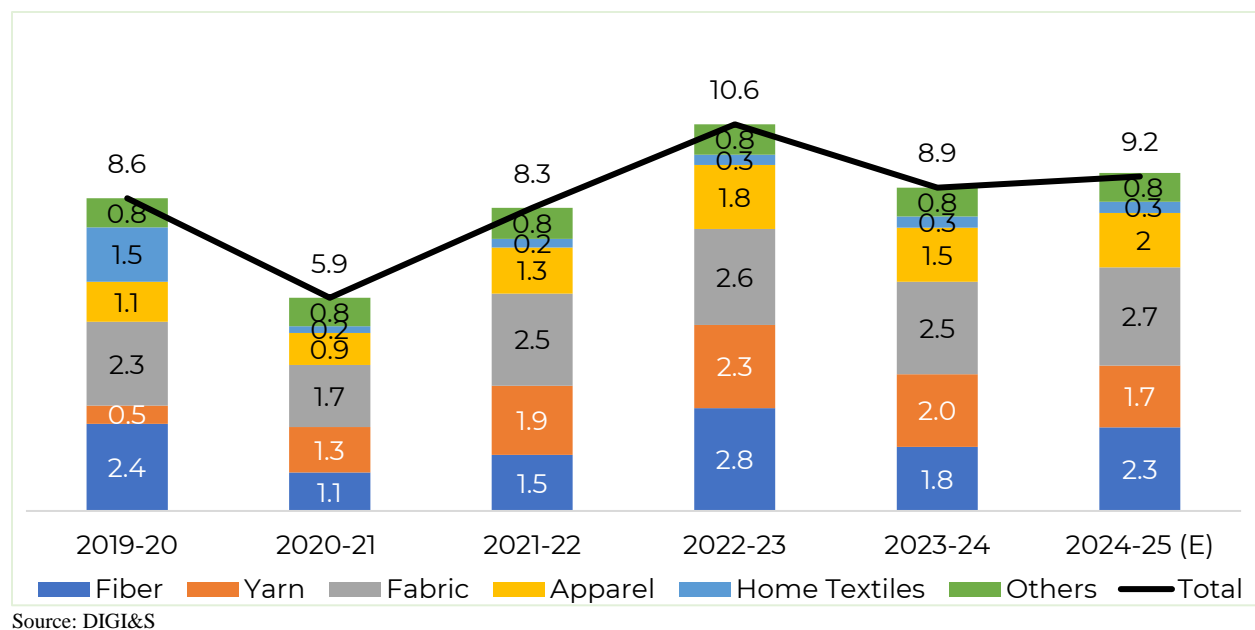
India's textile and apparel exports have grown with a **CAGR of 2% since FY2020** to reach **US\$ 37 Bn. in FY2025**. The Ministry of Textiles has an ambitious target of reaching **US\$ 100 Bn. exports by FY2031**, requiring an accelerated growth of **18% CAGR**. **Apparel** forms the largest share of exports, accounting for approx. **43% in FY2025**. The total production capacity of India is increasing owing to the setting up of new manufacturing units across the value chain.

Figure 4.3: Indian textile and apparel exports (US\$ Billion)



India's textile and apparel imports have grown with a CAGR of 1% since FY2020 to reach US\$ 9.2 Bn. in FY2025.

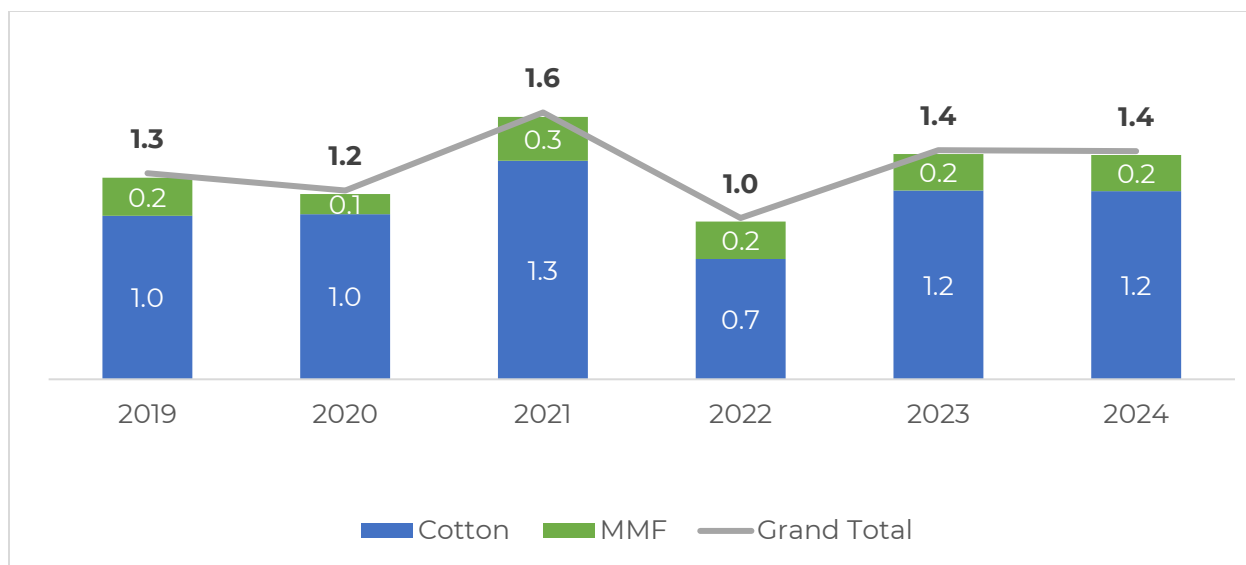
Figure 4.4: Indian textile and apparel imports (US\$ Billion)



Spun Yarn Exports

India has demonstrated positive export performance in spun yarns. **Between 2019 and 2024, India's spun yarn exports grew at a 2% CAGR, reaching 1.4 million tons in 2024.** India holds a strong and strategic presence among the world's major spun yarn importers, with ample scope to further consolidate and expand its position. Leveraging its export competitiveness, particularly in 100% cotton and cotton blended yarns, India is well-positioned to deepen existing market share and diversify into underpenetrated yet promising geographies.

Figure 4.5: India spun yarn exports (Million Tons)



Source: UN Comtrade

India's Key Spun Yarn Export Markets

India commands a dominant 63% market share in Bangladesh, making it the largest supplier of spun yarn to one of the most significant textile and apparel manufacturing hubs globally. Additionally, India ranks as the **second-largest exporter to Turkey and Egypt**, two major importing countries with substantial demand across coarse and medium count cotton yarns. India also has the potential to expand into emerging and growing spun yarn markets, such as Russia, where its current presence remains limited

Table 4.3: Key market and supplier matrix for global spun yarn exports 2024

| Suppliers Markets | India | China | Vietnam | Uzbek | Indonesia | RoW | Total (Mn. Tons) |
|-------------------|------------|------------|------------|------------|------------|------------|------------------|
| China | 7% | - | 47% | 13% | 2% | 32% | 1.8 |
| Bangladesh | 63% | 24% | 3% | 1% | 4% | 4% | 0.9 |
| Turkey | 12% | 4% | 0% | 46% | 3% | 35% | 0.4 |
| Egypt | 23% | 37% | 1% | 6% | 10% | 23% | 0.3 |
| Russia | 0% | 17% | 1% | 71% | 2% | 9% | 0.3 |
| Brazil | 16% | 63% | 3% | 1% | 11% | 6% | 0.2 |
| RoW | 16% | 22% | 7% | 4% | 6% | 55% | 3.5 |
| Total | 1.4 | 1.3 | 1.1 | 0.8 | 0.4 | 2.8 | 7.4 |

Source: UN Comtrade

Domestic Spun Yarn Market

India's domestic spun yarn market reached approximately **5.4 million tons in FY2025**, reflecting a steady **CAGR of 3.2%** since FY2020. **100% cotton spun yarn** continues to be the backbone of India's domestic yarn consumption, accounting for approximately **60%** of the total market volume in FY2025, driven by its widespread use in both apparel and home textile applications. **Cotton yarn has also witnessed the highest demand growth volume** in last 5 years while 100% viscose yarn and Polyester-Cotton yarn are the fastest-growing category though on a relatively smaller base.

Table 4.4: Domestic spun yarn market (Million Tons)

| Yarn Types | Indian Domestic Market | | Demand Growth (FY2020-25) | CAGR (FY2020-25) |
|--------------------|------------------------|------------|------------------------------|---------------------|
| | FY2020 | FY2025 | | |
| 100% Cotton | 2.9 | 3.1 | 0.2 | 1.6% |
| 100% Polyester | 0.5 | 0.6 | 0.1 | 5.2% |
| Polyester Cotton | 0.5 | 0.6 | 0.1 | 6.9% |
| Polyester Viscose | 0.3 | 0.4 | 0.1 | 3.9% |
| 100% Viscose | 0.2 | 0.3 | 0.1 | 10.2% |
| Cotton Blends | 0.08 | 0.1 | 0.02 | 6.1% |
| Others* | 0.07 | 0.1 | 0.03 | 9.7% |
| Total | 4.6 | 5.4 | 0.8 | 3.2% |

*Others include yarns made from linen, wool, modal etc.

Source: Domestic market numbers estimated on basis of primary research inputs and Wazir Advisors

RAW MATERIALS AND THE VALUE CHAIN

Indian Textile Value Chain Overview

The Indian T&A industry has strengths across the entire value chain - from fibre to finished products. It is highly diversified with multiple sectors ranging from traditional handloom, handicrafts, wool, & silk products alongside the organized manufacturing sector. The organized sector is characterized by the use of capital-intensive technology for mass production. Key processes within the organized sector include spinning, weaving, processing, and apparel manufacturing.

Figure 5.1: Textile and apparel value chain

Process:



Output:

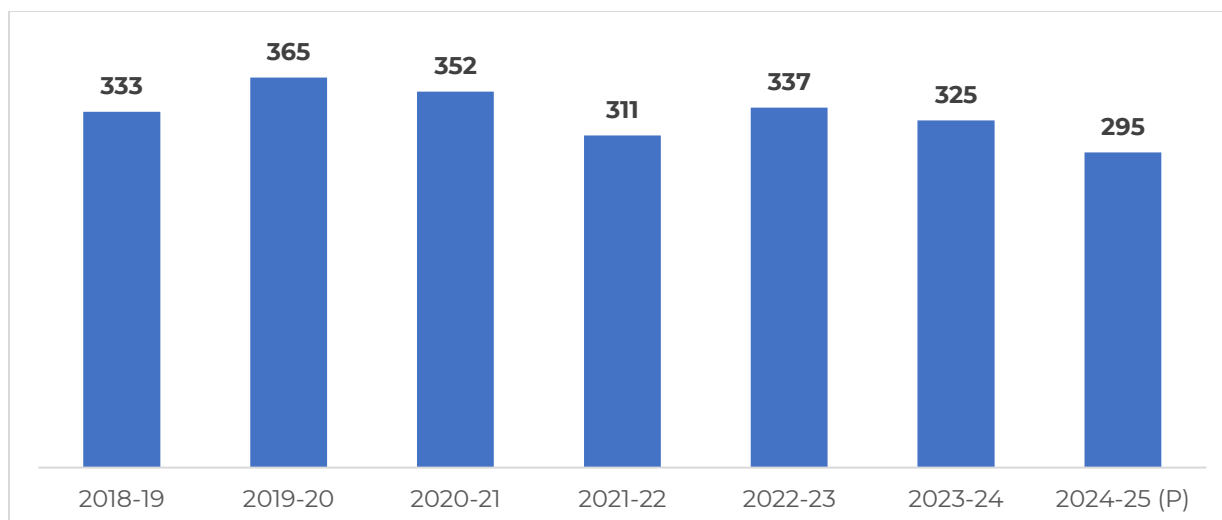


Overview of Raw Materials in the Indian Market

Natural Fibres are regarded as the backbone of the Indian textile industry. India is the second largest producer of cotton, silk & man-made fibres and largest producers of jute fibres globally.

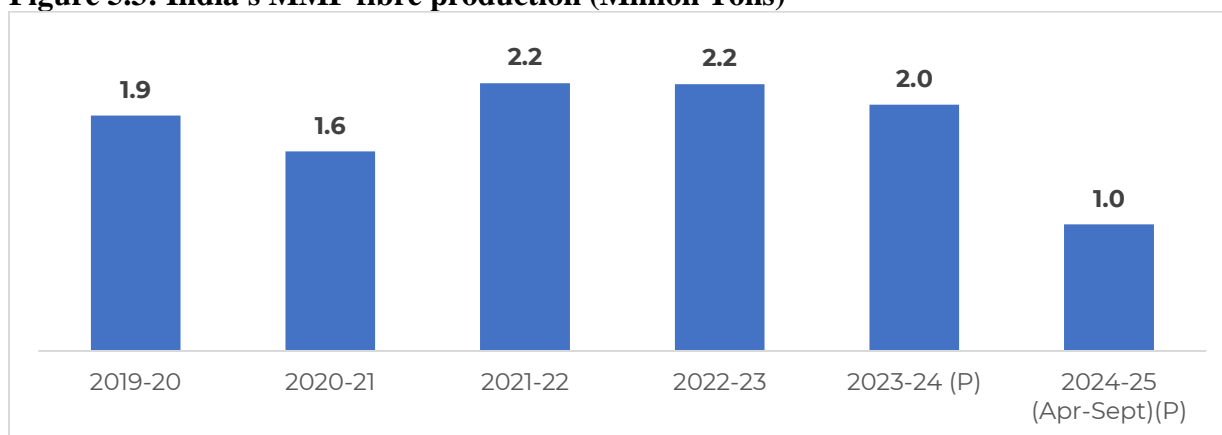
Cotton is one of the most important cash crops and accounts for around 20% of the total global fibre production. In the raw material consumption basket of the Indian textile industry, the proportion of cotton is around 60% dominating the fibre economy. **The consumption of cotton is approximately 313 lakh bales (170 kg each) per year.** Approximately 62% of India's Cotton is produced on rain-fed areas and 38% on irrigated lands. **During Cotton season 2024-25, India's productivity was around 448 kg/ha.**

Figure 5.2: India's cotton production in lakh bales



Source: Ministry of Textiles

Figure 5.3: India's MMF fibre production (Million Tons)



Source: Ministry of Textiles

Cost of Manufacturing in India and Benchmarking with Competing Countries

India maintains one of the lowest overall spun yarn manufacturing costs among the competing nations. The combined advantages of low labour expenditures, competitive energy costs, favorable financing conditions and efficient auxiliary consumption position India as a structurally cost-advantaged manufacturing base for spun yarns. This comparative cost leadership strengthens India's export competitiveness and enhances its strategic suitability for scaling spinning operations to meet both domestic and international demand.

Table 5.1: Cost of manufacturing ring spun yarn NE 30. (US\$/kg)

| Factors | Turkey | Uzbek. | Brazil | Pakistan | India | Indonesia | Vietnam |
|--------------------|--------|--------|--------|----------|-------|-----------|---------|
| Labour | 0.14 | 0.20 | 0.12 | 0.05 | 0.10 | 0.07 | 0.11 |
| Power | 0.36 | 0.21 | 0.35 | 0.13 | 0.30 | 0.30 | 0.24 |
| Auxiliary Material | 0.09 | 0.09 | 0.10 | 0.09 | 0.09 | 0.09 | 0.09 |
| Depreciation | 0.15 | 0.21 | 0.31 | 0.31 | 0.24 | 0.24 | 0.23 |
| Interest | 0.66 | 0.50 | 0.27 | 0.48 | 0.22 | 0.22 | 0.12 |

| | | | | | | | |
|-------|------|------|------|------|------|------|------|
| Waste | 0.39 | 0.36 | 0.39 | 0.39 | 0.39 | 0.39 | 0.39 |
| Total | 1.79 | 1.57 | 1.53 | 1.45 | 1.33 | 1.27 | 1.19 |

Source: ITMF

INDUSTRY DYNAMICS, GROWTH DRIVERS, TRENDS, AND CHALLENGES

Key Growth Drivers of the Indian Textiles & Apparel Sector

India's exports of apparel and home textiles continue to bolster yarn demand. **Domestic consumption accounts for most of yarn production** and is growing steadily, largely driven by sustained downstream demand for apparel and home textiles in the global export markets. Additionally, as global buyers are increasingly seeking alternatives to China and Bangladesh, India is emerging as a preferred hub for high-quality yarn.

- **Expanding Domestic Market Fueling Downstream Yarn Consumption:** India's growing textile ecosystem continues to drive demand for cotton and cotton blended spun yarns. **The rising consumption in India's domestic apparel and home textile** markets is also driving incremental demand for spun yarns, particularly in **medium to semi-fine counts**, which are widely used across mass-market and value-added textile segments.
- **India as a preferred sourcing destination:** As brands continue to diversify their sourcing away from concentrated geographies, India is emerging as a preferred alternative due to its large raw-material base, stable political environment and increasingly integrated textile infrastructure.
- **Transitioning to Higher-Value Products:** A clear opportunity exists to move up the value chain from commodity yarns and fabrics to higher-margin products. This includes focusing on specialty and recycled yarns, which are gaining traction due to the global trend towards sustainability, as well as developing capabilities in technical textiles
- **Viksit Bharat- Vision 2047: Opportunity for Market Growth:** India's Viksit Bharat vision for 2047 outlines a transformative journey towards a developed nation. While the goal is set for 2047, achieving this requires significant milestones along the way. Vision 2031 serves as a critical checkpoint, building upon the ambitious targets set for 2030, particularly for the T&A industry. The T&A sector is poised to be a key driver for this growth, aiming for a significant increase in both domestic market size and exports. This growth is expected to create additional direct employment potential of 8 million workforce by 2047, contributing significantly to the overall employment target of 7-10 Cr by 2047.

Emerging Trends and their impact on industry

- **Shift of Manufacturing Toward Raw-Material and Labour-Surplus Regions:** A notable structural trend in India's textile manufacturing landscape is the gradual shift of new spinning and weaving investments toward regions with strong raw-material availability, lower labour costs and supportive state policies. Maharashtra, particularly cotton-rich districts, has emerged as a preferred destination due to its surplus cotton fibre base, competitive labour pool and access to integrated textile parks that reduce logistical and operating costs. This geographic rebalancing improves procurement efficiency by placing mills closer to raw-material catchments, minimizes cotton transportation losses and stabilizes quality. As a result, manufacturers benefit from lower input volatility, improved traceability and stronger engagement with farming clusters. For cotton-focused spinners, such as those located in Amravati, this trend materially enhances cost competitiveness and positions them to respond swiftly to market requirements while leveraging the intrinsic strengths of India's cotton production ecosystem.
- **Demand for sustainability and traceability:** Global buyers are placing heightened emphasis on traceability, sustainability and environmental stewardship. Supply chains must therefore incorporate transparent fibre sourcing, cleaner production technologies and compliance with international reporting norms. These requirements introduce new operational disciplines but also allow differentiated mills to command higher pricing and preferred supplier status
- **Rising Labour Costs in Competing Markets and Automation Adoption:** Countries like China and parts of Southeast Asia face rising labour costs, pushing global manufacturers toward automation and robotics across spinning, weaving and apparel manufacturing. India has labour cost advantages but also needs to adopt automation to maintain competitiveness in productivity-sensitive segments like spinning and knitting. Modern automated spindles, rotor machines and shuttle-less looms can materially improve output per worker and reduce waste, supporting global competitiveness.

Opportunities in the Textile Industry

- **Technical textiles are emerging as one of the fastest-growing segments** globally, and India's ongoing investments in medical, agro, geotextile and industrial fabrics provide a strategic pathway to higher value addition and reduced dependence on low-margin commodity categories.
- **The creation of world-scale integrated manufacturing clusters under PM MITRA** offers a unique chance for companies to optimize logistics, reduce lead times and expand export competitiveness through shared infrastructure and technology hubs.
- **The structural shift in global demand** from cotton-based textiles to man-made fibre and performance fabrics presents significant headroom for Indian manufacturers to scale MMF production, supported by declining polyester feedstock volatility and targeted government incentives under the PLI scheme.
- At the market level, **India's position as a preferred alternative sourcing hub** is strengthening as global buyers diversify away from China, creating a multi-year opportunity for Indian manufacturers to capture incremental export share across apparel, home textiles and intermediate materials.
- The recent **free trade agreement** with UK and the government's active negotiation of free trade agreements with the EU and other regions presents a medium-term opportunity to reduce tariff disadvantages, unlock new markets and materially enhance export competitiveness for Indian apparel and fabric exporters.
- Domestically, rising incomes, increased brand penetration and the growth of fashion and athleisure categories create opportunities for manufacturers to introduce differentiated fabrics and value-added finished goods.

Key Challenges and Barriers

a. Entry Barriers

- The sector requires substantial capital investment in land, machinery, utilities and effluent treatment infrastructure, creating a natural barrier for new entrants that lack financial depth.
- Economies of scale are critical for competitive cost structures, particularly in spinning, weaving and processing, where larger integrated facilities achieve lower unit costs, better asset utilization and improved bargaining power with suppliers.
- Backward integration into spinning, knitting or processing enables incumbents to reduce dependence on external vendors, achieve consistent quality and shield themselves from supply disruptions, making it difficult for smaller firms to match their efficiency and margins.
- Access to working capital is a recurring challenge because textile manufacturing operates with long cash cycles due to procurement lead times, production durations and delayed receivables from domestic and export buyers.
- Vendor approval cycles from global brands and large retailers are lengthy, requiring compliance audits, sustainability certifications and multiple trial runs. This creates a time-based barrier that delays market entry even for capable manufacturers.

b. Threats

- Cotton price volatility continues to pose margin risks as domestic production has weakened in multiple seasons due to erratic monsoons, pest pressures and acreage shifts toward more remunerative crops. India's recurring need to import cotton at premium global prices exposes manufacturers to sudden spikes in raw material costs and supply uncertainty.
- Chemical, dye and polyester value chains remain closely tied to crude oil markets, and volatility driven by OPEC production decisions or geopolitical disruptions directly affects input costs. Such volatility compresses margins in fabric processing and synthetic textiles when customer pricing cannot adjust as quickly.
- Geopolitical realignments, including US-China tensions and shifts in global sourcing hubs, have created opportunities but also heightened uncertainty. Manufacturers must constantly adapt capacity, product lines and compliance systems to capture shifting buyer preferences, while the risk of sudden trade-policy reversals remains high.
- China's gradual recovery of manufacturing output and its ability to operate at scale with advanced automation continue to exert downward price pressure across global textile categories. Indian mills face the strategic threat of competing against both high-tech mass production and low-cost labour economies simultaneously.
- Currency fluctuations have become a structural threat as volatility in the rupee against the US\$ affects export realizations, imported raw-material costs and hedging strategies.

- Environmental regulations are tightening globally as brands enforce ESG-linked procurement policies and sustainable material mandates. Manufacturers that rely on legacy processing technologies or lack effluent treatment capabilities face the dual threat of rising compliance costs and potential exclusion from high-value global supply chains.

INVESTMENTS AND POLICY ENVIRONMENT

Investments in the Textiles Sector

India's textile manufacturing ecosystem has experienced a steady strengthening of installed capacity between 2018 and 2024, reflecting sustained investor confidence and a deliberate shift toward modern, high-productivity machinery. Additions across spinning, weaving and knitting technologies point to an industry preparing for scale, export competitiveness and greater integration with global supply chains. The growth in shuttle-less looms and knitting machines highlights the evolution of downstream value-added processes, but the most strategic takeaway is that capital formation is occurring across all major nodes of the textile value chain.

Table 7.1: Investment trend across textile value chain in '000 units

| Investments | 2018 | 2024 | Addition | Global Position |
|--------------------|--------|--------|----------|-----------------|
| Spindles | 53,970 | 58,726 | 4,756 | 2 nd |
| Rotors | 900 | 1,261 | 361 | 2 nd |
| Shuttle-less Looms | 125 | 266 | 141 | 2 nd |
| Knitting Machines* | 51 | 81 | 30 | 3 rd |

Source: ITMF

*Cumulative Shipments for the past 9 years

Within this broader investment landscape, the most significant momentum is concentrated in the spinning segment, where spindle installations increased by **4,756 thousand units** and rotors by **361 thousand units** between 2018 and 2024. These additions reinforce India's standing as the **second-largest global spinning base**, underscoring the sector's scale advantage and operational maturity.

The expansion of spindle and rotor capacity is particularly important because it directly determines the country's ability to supply high-quality yarn to both domestic fabric manufacturers and international buyers. Increased mechanization, adoption of modern spinning frames and improved rotor technologies indicate a strategic move toward higher speed, lower waste and more cost-efficient production.

Government Support, Policies, and Initiatives

- **PM-Mega Integrated Textiles and Apparel Park (PM-MITRA):** The scheme is to develop integrated large scale and modern industrial infrastructure facility for entire value-chain of the textile industry. It will reduce logistics costs and improve competitiveness of Indian T&A industry. The scheme will help India in attracting investments, boosting employment generation and position itself strongly in the global textile market. These parks are envisaged to be located at 7 sites which have inherent strength for Industry to flourish and have necessary linkages to succeed.
- **Production Linked Incentives (PLI):** The Government has approved the Production Linked Incentive (PLI) Scheme for Textiles, with an approved outlay of Rs 10683 crore over a five-year period, to promote production of MMF Apparel, MMF Fabrics and Products of 162 Technical Textiles in the country to enable Textile sector to achieve size and scale and to become competitive. The Scheme has two parts; Part-1 envisages a minimum investment of Rs.300 crore & minimum turnover of Rs.600 crore per company; and Part-2 envisages a minimum investment of Rs.100 crore & minimum turnover of Rs.200 crore per company FY 2022-23 & FY 2023- 24 were gestation period under the scheme. The incentive will be provided to the companies under the scheme on achieving the threshold investment and threshold turnover and thereafter incremental turnover.
- **SAMARTH Initiative:** The Samarth initiative, led by the Ministry of Textiles, Government of India, is a key skill development program for the textile sector. It serves as a flagship initiative aimed at enhancing industry skills. This scheme, both demand driven and placement-oriented, covers the entire textile value chain, excluding spinning and weaving. Its primary goal was to train 10 lakh individuals skillfully from 2017 to 2020. Samarth plays an important role in supporting this labour-intensive sector in India. Samarth adopts an all-around approach, targeting both the organized and traditional sectors. It includes special requirements for upskilling and re-skilling

programs and handling diverse skill development needs. The scheme is especially dedicated to uplifting women, with over 85% of its beneficiaries being women. This focus on gender inclusivity aligns with broader societal goals. A remarkable achievement lies in the scheme's organized-sector courses, which boast a placement rate of over 70%. Underscoring its effectiveness in translating training into meaningful employment opportunities. Implemented through Implementing Partners (IPs), the scheme works with a strategic vision, aiming to create a skilled workforce, improve job creation, and promote the overall growth and competitiveness of the Indian textile industry. Samarth is operational until March 2024, marking a notable stride towards capacity building and skill development in the textile.

- **National Technical Textile Mission:** Created in 2020, the National Technical Textile Mission unfolds over four years, focusing on improving technical education, promoting research and innovation, promoting market growth, and simplifying objectives. Prioritizing technical education at engineering and technology levels, the mission aims to build expertise in technical textiles and their applications. Dedicated to groundbreaking research on fibres and applications, including geo, agro, medical, sports, and mobile textiles. Additionally, it highlights the development of biodegradable technical textiles and indigenous machinery. Focused on expanding the global market for Indian technical textiles and handling the domestic market's low penetration rate (5–10%). A key aspect is the promotion of exports to improve India's global market share. Simplifying mission goals into four components provides a clear and focused approach, aiming for effective implementation and impact.
- **State Government initiatives:** Each state recognizes the importance of the textile industry in promoting economic growth, generating employment, and preserving traditional craftsmanship. These policies aim to create a conducive environment for the development of the textile and apparel sector, while also addressing the unique needs and strengths of each region. Key incentives embedded in these policies include financial assistance for the establishment of textile parks and clusters, subsidies on land and power costs, skill development initiatives to enhance the capabilities of the workforce, and support for adoption technology to improve productivity. Some states also offer marketing and export-related incentives, fostering a competitive edge in the global market.

OUR BUSINESS

To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, “Management’s Discussions and Analysis of Financial Condition and Results of Operations” and “Restated Financial Information” as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.

Our fiscal year ends on March 31 of each year, so all references to a particular “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Statements” on page 190 of this DRHP.

We have, in this Draft Red Herring Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.

Overview

Our Company is primarily engaged into manufacturing of compact spun cotton yarn of various counts ranging from Ne 12s to Ne 32 at our manufacturing facility located at manufacturing units located at Plot No. T-15, additional Amravati industrial area textile park, Tuljapur, Amravati – 444901, Maharashtra, India for a period of 95 years spread across 1,20,000 sq. mt. and has a production capacity of 5500 MT of cotton yarn, with 18240 spindles as on September 30, 2025. Our Manufacturing Facility operates 24 hours per day to maximize output and ensure uninterrupted operations and usually operates for approximately 360 days a year. We believe that, our manufacturing facility is equipped with modern state-of-the-art spinning technology and processing techniques which enable to ensure production of quality yarn. Our raw material; raw cotton bales are utilized for production of cotton yarns. These yarns are suitable for both knitting and weaving applications and catering to a wide spectrum of end-use segments and products including but not limited to Apparel, Denim, Terry towels, Shirting, Bed linen, Sweaters, Socks, Furnishing Fabrics and Industrial fabrics.

We operate exclusively in the business-to-business (B2B) segment, supplying our products to buyers such as textile manufacturers, yarn exporters, traders and fabric processors (collectively “Customers”). Our exclusive B2B focus allows us to streamline our production and supply chain processes around the needs of our buyers, ensuring consistent quality, delivery, and efficient order fulfilment. It also allows us to build long-term client relationships and offer customized yarn solutions tailored to specific technical performance parameters and appearance required including count, twist, and strength. We sell our products to manufacturers, exporter and traders having a significant presence in Maharashtra.

Our Company holds certifications including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and demonstrating its assurance to quality management, environmental and health & safety. We have a dedicated in-house Testing and Quality Control Team comprises of 5 members as on September 30, 2025, which undertakes rigorous testing and quality management. We have dedicated manual, semi-automatic and automatic testing machines. Online automatic contamination sorters, Uster Quantum Clearers and testing machines from USTER (Switzerland) coupled with our dedicated Testing and QC team. Our Testing ensuring the quality of raw material dispensed in the production process and also the finished goods delivered to our customers. This helps in improving our procurement process thus reducing wastages, returns and other related costs.

We source major raw materials used for manufacturing of cotton yarn includes cotton bales from the different local ginners, traders and Cotton Corporation of India. . We enjoy a strategic locational advantage, with our factory situated in the Textile Park at MIDC, Amravati at the heart of Vidarbha’s rich cotton-producing region and surrounded by

modern infrastructure and numerous textile mills. Over the years, we have developed long-standing relationships with our vendors which allows us to source quality raw materials from the vendors. Our proficiency lies in understanding the specific requirement of our customers. Our emphasis on quality, reliability and timely delivery has helped us establish long term partnerships with our customers

Our Promoters Dharmendra Mohandas Goyal and Vishal Agarwal has combined more than fifty years of experience in the textile industry. Dharmendra Mohandas Goyal, one of the Promoters of the Company and MD, is a 9th Rank Holder Chartered Accountant with more than two and a half decades of experience in Textile Fibers & Yarns. He incorporated Shreedhar Cotsyn Private Limited (“*Holding Company*”) in 2010 and developed it into an export-oriented trading enterprise engaged in supplying Indian yarns to global markets. Dharmendra Mohandas Goyal is also an elected Member of the Committee of Administration of The Cotton Textiles Export Promotion Council (TEXPROCIL), where he contributes to industry representation and export development initiatives. Further, Vishal Agarwal, one of the Promoters and Executive Director of the Company, is a Chartered Accountant and has over two and half decades of experience in managing the production operations of spinning units. Our Promoters are engaged into day-today operations of our Company and actively participate in decision making activities overhauling overall operations which ranges from manufacturing activity, marketing, finance and other commercial activities related to our business. We are led by a well-qualified and experienced management team, which has robust experience in the sectors in which we operate, and which has demonstrated its ability to manage and grow our business.

Corporate Structure:

Shreedhar Cotsyn Private Limited (“Holding Company” or “SCPL”), established in 2010, is an exporter of raw cotton, cotton yarn and synthetic yarn and has commenced manufacturing of cotton yarn through our Company. SCPL is a government recognized three Star export house, and over the past 15 years, has well established consumers in most prominent textile producing countries globally. SCPL was also awarded for exceptional export performance by TEXPROCIL in 2016-17 (Gold plaque in its category) and 2018-19 (Silver trophy in its category). Furthermore, a portion of the yarn produced by our Company is marketed and sold by SCPL, leveraging its strong global network and market expertise.

The following table sets forth certain key financial and operational information, as of and for the Financial Years indicated below:

Financial Performance of Our Company

A list of certain financial data, based on our Restated Financial Information is set out below for the indicated Fiscals:
(₹ in Lakhs, unless otherwise specified)

| Particulars | Unit | For the period ended September 30, 2025 | For the financial year ended March 31, 2025 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 |
|--|-------|---|---|---|---|
| Revenue from Operations ⁽¹⁾ | ₹ | 7,000.62 | 13,426.66 | 12,613.85 | 2,024.11 |
| Total Income ⁽²⁾ | ₹ | 7009.64 | 13442.60 | 12635.16 | 2027.68 |
| Revenue CAGR ⁽³⁾ | % | NA | 157.55% | | |
| EBITDA ⁽⁴⁾ | ₹ | 785.17 | 1,310.50 | 1,340.91 | 150.57 |
| EBITDA Margin ⁽⁵⁾ | % | 11.22% | 9.76% | 10.63% | 7.44% |
| Profit After Tax ⁽⁶⁾ | ₹ | 303.78 | 341.53 | 335.20 | -143.18 |
| Profit After Tax Margin ⁽⁷⁾ | % | 4.34% | 2.54% | 2.66% | -7.07% |
| Return on Equity (RoE) ⁽⁸⁾ | % | 13.00% | 16.79% | 19.81% | -10.55% |
| Return on Capital Employed ⁽⁹⁾ | % | 6.82% | 11.49% | 13.14% | 0.49% |
| Net Fixed Asset Turnover Ratio ⁽¹⁰⁾ | Times | 1.22 | 2.27 | 2.04 | 0.31 |
| Working Capital Turnover Ratio ⁽¹¹⁾ | Times | 4.50 | 7.99 | 8.85 | 2.27 |

| Particulars | Unit | For the period ended September 30, 2025 | For the financial year ended March 31, 2025 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 |
|--|----------------|---|---|---|---|
| Working Capital Days ⁽¹²⁾ | Number of days | 14 | 26 | 29 | 218 |
| Debt to Equity Ratio ⁽¹³⁾ | Times | 2.88 | 3.21 | 3.67 | 4.64 |
| Return on Assets ⁽¹⁴⁾ | % | 0.03 | 0.03 | 0.04 | -0.02 |
| Current Ratio ⁽¹⁵⁾ | Times | 0.94 | 1.02 | 1.00 | 0.86 |
| Inventory turnover ratio ⁽¹⁶⁾ | Times | 3.40 | 6.26 | 7.48 | 2.75 |
| Trade Receivables turnover ratio ⁽¹⁷⁾ | Times | 61.28 | 99.81 | 200.89 | 538.95 |
| Trade payables turnover ratio ⁽¹⁸⁾ | Times | 5.11 | 10.11 | 15.89 | 8.54 |

As certified by M R B & Associates, Chartered Accountant by their certificate dated January 09, 2026.

Notes:

⁽¹⁾ Revenue from operations as derived from restated financial statements

⁽²⁾ Total Income as derived from restated financial statements

⁽³⁾ Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising to the power of one divided by the number of compounding period i.e. 2 years and subtracting by one.

⁽⁴⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.

⁽⁵⁾ EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁶⁾ Profit After Tax as derived from restated financial statements

⁽⁷⁾ PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

⁽⁸⁾ Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.

⁽⁹⁾ Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization

⁽¹⁰⁾ Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset

⁽¹¹⁾ Working Capital Turnover Ratio is calculated as Revenue from operation divided by Capital employed

⁽¹²⁾ Working Capital days is Inventory days + Receivables Days – Trade Payable Days

⁽¹³⁾ Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities.

⁽¹⁴⁾ Return on Assets is calculated by dividing the total assets by the profit after tax.

⁽¹⁵⁾ Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

⁽¹⁶⁾ Inventory Turnover Ratio = Cost of Goods Sold ÷ Average Inventory

⁽¹⁷⁾ Trade Receivables turnover ratio = Revenue from Operations ÷ Average Trade Receivables

⁽¹⁸⁾ Trade Payable turnover ratio = Purchases ÷ Average Trade Payables

Market Opportunity in the textile industry

- **Technical textiles are emerging as one of the fastest-growing segments** globally, and India's ongoing investments in medical, agro, geotextile and industrial fabrics provide a strategic pathway to higher value addition and reduced dependence on low-margin commodity categories.
- **The creation of world-scale integrated manufacturing clusters under PM MITRA** offers a unique chance for companies to optimize logistics, reduce lead times and expand export competitiveness through shared infrastructure and technology hubs.
- At the market level, **India's position as a preferred alternative sourcing hub** is strengthening as global buyers diversify away from China, creating a multi-year opportunity for Indian manufacturers to capture incremental export share across apparel, home textiles and intermediate materials.

- The recent **free trade agreement** with UK and the government's active negotiation of free trade agreements with the EU and other regions presents a medium-term opportunity to reduce tariff disadvantages, unlock new markets and materially enhance export competitiveness for Indian apparel and fabric exporters.
- Domestically, rising incomes, increased brand penetration and the growth of fashion and athleisure categories create opportunities for manufacturers to introduce differentiated fabrics and value-added finished goods.

(Source: Wazir Advisors Report)

OUR STRENGTHS

Long term and expanding customer relationship across textile industry

With combined five decades of experience between our Promoters, we have established strong relationships with key customer. As on September 30, 2025, we have a customer base in over 6 states and union territory. A key factor that sets us apart from competitors is our customer-centric approach, focusing on delivering products that align precisely with customer specifications. This commitment to customization and quality has not only supported the growth of our business but also strengthened our market presence and reputation within the industry. Our ability to maintain high quality standards, delivery of quality products and customer made to orders has resulted in long-standing relationships with our key customers. During the period ended September 30, 2025 and Fiscal 2025, Fiscal 2024, and Fiscal 2023, we served over 26, 36, 33 and 17 customers. Of these, approximately 8 customers have been associated with us for more than 3 years.

Set out in the below is the share of the top 10 customers in our revenue from operations for the period ended September 30, 2025, for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023.

| Particulars | For the period ended September 30, 2025 | | for the financial year ended March 31, 2025 | | for the financial year ended March 31, 2024 | | for the financial year ended March 31, 2023 | |
|--------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|
| | Revenue (₹ in Lakhs) | % of revenue from operations | Revenue (₹ in Lakhs) | % of revenue from operations | Revenue (₹ in Lakhs) | % of revenue from operations | Revenue (₹ in Lakhs) | % of revenue from operations |
| Customer 1 | 1,046.33 | 14.95% | 2,501.39 | 18.63% | 5,518.94 | 43.75% | 505.45 | 24.97 |
| Customer 2 | 873.58 | 12.48% | 1,824.30 | 13.59% | 1,760.40 | 13.96% | 333.99 | 16.50 |
| Customer 3 | 678.37 | 9.69% | 1,689.85 | 12.59% | 924.38 | 7.33% | 254.66 | 12.58 |
| Customer 4 | 672.18 | 9.60% | 1,168.88 | 8.71% | 856.59 | 6.79% | 143.48 | 7.09 |
| Customer 5 | 487.43 | 6.96% | 895.90 | 6.67% | 646.51 | 5.13% | 142.36 | 7.03 |
| Customer 6 | 479.05 | 6.84% | 874.80 | 6.52% | 619.16 | 4.91% | 136.42 | 6.74 |
| Customer 7 | 382.30 | 5.46% | 555.55 | 4.14% | 597.15 | 4.73% | 107.73 | 5.32 |
| Customer 8 | 336.21 | 4.80% | 455.30 | 3.39% | 226.14 | 1.79% | 79.41 | 3.92 |
| Customer 9 | 324.17 | 4.63% | 407.80 | 3.04% | 168.61 | 1.34% | 75.76 | 3.74 |
| Customer 10 | 230.20 | 3.29% | 343.84 | 2.56% | 145.14 | 1.15% | 71.58 | 3.54 |
| Total | 5,509.84 | 78.70% | 10,717.62 | 79.82% | 11,463.02 | 90.88% | 1,850.82 | 91.44 |

Set forth below is number of our repeat customers and new customers during period ended September 30, 2025 and Fiscals 2025 & 2024

| Particulars | For the period ended September 30, 2025 | | for the financial year ended March 31, 2025 | | for the financial year ended March 31, 2024 | | for the financial year ended March 31, 2023 | |
|--------------------|---|------------------------------|---|------------------------------|---|------------------------------|---|------------------------------|
| | Number of Customers | % of revenue from operations | Number of Customers | % of revenue from operations | Number of Customers | % of revenue from operations | Number of Customers | % of revenue from operations |
| Repeat Customers * | 14 | 83.71% | 15 | 73.49% | 15 | 95.11% | - | - |
| New Customers | 10 | 16.29% | 20 | 26.51% | 18 | 4.89% | 17 | 100% |
| Total | 25 | 100.00% | 35 | 100.00% | 33 | 100.00% | 17 | 100% |

*Repeat customers calculated in comparison to last financial year

We rely on the quality of our products which we believe is reflected in our relationship with our customers. Our long-term association with key customers also offers significant competitive advantages such as revenue visibility and industry goodwill.

Fully integrated cotton spinning infrastructure with modern technologies to support our product portfolio

We operate a fully integrated spinning facility that consolidates all essential stages of yarn production from raw cotton input to finished yarn within a single manufacturing unit. Our spinning operations cover key processes such as bale opening, cleaning, carding, drawing, roving, spinning, winding, and packaging. Housing all these processes under one roof reduces material handling, shortens production lead times, and enhances coordination between each stage. This results in better process control, improved operational efficiency, and consistent yarn quality. Our integrated spinning setup also provides flexibility in selecting cotton bales, enabling us to balance quality and cost by optimizing the procurement of raw cotton according to the precise specifications required for producing high-quality yarn.

At the core of our manufacturing operations is compact ring spinning technology, a significant upgrade over conventional spinning systems. This technology improves fibre alignment and reduces hairiness and breakage in yarn thereby wastages, producing stronger, and more uniform yarns. These characteristics are essential for meeting the high-quality standards expected by both domestic and international textile manufacturers. Our Manufacturing Facility is equipped with advanced machinery sourced from reputed manufacturers based in India, Italy and Switzerland. This includes compact spinning systems, high-speed Linkconers, contamination cleaners, electronic yarn clearers, and automated vacuum systems, many of which are integrated with real-time digital monitoring tools to ensure uniformity and reduce defects. For details, see “*Our Business –Manufacturing Facility*” on page 142.

Our product portfolio is technically adaptable, allowing us to serve a wide range of applications across the textile sector. This range serves the needs of knitting and weaving segments. Our ability to manufacture multiple yarn types from a single facility allows us to efficiently address shifting customer preferences and market trends. We emphasize product customization, tailoring yarn characteristics, including count and twist to meet specific client requirements. This customer-centric manufacturing approach strengthens client relationships, supports long-term partnerships, and enhances our positioning in the market. Collectively, our fully integrated infrastructure, modern spinning technologies, diversified product line, and focus on customization position us to remain agile, scalable, and competitive.

Experienced management team

Our Promoters Dharmendra Mohandas Goyal (Chairman and Managing Director) , Vishal Agarwal (Director) and Varesh Goyal (Chief Financial Officer) play a key role in the development and growth of our business. They are instrumental in formulating business strategies, driving modernization, integrating systems and technologies, steering diversification and expansion and also maintaining a strong customer-centric approach. We are supported by qualified senior management team with vast experience in the industry. Each team leader adds valuable insights to our management, utilizing their deep industry knowledge to guide our strategic initiatives. As of November 30, 2025, we have a dedicated skilled and unskilled workforce of 143 staff on our payroll or wages or stipend. Our products are

designed with the assistance of experienced technical professionals to ensure quality and functionality. The skills and diversity of our employees gives us the flexibility to respond to the needs of our customers and consumers. We are dedicated to the development of expertise and know-how of our employees and continue to invest in them through training and skills.

Our qualified and experienced management team has played a key role in the development of good corporate governance, effective internal controls and accounting policies, strong employee relations, and stable supply chain relationships. We will continue to leverage the deep experience of our promoters and management team to pursue future growth opportunities in the textile sector. With the support of a skilled workforce, including a dedicated quality assurance team, we have consistently scaled our operations and maintained stable financial performance year after year. For further information on our Promoters, Directors and senior management team, please see the sections entitled “*Our Promoters and Promoter Group*” and “*Our Management*” on pages 180 and 166, respectively.

Focus on quality

We are committed to maintaining the highest standards of quality and sustainability in our operations. Our manufacturing facility meets globally recognized quality standards, being ISO 14001:2015 certified for its Environmental Management System, ISO 45001:2018 certified for its health and safety management system and ISO 9001:2015 for Quality Management System. We employ advanced analytical techniques and healthy testing protocols to ensure that every batch of product meets strict performance and reliability criteria. Sampling and testing are conducted at multiple stages to ensure consistency and adherence to required parameters.

We have a dedicated in-house Testing and Quality Control Team comprises of 5 members as on November 30, 2025, which undertakes rigorous testing and quality management and monitors the entire production cycle, ensuring adherence to industry standards. This team rigorously oversees the entire production cycle from raw material verification to finished goods inspection ensuring full alignment with industry standards.

Further, we integrate these compliance measures with internal quality systems since each lot of cotton yarn is evaluated in our in-house laboratory for consistency, helping us minimize wastage, reduce return rates, and enhance customer satisfaction. This approach supports cost efficiency, environmental responsibility, and sustainable operational excellence.

Location advantage of our manufacturing facility

Our products are manufactured at our state of art manufacturing facility situated in the textile park at MIDC, Amravati, Maharashtra equipped with modern technology and is a textile hub and home to numerous textile mills. Our manufacturing facility location is well connected by rail, roads and air with the rest of the country, availability of skilled labour, raw material, technology, transportation etc. are easily available due to extensive industrialization in the area, etc are some of locational advantages which our Company enjoys.

- Raw materials are majorly sourced locally and are easily available and / or deliverable from the manufacturers located in Maharashtra to our unit. Thus, procurement of raw materials is less time consuming and comparatively cheaper due to savings on time and freight, especially due to our proximity to Vidarbha.
- Skilled and semi-skilled workers are easily available in Amravati, Maharashtra in view of the large number of existing textile industries / sectors in these areas.
- Our strong customer base in Maharashtra has been a key driver of our growth. Since we operate from within the state, we have consistently focused on building lasting relationships with our customers. Our presence in the textile park enables us to serve customers located within the park more efficiently, streamline our operations, and meet their product requirements promptly, resulting in higher customer retention.

Cost effective production and timely fulfilment of orders

Timely fulfilment of the orders is a prerequisite in our industry. Our Company has taken various steps in order to ensure adherence to timely fulfilment and also to achieve greater cost efficiency at our existing Amravati unit. These

steps include procurement of cotton bales (which forms a bulk of our raw material cost), smooth labour relations, use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also has enjoyed good relations with our suppliers of raw cotton, which is the primary raw material for our products, and as a consequence, the Company is able to execute and delivery a majority of its orders on time. Our Company constantly endeavours to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production. Our raw material consumption as a percentage of sales has shown a consistent improvement over the years. It has reduced to 77.55% for the period ended September 30, 2025, compared to 78.59% in Fiscal 2025, 80.81% in Fiscal 2024, and 97.44% in Fiscal 2023. This steady decline reflects better operational efficiency, improved process control, and more effective raw material management across our spinning operations.

OUR STRATEGY

Expansion of Manufacturing Facility & Expansion of existing capacity

We currently operate with an installed capacity of 18,240 spindles. With the increasing demand for our products and our strategic objective to broaden our product portfolio, we are in the process of establishing Manufacturing Unit 2 within the same plot of land adjacent to our existing facility. The addition of Unit 2 is designed to strengthen our product mix, enhance our ability to deliver integrated and value-added solutions to our existing clients, and effectively serve a wider base of prospective customers.

The proposed Manufacturing Unit 2 will be equipped with an installed capacity of 10,368 spindles and 1,440 TFO spindles, thereby significantly augmenting our overall production capabilities and supporting our long-term growth plans. The production in Manufacturing Unit 2 shall tentatively commence from January 2026.

Entering into new geographies

Currently, we had a diversified customer base of more than 20 customers in 6 states and union territories in India for the period ended September 30, 2025, for the last three Fiscals. We believe that, our sales strategy ensures that we maintain a strong market presence, continuously identifying new opportunities while reinforcing our relationships with existing customers. We believe that our sales strategy ensures that we maintain a strong market presence, continuously identifying new opportunities while reinforcing our relationships with existing customers.

The table below sets forth the breakdown of our top 10 state wise revenue from operations (sales) for the period ended September 30, 2025, for the financial year 2025, 2024 and 2023:

(₹ In Lakhs)

| Particulars | For the period ended September 30, 2025 | | Financial Year 2024-25 | | Financial Year 2023-24 | | Financial Year 2022-23 | |
|----------------|---|----------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|
| | Revenue from Operations | % to the Revenue from Operations | Revenue from Operations | % to the Revenue from Operations | Revenue from Operations | % to the Revenue from Operations | Revenue from Operations | % to the Revenue from Operations |
| Maharashtra | 5,904.89 | 89.46 | 11,109.94 | 87.24 | 10,464.35 | 86.34 | 1,793.61 | 88.61 |
| Gujarat | 336.21 | 5.09 | 1,573.99 | 12.36 | 1,275.29 | 10.52 | 71.58 | 3.54 |
| Tamilnadu | - | - | 33.44 | 0.26 | 19.50 | 0.16 | 22.50 | 1.11 |
| Telangana | - | - | 13.21 | 0.10 | 15.31 | 0.13 | - | - |
| Haryana | - | - | 3.87 | 0.03 | 30.05 | 0.25 | - | - |
| Punjab | - | - | - | - | 3.67 | 0.03 | - | - |
| Rajasthan | - | - | - | - | 145.14 | 1.20 | 136.42 | 6.74 |
| Andhra Pradesh | 86.96 | 1.32 | - | - | 106.02 | 0.87 | - | - |
| West Bengal | 254.52 | 3.86 | - | - | 39.30 | 0.32 | - | - |

| Particulars | For the period ended September 30, 2025 | | Financial Year 2024-25 | | Financial Year 2023-24 | | Financial Year 2022-23 | |
|------------------|---|----------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|
| | Revenue from Operations | % to the Revenue from Operations | Revenue from Operations | % to the Revenue from Operations | Revenue from Operations | % to the Revenue from Operations | Revenue from Operations | % to the Revenue from Operations |
| Madhya Pradesh | 18.11 | 0.27 | - | - | 21.40 | 0.18 | - | - |
| Himachal Pradesh | 0.07 | 0.00 | - | - | - | - | - | - |
| Total | 6,600.75 | 100.00 | 12734.45 | 100.00 | 12,120.04 | 100.00 | 2,024.11 | 100.00 |

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products in different parts of the country and also around the world. Enhancing our presence in additional regions will enable us to reach out to a larger population. Further, our Company believes in maintaining long term relationships with our customers in terms of increased sales. We aim to achieve this by adding value to our customers through innovation, quality assurance, timely delivery, and reliability of our products.

Maintaining strong relationship with our suppliers and customers

We believe in maintaining good relationship with our suppliers, customers and employees which are the most important factor to keep our Company growing. Our business model is based on the client relationships that have been established over a period of time rather than product-based execution approach. Our dedicated and focused approach and efficient and timely delivery, consistent product quality and addressing the customer feedback and concerns has been an essential part in maintaining long term relationship with our clients. Further, we believe that establishing strong, mutually beneficial long-term relationships with strategic suppliers is a critical step in improving performance across the supply chain, generating greater cost efficiency and enabling the business to grow and develop.

Operational Efficiency and Manufacturing Excellence

We are committed to continuously enhancing our operational efficiency by investing in modern, high-performance spinning infrastructure and advanced quality control systems, including in-house testing laboratories. These facilities ensure that every yarn batch meets stringent quality standards, enabling consistent delivery and high customer satisfaction.

Our focus remains on streamlining manufacturing processes to reduce waste, optimize resource utilization, and lower production costs, all without compromising on product quality. We believe that sustainable cost optimization measures and investing in equipment and automation will contribute to more efficient operations. These efforts not only strengthen our ability to meet customer specifications reliably and consistently but also improve our responsiveness to market demands. Through disciplined execution and operational agility, we aim to reinforce our position while supporting long-term business growth

Details on our Business and Process:

We operate from the following office and manufacturing unit:

| Sr. No. | Address | Usage |
|---------|--|--------------------|
| 1. | 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India | Registered Office |
| 2. | Plot No. T-15, additional Amravati industrial area textile park, Tuljapur, Amravati – 444901, Maharashtra, India | Manufacturing Unit |



Plant and Machinery

Our manufacturing facilities includes machinery for opening up raw cotton, spinning of yarn, winding yarn on cones and Quality Control / Inspection. Our latest technology plant and machinery has aided us in manufacturing better quality yarn and textiles.

The details of existing Plant & Machinery for the manufacturing of cotton yarn are as follows:

| Name of the Machine | Purpose of Usage | Quantity |
|---------------------|---|----------|
| Blowroom | Cotton is picked from cotton bales, opened, mixed and cleaned of impurities | 1 |
| Carding | Converts Opened cotton lint into open rope like forms, called Sliver, also removes finer impurities | 12 |
| Breaker Draw Frame | Parallellisation of silvers, by doubling and drafting | 4 |
| Finisher Draw Frame | Further Evening of the parallel fibers, by doubling and drafting | 5 |
| Speed Frames | Make Rovings from even slivers from the draw frame, drafting and adding some twist | 3 |

| Name of the Machine | Purpose of Usage | Quantity |
|---------------------|---|----------|
| Compact Ring Frames | Spinning yarn by drawing and twisting the fibers from the roving in a compact spinning zone | 10 |
| LinkConers | Make Cones packages from smaller ring Bobbins, suitable for consumption | 10 |
| Yarn Conditioning | Steam conditioning of cones packages to regain moisture to 8% and twist setting | 1 |

Capacity Utilisation

| Manufacturing Facilities | For the period ended September 30, 2025 | | | For the year ended March 31, 2025 | | | For the year ended March 31, 2024 | | | For the year ended March 31, 2023 | | |
|--------------------------|---|------------------------|--------------------------|--|------------------------|--------------------------|--|------------------------|--------------------------|--|------------------------|--------------------------|
| | Average Estimated Half Year Available Capacity (MT) | Actual Production (MT) | Capacity Utilisation (%) | Average Estimated Annual Available Capacity (MT) | Actual Production (MT) | Capacity Utilisation (%) | Average Estimated Annual Available Capacity (MT) | Actual Production (MT) | Capacity Utilisation (%) | Average Estimated Annual Available Capacity (MT) | Actual Production (MT) | Capacity Utilisation (%) |
| Cotton Spinning | 2928 | 2856 | 98% | 5600* | 5511 | 98% | 5500 | 5163 | 94% | 2170 | 900 | 41% |

Note: *Installed spindle capacity is 18,240. Change in production capacity is purely due to change in count mix.

As certified by Rajendra V Khodsakar, Independent Chartered Engineer vide their certificate dated December 12, 2025

Products:

We are engaged in the business of manufacturing of yarn. Our Company is equipped with state-of-the-art machinery to produce yarn with the core capability.

Yarn :

The Company manufacture '100% Cotton Yarn' in the count range of Ne 12/1 to Ne 32/1. These yarns are suitable for both knitting and weaving applications, and catering to a wide spectrum of end-use segments and products including but not limited to Apparel, Denim, Terry towels, Shirting, Bed linen, , Sweaters, Socks, , Furnishing Fabrics and Industrial fabrics.

Yarn count is the degree of yarn thickness, which can be expressed by means of 'Ne', 'Nm', 'Denier', 'Tex' and so on. 'Ne' is the British Count and refers to that many 840 yards of the Yarn's length, which is what the number of yarns counts spun with a pound of cotton under the public moisture regain. The thicker the yarn, the smaller is the 'Ne' value. For example, the '40s' yarn is thinner than the '20s' yarn. 'D' is the abbreviation of Denier, the expression of the fineness of the chemical fiber. The larger the 'D' value, the thicker is the Yarn. For example, 75D is thicker than 50D. The 'count' is the standard of yarn thickness. The higher the yarn count, the finer the yarn and thinner the cloth. High count of cloth requires high quality of raw materials coupled with spinning and weaving mills with the latest technical know-how, which has a major influence in pricing the cloth.

Business Process for manufacturing of Yarn

Yarn manufacturing is a continuous systematic process that converts raw cotton fibres into yarn suitable for various woven or knitted end-products (e.g., apparel or industrial fabrics) and for sewing thread and cordage (textile applications). It begins with dense bales of cotton fibres, which contain impurities like foreign matter and debris. The

process involves sequential operations such as opening, blending, mixing, cleaning, carding, drawing, roving, and spinning. Each step plays a crucial role in refining the fibres to achieve the desired cleanliness, strength, and uniformity necessary for modern textile markets. This meticulous process ensures that the final yarn meets rigorous industry standards and is ready for use in a wide range of textile products.

Raw Materials

The primary raw materials used in our manufacturing process of yarn are raw cotton / cotton bales which are sourced domestically or imported. Raw cotton is a kharif crop and is available only during the cultivation season. Therefore, for seamless & non-stop production of cotton yarn, we purchase cotton bales in bulk during the cultivation season.

Our Company works with a set of vendors, who are identified based on several parameters like quality, price competitiveness and time taken for delivery and do not have defined supply contracts with any of our raw material suppliers. We majorly procure raw material on the day-to-day market price. Our sourcing capabilities are backed by effective systems and processes and an effective information technology infrastructure, allowing us to deliver our products to our consumers on a timely basis.

The primary raw material for yarn manufacturing is raw cotton, which the Company procures from the open market and, where applicable, from government-designated agencies such as the Cotton Corporation of India (“CCI”). Cotton procurement is largely seasonal and depends on crop availability, market prices, and quality parameters such as staple length, strength, and moisture content. The Company typically procures cotton during peak harvest seasons to ensure availability at competitive prices and maintains adequate inventory to support uninterrupted production.

Further our Company does not enter into any contracts or agreements with its raw material suppliers. For further details please see “*Risk Factor 4 - Our business relies on third-party transport logistics and storage providers for the timely procurement of raw materials and distribution of finished products, and any disruption or cost increase in such services could adversely affect our operations*” on page 32.

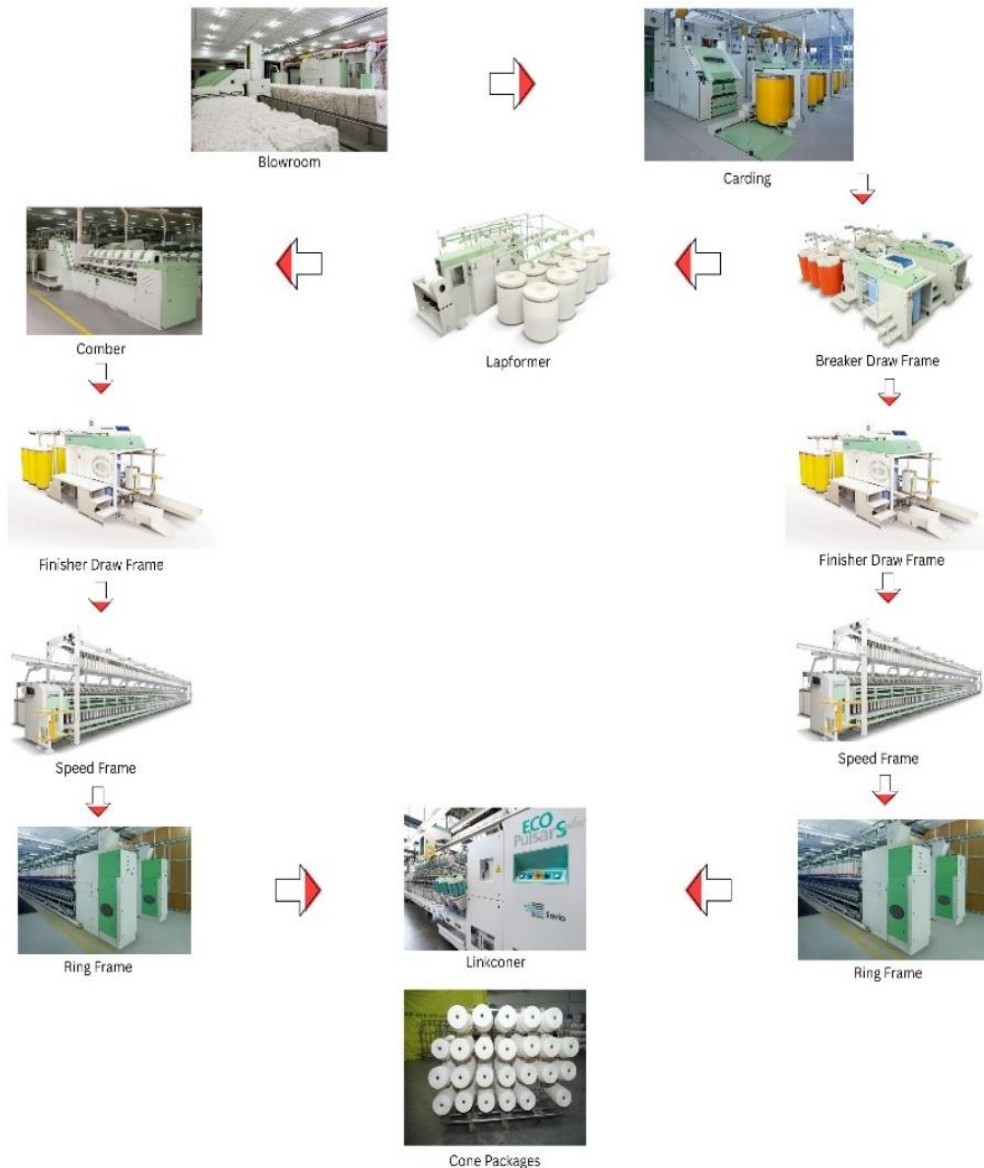
During the period ended September 30, 2025, fiscal 2025, 2024 and 2023 we had source raw material from 11, 22, 53 and 34 suppliers, respectively. We do not enter into an agreement with our supplier. Expenditure for materials consumed comprised 77.55 %, 78.59 %, 80.81 % and 97.44 % of our revenue from operations for the period ended September 30, 2025, for the financial Fiscals 2025, 2024 and 2023, respectively.

Top Suppliers contribution to Purchase:

(Amount in ₹ Lakhs)

| Particulars | Suppliers | | | | | | | |
|---------------|---|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|
| | For the period ended September 30, 2025 | | March 31, 2025 | | March 31, 2024 | | March 31, 2023 | |
| | Purchase contribution | % of Purchase | Purchase contribution | % of Purchase | Purchase contribution | % of Purchase | Purchase contribution | % of Purchase |
| Top 1 | 2,550.33 | 51.93% | 6,111.49 | 56.89% | 1,869.02 | 17.94% | 431.14 | 16.63% |
| Top 3 | 4,025.97 | 81.97% | 7,766.73 | 72.29% | 4,343.23 | 41.70% | 979.60 | 37.78% |
| Top 5 | 4,419.84 | 89.99% | 8,756.76 | 81.51% | 5,781.54 | 55.50% | 1,293.48 | 49.89% |
| Top 10 | 4,717.13 | 96.04% | 9,782.22 | 91.05% | 7,448.28 | 71.51% | 1,742.53 | 67.21% |

The manufacturing process unfolds through a continuous series of essential operations:



The process of manufacturing cotton yarn is through the Compact Ring Spinning System, which involves the following steps:

1. Blow Room:

The cotton fiber in the form of bales is fed into the blow room where it is opened, cleaned, and blended. The impurities such as leaf particles, seed coats, and dust are removed through beaters and air currents. The material is converted into uniform lap or directly into chute feed slivers that are fed into the carding machines.

2. Carding:

The carding process converts the opened cotton into a thin web which is condensed into sliver form. Carding removes impurities, short fibers, and neps. Flat strips, droppings, and other waste are removed at this stage. The carded sliver is collected in cans and fed to the next process.

3. Breaker Draw Frame:

The slivers from the carding machine are fed into the breaker draw frame. Here, several slivers are doubled and drafted together to improve evenness and parallelization of fibers.

4. Lap Former

In this spinning process, the breaker draw frame slivers are combined, and drafted into a uniform, compact sheet called a "lap". This lap is then wound onto a spool as a feed raw material for combing machines.

5. Combing

In this process, the combers remove short fibres, i.e. below certain specific length from the cotton. These short fibres, called comber Noils, are removed in the range of between 8% to 24% depending upon the quality parameters required. The output from comber is called combed sliver

6. Finisher Draw Frame

The combed slivers (for combed yarns) or carded slivers (for carded yarns) are fed into the finisher draw frame. Auto-levelers are used to ensure consistent linear density. The output sliver is more uniform and even.

7. Roving (Speed Frame)

The sliver from the draw frame is too thick to be fed directly into ring spinning. It is drafted and slightly twisted into a finer strand called roving, which is wound on roving bobbins. This intermediate product facilitates easier handling and further drafting.

8. Ring Spinning (Compact Spinning)

The roving bobbins are fed to the ring frame machines (LR9 SX/SXL Compact Ring Frames). The roving is drafted to the final yarn count and given the required twist. Compact spinning technology improves yarn strength, reduces hairiness, and enhances fabric quality. The yarn is collected in the form of ring bobbins.

9. Winding (Autoconer)

The yarn from the ring bobbins is wound onto cones. During winding, yarn faults are removed, splicing is done to join broken ends, and waxing is applied where required (especially for hosiery yarns). The finished cones are suitable for weaving or knitting.

10. Yarn Conditioning Plant (YCP)

The yarn cones are treated with steam and vacuum in the conditioning plant. This restores proper moisture content, improves yarn strength, and enhances performance in subsequent processes.

11. Packaging

The conditioned cones, usually weighing around 1.89 kg each, are packed in cartons or pallets as per customer requirement and prepared for dispatch.

12. Optional: Two-for-One Twisting (TFO)

For certain counts and customer requirements, single yarns are doubled and twisted using TFO machines (Savio Cosmos 201.5 ARRA, Peass Assembly Winders). This process improves strength, reduces torque, and produces specialty yarns, with home textile fabrics (Bed sheets, Towels and More) being the predominant end use.

Each step in this sequence contributes crucially to refining the raw cotton fibers into high-quality yarn suitable for a diverse range of textile products. The culmination of these processes ensures that the yarn meets rigorous industry standards for performance and appearance, catering to the demands of modern textile markets effectively.

Testing and Quality Control

We maintain high standards for quality control and have automatic, semi – automatic / mechanical machines and manual checking being operated by skilled operators under proper quality control and strict supervision. We are committed to maintaining high quality standards in our sourcing of products. As on March 31, 2025, we have a dedicated quality assurance team comprises of 5 personnel, who are responsible for ensuring compliance with our established quality standards. Moreover, to ensure compliance with our quality management systems and statutory and regulatory compliance, our quality assurance team is equipped to train our staff on updates in quality, regulatory and statutory standard

Marketing & Distribution

We have a comprehensive marketing approach for all B2B sales, dedicated sales team that manages the relationship with customers. The experience of the sales team helps in penetrating the market and in reaching out to more customers. As on November 30, 2025 we have a team of 3 personnel (including management). Our Company's marketing department constantly interacts with customers so as to get the feedback on the quality of the product. Further, we also regularly participate in several trade fairs which help in networking, attracting potential customers, and updating our customers about the products that we manufacture.

Utilities

We have adequate facilities and infrastructure to source and store raw materials and have existing connections for utilities like water, power etc. for the existing facilities.

Power:

We have made necessary arrangements for regular uninterrupted power supply at our manufacturing unit.

Water

The water consumption is required for humidification, sanitation and for drinking purpose. The actual production process does not require any water. The same is sourced from MIDC.

Waste Management

The waste generated during the process is collected via waste collection systems, stored, baled and then sold to traders or textile manufacturers, who use cotton waste as a raw material.

Inventory Management

Our finished products which is cotton yarn are mainly stored at the manufacturing facility. We produce finished products that is determined based on a combination of confirmed and expected orders.

Transportation

We engage third party transportation providers, on a case-to-case basis, for delivering our products to our customers. For our purchases, local purchases are on delivery to our location basis or ex-factory. In case of ex-factory purchases, we engage third party transportation providers to deliver the cotton bales to our factory.

Information technology

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our manufacturing facility is connected to our IT network that facilitates monitoring of our operations and management of supply chain. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods, payments to vendors and receivables from customers.

Competition

The industry in which we operate is highly competitive and fragmented. Competition emerges from small as well as big players in the textile industry. Our competition varies across various markets and geographical areas. We face competition from both domestic and international companies. We compete primarily on the basis of product quality, technology, cost, delivery and service, as well as quality and depth of senior level relationships. Further, some of our current and potential competitors include large international companies that have longer operating histories, better name recognition, greater ability to influence industry standards, access to larger customer bases and significantly greater financial, sales and marketing, manufacturing, distribution, technical and other resources than we have.

Environment, Health and Safety

We are also subject to laws and government regulations, including in relation to safety, health and environmental protection. These laws and regulations include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981, and other regulations promulgated by the Ministry of Environment and the pollution control boards of the relevant states. These environmental protection laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other such aspects of our manufacturing.

Our activities are subject to laws and government regulations, including in relation to safety, health, and environmental protection. These safety, health, and environmental protection laws and regulations impose controls on air and water release or discharge, noise levels, storage handling, the management, use, generation, treatment, processing, handling, storage, transport, or disposal of waste materials in relation to our manufacturing operations. We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations by taking initiatives to reduce the risk of accidents at our Manufacturing Facility by (i) providing training and safety manuals to our employees; (ii) displaying safety slogans and posters in our Manufacturing Facility to spread awareness about health and safety measures and (iii) organising firefighting drills. We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our facilities, by organising medical camps in our Manufacturing Facility.

Collaborations/ Tie Ups/ Joint Ventures

As on the date of this Draft Red Herring Prospectus, we do not have any collaborations, tie-ups and joint ventures

Insurance

At present, we maintain insurance policies such as (i) insurance policy covering fire and stocks (Industrial All Risk Policy) (ii) insurance policies covering for transportation (iii) insurance policies covering construction risk (erection all risk policy). Although, we attempt to limit and mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions and/or insurance, the indemnities set forth in our contracts and/ or our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages.

Details of Insurance are set below:

| Sr. No. | Insurer | Description of Insurance | Policy No. | Expiry Date | Insured Amount (Rs.) |
|---------|---|---|------------|-------------------|----------------------|
| 1. | TATA AIG General Insurance Company Ltd. | Marine Cargo Insurance Policy Commercial (Marine Cargo Open Policy) | 0865098302 | November 30, 2026 | 50,00,00,000 |

| Sr. No. | Insurer | Description of Insurance | Policy No. | Expiry Date | Insured Amount (Rs.) |
|---------|---|---|-----------------------|--------------------|----------------------|
| 2. | TATA AIG General Insurance Company Ltd. | Marine Cargo Insurance Policy Commercial (Marine Cargo Open Policy) | 0865098312 | November 30, 2026 | 25,00,00,000 |
| 3. | The New India Assurance Co. Ltd. | Industrial All Risk Policy | 9900001125060000039 | November 10, 2026 | 1,45,50,00,000 |
| 4. | ICICI Lombard General Insurance Company Ltd | Erection All Risks Insurance Policy | 5006/410782770/00/000 | January 31, 2026 | 53,00,00,000 |
| 5. | TATA AIG General Insurance Company Ltd. | Marine Cargo Open Policy | 6520025825 | September 16, 2026 | 13,50,00,000 |
| 6. | Oriental Insurance Company Limited | Standard Fire and Special Perils - Job Work | 590000/11/2025/946 | January 22, 2026 | 1,00,00,000 |
| 7. | Oriental Insurance Company Limited | Burglary - Floater Policy | 590000/48/2025/4949 | January 22, 2026 | 1,00,00,000 |
| 8. | TATA AIG General Insurance Company Ltd. | Marine Cargo Open Policy | 6520025826 | September 16, 2026 | 26,50,00,000 |
| 9. | Tata AIG General Insurance Company Limited | Contractor All Risk Insurance | 2600049602 | January 31, 2026 | 15,00,00,000 |
| 10. | The New India Assurance Co. Ltd. | Stock Insurance | 99000011258000000147 | December 12, 2026 | 3,00,00,000 |

Manpower

We believe our employees and personnel are one of our most important assets and critical to maintaining our competitive position in our industry. Our human resource policies focus on recruiting qualified and talented personnel, whom we believe integrate well with our current workforce. We develop and train our employees in order to facilitate the growth of our operations and have instituted programmes for the employees which aid in their personal development and enhances their productivity.

The table below shows the break-up of our employees as on November 30, 2025:

| Sr. No. | Department | Number |
|--------------|----------------------------|------------|
| 1. | Management | 2 |
| 2. | Administration & Marketing | 15* |
| 3. | Accounts | 3 |
| 4. | Production and Process | 85 |
| 5. | Engineering | 32 |
| 6. | Quality | 5 |
| 7. | Legal and Secretarial | 1 |
| Total | | 143 |

*Includes 1 dedicated staff for marketing and distribution

Please find below the details of EPF contribution and ESIC premium paid for our employees are as follow:

| PF Details | For the period ended September 30, 2025 | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|------------------------|---|----------------|----------------|----------------|
| Total No. of Employees | 140 | 135 | 134 | 135 |

| PF Details | For the period ended September 30, 2025 | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|--|---|----------------|----------------|----------------|
| Contribution for No. of Employees as at September 30/ March 31 | 131 | 127 | 87 | 58 |
| Total Contribution Paid (₹) | 20,88,966 | 33,08,315 | 29,58,745 | 3,99,629 |

| ESIC Details | For the period ended September 30, 2025 | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|--|---|----------------|----------------|----------------|
| Total No. of Employees (As at) | 140 | 135 | 134 | 135 |
| Contribution for No. of Employees as at September 30/ March 31 | 126 | 118 | 76 | 47 |
| Total Premium Paid (₹ in Lakhs) (For the period/ year ended) | 4,61,773.00 | 6,20,458.86 | 4,71,768 | 73,782 |

As certified by M R B & Associates, Statutory Auditors of the company vide their certificate dated January 09, 2026

Intellectual Property

For details of our intellectual property, please refer to the chapter titled “Government and Other Statutory Approvals” beginning on page 256 of this Draft Red Herring Prospectus.

Property

The following table sets forth the location and other details of the rented / leasehold properties of our Company:

| Sr. No. | Date of License and Lease & Term * | Name of the Lessor/Licensor | Name of the Lessee/ Licensee | Area | Location of the Property | Lease Fees (₹) | Usage Purpose | Whether Lessor is a related party (Yes/No) |
|---------|--|--|------------------------------------|-------------------|---|----------------------|------------------------------------|--|
| 1. | April 10, 2024; w.e.f. April 1, 2024 till March 31, 2027 | Shree Chakra Properties and Investment Pvt Ltd | Shreedhar Spinners Private Limited | 844 Sq. Ft. | Office No. 503, 5 th Floor, Matharu Arcade, Subhash Road, Vile Parle (East), Mumbai - 400057 | ₹ 1,26,600 per month | Registered Office | No |
| 2. | August 12, 2021; Ninety-Five years | Maharashtra Industrial Development Corporation | Shreedhar Spinners Private Limited | 1,20,000 Sq. Mtr. | T-15, Additional Amravati Industrial Area, Nandgaon Peth MIDC, Textile Park | ₹ 1 per year | Factory/manufacturing unit/ Stores | No |

| Sr. No. | Date of License and Lease & Term * | Name of the Lessor/Licensor | Name of the Lessee/Licensee | Area | Location of the Property | Lease Fees (₹) | Usage Purpose | Whether Lessor is a related party (Yes/No) |
|---------|------------------------------------|-----------------------------|-----------------------------|------|--------------------------|----------------|---------------|--|
| | w.e.f. August 12, 2021 | | | | Dist. Amravati 44 4901 | | | |

The remainder page has been intentionally left blank

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.

Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Approvals**” beginning on page number 256 of this Draft Red Herring Prospectus.

BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS

The Textiles Committee Act, 1963

The Textiles Committee Act, 1963 establishes the Textiles Committee under the Ministry of Textiles to ensure the quality of textiles and textile machinery, promote standardisation, and support the development and export of textile products. The Act empowers the Committee to conduct inspection, testing and quality evaluation, prescribe standards and specifications, collect cess on certain textile goods, and operate laboratories for quality certification. It also authorises the Committee to regulate and improve textile production processes and provide technical guidance to the industry. Compliance with testing, certification and quality norms under this Act is essential for textile manufacturers, particularly those engaged in export-oriented production, and violations may attract penalties under the Act and rules framed thereunder.

Textile (Development and Regulation) Order, 2001

The Textile (Development and Regulation) Order, 2001, issued under the Essential Commodities Act, empowers the Textile Commissioner to regulate and oversee the production, quality, marking, packing, and use of textile products and textile machinery across the sector. The Order mandates textile units to maintain prescribed books of account, furnish periodic returns, and provide information relating to production, raw-material consumption, installed capacity, and stock levels. It authorises the Commissioner to issue binding directions on matters such as specifications, dyes and chemicals used, standards of packing and marking, production controls, and to inspect premises, seize non-compliant goods, and verify records. The Order plays a central role in ensuring quality, transparency, and traceability in textile manufacturing, and non-compliance can attract prosecution and penalties under the Essential Commodities Act.

National Textile Policy, 2000

The National Textile Policy, 2000, issued by the Ministry of Textiles, provides a comprehensive policy framework for the growth, modernisation, and global competitiveness of India’s textile industry across fibre, yarn, fabric, garment and technical textile segments. The Policy aims to promote technology upgradation, product diversification, quality benchmarking, export enhancement, and infrastructure development, while strengthening the entire textile value chain through initiatives relating to human resource development, branding, standards, and investment promotion. It emphasises the need for modern machinery, improved productivity, environmentally sustainable practices, and enhanced international market access, and serves as a guiding policy document underpinning subsequent schemes such as TUFS/ATUFS, SITP, PM-MITRA and quality-control initiatives.

The Environment Protection Act, 1986 and The Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for coordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

The Water (Prevention and Control of pollution) Act, 1974 (the "Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 ("Hazardous Wastes Rules")

The Hazardous Wastes Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste.

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Act was enacted. With effect from April 01, 2025 the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery does not exceed Rs.2.5 Crore and annual turnover does not exceed Rs. 10 Crore; Small enterprise, where the investment in plant and machinery does not exceed Rs.25 crore and annual turnover does not exceed Rs. 100 Crore; a Medium enterprise, where the investment in plant and machinery does not exceed Rs. 125 crore and annual turnover does not exceed Rs. 500 Crore.

LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED

The Maharashtra Shops and Establishments Act, 2017

As per the provisions of The Maharashtra Shops and Establishments Act, 2017, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Indian Stamp Act, 1899 read with Maharashtra Stamp Act, 1958

The **Indian Stamp Act, 1899** is the principal law governing the levy and collection of stamp duty on specified instruments (such as agreements, conveyances, leases, mortgages and other documents) to ensure their legal validity and admissibility as evidence. It broadly prescribes the categories of instruments chargeable to duty, the manner of stamping, and the consequences of insufficient stamping, including payment of deficit duty and applicable penalties. In **Maharashtra**, stamp duty is administered under the **Maharashtra Stamp Act, 1958**, along with the rules and notifications issued thereunder, which set out the applicable rates, procedures (including e-stamping where permitted), adjudication and enforcement for instruments executed in, or relating to, Maharashtra.

The Maharashtra State Tax On Professions, Trades, Callings And Employments Act, 1975

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Maharashtra, is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

TAX RELATED LEGISLATIONS

Income Tax Act, 1961

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company which is assessed to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by October 31st of each assessment year.

The Goods and Services Tax Act, 2017

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central

Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

EMPLOYMENT AND LABOUR LAWS

The Code on Wages, 2019 (the “Wages Code”)

The Wages Code received the assent of the President of India on August 8, 2019 and the provisions of the Code came into effect from November 21, 2025 after being notified in the Official Gazette by the Central Government. The Wages Code has replaced the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976.

The Wages Code extends to the whole of India and regulates minimum wages, floor wages, payment of wages, permissible deductions, bonus and equal remuneration. It introduces a harmonised definition of “wages”, prohibits discrimination on grounds of gender in matters of wages and recruitment for the same work or work of a similar nature, and confers a statutory right to minimum wages for all employees, supported by a national floor wage below which State minimum wages cannot fall. The Wages Code also provides for advisory boards, an Inspector-cum-Facilitator based compliance regime, maintenance of prescribed registers and issuance of wage slips, and offences and penalties for non-compliance.

Occupational Safety, Health and Working Conditions Code, 2019 The Occupational Safety, Health and Working Conditions Code, 2020 (the “OSHWC Code”)

The OSHWC Code is a central legislation enacted to consolidate and amend the laws regulating the occupational safety, health and working conditions of persons employed in an establishment; it received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment, has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws. The OSHWC Code replaces and subsumes 13 central enactments relating to safety, health and working conditions, including, among others, the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Mines Act, 1952, the Plantations Labour Act, 1951, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Motor Transport Workers Act, 1961, the Beedi and Cigar Workers (Conditions of Employment) Act, 1966 and laws governing dock workers, working journalists, cine-workers and sales promotion employees, subject to repeal-and-savings provisions that preserve existing rules and notifications to the extent they are not inconsistent with the Code.

The OSHWC Code applies, inter alia, to establishments employing 10 or more workers and to all mines and docks, as well as to specified categories such as factories, building and other construction works, plantations, motor transport undertakings, audio-visual production units and newspaper establishments, and requires eligible establishments to obtain registration (with deemed migration of existing registrations), comply with notified occupational safety and health standards, provide a safe working environment and prescribed welfare facilities, conduct periodic medical examinations including free annual health check-ups for specified employees, issue letters of appointment to all employees, and report certain accidents, dangerous occurrences and notified occupational diseases. It also contains specific provisions on working hours, leave and overtime, engagement and conditions of contract labour and inter-State migrant workers, and employment of women (including in night shifts and in all types of work subject to consent and prescribed safeguards), and establishes an Inspector-cum-Facilitator and advisory board framework for enforcement and standard-setting.

The OSHWC Code also provides for registration of applicable establishments, maintenance of safe and healthy working environment and welfare facilities, engagement and treatment of contract labour and inter-State migrant workers, employment of women, and maintenance of prescribed registers, records and returns and timely reporting of accidents, dangerous occurrences and occupational diseases.

The Industrial Relations Code, 2020 (the “IR Code”)

The IR Code is a central legislation enacted to consolidate and amend the laws relating to trade unions, conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes; it received the assent of the President of India on September 28, 2020 and, pursuant to notifications issued by the Ministry of Labour and Employment, has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The IR Code consolidates and replaces three key enactments, namely (i) the Industrial Disputes Act, 1947, (ii) the Trade Unions Act, 1926, and (iii) the Industrial Employment (Standing Orders) Act, 1946. It extends to the whole of India and, among other matters, provides a unified framework for (i) registration, governance and recognition of trade unions, including recognition of a negotiating union or negotiating council in industrial establishments having multiple unions; (ii) constitution of bi-partite forums such as Works Committees and Grievance Redressal Committees in establishments above prescribed thresholds; (iii) certification, modification and deemed adoption of standing orders in industrial establishments employing 300 or more workers, aligned with central model standing orders; and (iv) mechanisms for conciliation, voluntary arbitration and adjudication of industrial disputes by Industrial Tribunals and the National Industrial Tribunal.

The IR Code also introduces provisions on fixed term employment with parity of wages and benefits vis-à-vis permanent workers and gratuity eligibility after one year, prescribes conditions and procedures for strikes and lock-outs, and revises the regime governing lay-off, retrenchment and closure in certain industrial establishments, including a higher statutory threshold (currently 300 workers, with power for States to increase this limit) for prior government approval for lay-off, retrenchment and closure, while defining “worker” and “employee” broadly to cover a wider segment of the workforce and prohibiting unfair labour practices

The Code on Social Security, 2020 (the “Social Security Code”)

The Social Security Code is a central legislation enacted to modernise and consolidate the laws relating to social security with the objective of extending social security coverage to employees and workers in the organised, unorganised, gig and platform sectors across India; it received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment under Section 1(3), has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The Social Security Code consolidates and replaces nine central enactments, including the Employees’ Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine Workers Welfare Fund Act, 1981, the Building and Other Construction Workers Welfare Cess Act, 1996 and the Unorganised Workers’ Social Security Act, 2008. Among other matters, it provides the framework for social security schemes relating to provident fund, pension and deposit-linked insurance, employees’ state insurance, maternity benefits, gratuity, employee compensation and welfare of building and other construction workers, as well as social security schemes for unorganised workers, gig workers and platform workers, and establishes or continues social security organisations such as the Central Board of Trustees of the Employees’ Provident Fund, the Employees’ State Insurance Corporation, the National and State Social Security Boards for unorganised workers and State Building and Other Construction Workers’ Welfare Boards.

The Social Security Code also contemplates electronic registration of establishments, technology-enabled record-keeping and benefit delivery, and empowers the Central and State Governments to extend the application of EPF, ESIC and other schemes to additional classes of establishments and workers.

The Social Security Code and the rules and schemes framed thereunder, provides for to registration of eligible establishments, enrolment of employees under the Employees’ Provident Fund and Employees’ State Insurance schemes, payment of employer and employee contributions, provision of statutory gratuity, maternity and employee compensation benefits, facilitation of social security for eligible contract, unorganised, gig or platform workers engaged in its operations, and maintenance of prescribed records and returns, and any non-compliance may result in interest, penalties and other enforcement action.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms ‘sexual harassment’ and ‘workplace’ are both defined in the Act. Every employer should constitute an “Internal Complaints Committee” and every officer and member of the Committee shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”)

The CLPR Act seeks to prohibit the engagement of children in certain occupations and to regulate the conditions of work of children in certain other occupations. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

INTELLECTUAL PROPERTY LEGISLATIONS

Trade Marks Act, 1999 (“TM Act”)

The Trademarks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

FOREIGN INVESTMENT LAWS

Foreign Trade (Development and Regulation) Act, 1992

The FTDR is the main legislation concerning foreign trade in India. The FTDR, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide powers to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDR read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code (“IEC”) number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract a penalty under the FTDR.

Foreign Exchange Management Act, 1999 & Rules thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed

5 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The Reserve Bank of India ("RBI") also issues Master Directions Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who are eligible to make investments in India, for which eligibility criteria are prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

GENERAL LAWS

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the following are also applicable to our Company:

The Bharatiya Nyaya Sanhita, 2023 ("BNS")

The Bharatiya Nyaya Sanhita, 2023 consolidates and replaces the Indian Penal Code, 1860 and inter alia provides the substantive criminal law in India. The Act defines offences, prescribes punishments and sets out liability for individuals and entities. Key provisions cover offences against the State, human body, property, documents and cyber-enabled crimes along with penalties for corporate fraud and misconduct. Compliance with this Act is relevant for entities and their management in the context of criminal liability, fraud prevention and corporate governance.

The Bharatiya Nagarik Suraksha Sanhita, 2023 ("BNSS")

The Bharatiya Nagarik Suraksha Sanhita, 2023 replaces the Code of Criminal Procedure, 1973 and lays down the procedural framework for investigation, trial and adjudication of offences. The Act, inter alia, provides for registration of FIRs, powers of investigation, rights of the accused, trial processes and mechanisms for appeal. It also introduces timelines for filing chargesheets and mandates use of technology in investigation and trial. Compliance with this Act is relevant for entities in relation to criminal proceedings against them or their personnel.

The Bharatiya Sakshya Adhiniyam, 2023 ("BSA")

The Bharatiya Sakshya Adhiniyam, 2023 replaces the Indian Evidence Act, 1872 and governs the admissibility and relevancy of evidence in judicial proceedings. The Act, inter alia, provides for documentary, oral, electronic and digital evidence and prescribes rules for burden of proof, examination of witnesses and evidentiary value of records. Compliance with this Act is relevant for entities in connection with legal proceedings involving documentary and electronic records.

The Negotiable Instruments Act, 1881 ("NI Act")

The Negotiable Instruments Act, 1881 as amended regulates promissory notes, bills of exchange and cheques and defines the rights and obligations of parties thereto. The Act, inter alia, provides for the recognition of negotiable instruments, endorsement, transferability and penalties for dishonour of cheques. It prescribes criminal liability for dishonour of cheques due to insufficiency of funds and enables summary trial procedures. Compliance with this Act is relevant for entities issuing or accepting negotiable instruments in the course of business.

The Consumer Protection Act, 2019 ("CPA")

The Consumer Protection Act, 2019 consolidates provisions relating to consumer rights, protection and dispute redressal. The Act, inter alia, provides for establishment of Consumer Commissions, product liability, unfair trade practices, misleading advertisements and e-commerce rules. It empowers consumers to seek compensation against defective goods or deficient services. Compliance with this Act is relevant for entities engaged in sale of goods or provision of services including through digital platforms.

The Transfer of Property Act, 1882 ("TPA")

The Transfer of Property Act, 1882 as amended regulates the transfer of immovable property in India. The Act, inter alia, provides for sale, mortgage, lease, exchange and gift of property and prescribes the rights and obligations of transferors and transferees. It governs conditions, restrictions and formalities relating to such transfers. Compliance with this Act is relevant for entities involved in acquisition, disposal or development of immovable property.

The Arbitration and Conciliation Act, 1996 ("Arbitration Act")

The Arbitration and Conciliation Act, 1996 as amended provides the legal framework for arbitration, conciliation and related alternative dispute resolution mechanisms in India. The Act, inter alia, provides for recognition and enforcement of arbitration agreements, conduct of arbitral proceedings and enforceability of domestic and foreign awards. It incorporates provisions aligned with UNCITRAL Model Law and prescribes timelines for expeditious disposal. Compliance with this Act is relevant for entities entering into contracts containing arbitration clauses or subject to arbitration proceedings.

The Information Technology Act, 2000 ("IT Act")

The Information Technology Act, 2000 as amended provides the framework for electronic governance, cyber security and regulation of digital transactions. The Act, inter alia, provides legal recognition to electronic records and signatures, prescribes liability for cybercrimes and empowers authorities to regulate intermediaries. Rules framed thereunder including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 impose obligations on entities processing data and operating digital platforms. Compliance with this Act is relevant for entities engaged in electronic transactions, data handling and online services.

The Companies Act, 2013 ("Companies Act")

The Companies Act, 2013 as amended consolidates and regulates the law relating to companies in India. The Act, inter alia, provides for incorporation, management, governance, audit and winding up of companies and prescribes duties and liabilities of directors and officers. It also sets out requirements relating to disclosure, corporate governance, accounts and investor protection. Compliance with this Act is relevant for all corporate entities, their management and shareholders.

The Sale of Goods Act, 1930 ("SOGA")

The Sale of Goods Act, 1930 as amended regulates contracts relating to sale of goods in India. The Act, inter alia, provides for conditions and warranties in contracts of sale, transfer of ownership, rights and duties of buyer and seller and remedies in case of breach. It governs implied conditions such as title, quality and fitness of goods. Compliance with this Act is relevant for entities engaged in sale or purchase of goods in the ordinary course of business.

The Registration Act, 1908 ("Registration Act")

The Registration Act, 1908 as amended provides for registration of documents relating to immovable property and certain other instruments. The Act, inter alia, prescribes documents compulsorily registrable, procedures for presentation, time limits and effects of non-registration. It ensures public notice of transactions and maintains records affecting property rights. Compliance with this Act is relevant for entities executing property-related documents or transactions.

The Indian Contract Act, 1872 ("Contract Act")

The Indian Contract Act, 1872 as amended governs contracts and agreements enforceable by law in India. The Act, inter alia, provides for the essentials of a valid contract, performance and breach of contracts, contracts relating to indemnity, guarantee, bailment, pledge and agency. It defines the rights and obligations of contracting parties and remedies for breach. Compliance with this Act is relevant for entities entering into commercial agreements in the course of business.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our company was originally incorporated and registered as a private limited company under Companies Act, 2013 in the name and style of 'Shreedhar Spinners Private Limited' vide certificate of incorporation dated December 9, 2020 registered number 351591 issued by the Registrar of Companies, Central Registration Centre. Further, pursuant to a resolution passed by our Board on October 06, 2025 and a resolution passed by our shareholders on November 01, 2025 our Company was converted into a public limited company. Consequently, the name of our Company was changed to "Shreedhar Spinners Limited", and a fresh certificate of incorporation dated November 17, 2025 issued by Registrar of Companies, Central Processing Centre.

Changes in our Registered Office:

The following table sets forth details of the change in the registered office of our Company since the date of its incorporation:

| Date of Change | From address | To address | Reason |
|-----------------|---|--|----------------------------|
| October 6, 2025 | A404, Gokul Arcade, Subhash Road, Vile Parle East, Mumbai City, Mumbai – 400057, Maharashtra, India | 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai City, Mumbai – 400057, Maharashtra, India | For Administrative purpose |

Main objects of Memorandum of Association:

The main objects of our Company as contained in our Clause III (A) of Memorandum of Association of our company are as follows:

1. To carry on anywhere in India and or abroad, the business of Spinners, Weavers, Manufacturers, Producers, Ginners, Pressers, Balers, Liners, Cleaners, Processors, Packers, Doublers, Combers, wool combers, worsted spinners, wollen spinners, Knitters, Dyers, Printers, Bleachers, Calenderers, Extruders, Sellers, Buyers, traders, brokers, stockist, Importers, Exporters, Mercerisers, Texturisers, Distributors, Barterers, Shippers and dealers of all products and merchandise related to Yarns, Fibers, Threads, Fabrics, all Textiles, Madeups, Readymade Garments of all fabrics including waste , of all or blends of Cotton, Linen, Hemp, Jute, wool, polyester, acrylics, silk, artificial silk, rayon, manmade synthetic fibers, fibers, staple synthetic yarn, Staple Fiber, Synthetic yarn, Synthetic Top, Wool, hair, Leather and any other fibrous material, by-products and to treat and utilize any waste arising from an such manufacturing, production or process.
2. To carry on the business of manufacturers, producers, jobbers including doing the job work for others and getting the job work done from others, designers, distributors, stockiest, processors, importers, exporters and dealers of all forms and products made of and related to fabrics and textiles, industrial fabrics, non-woven fabrics, sheets, tapes, ropes, cords, twines, canvas, territowels, durries, newar, parachutes, carpet rugs, blankets, namdas, tarpaulins, lines, worsted stuff and other products as are prepared or manufactured from nylon, polyesters, acrylic, rayon, silk, artificial silk, liners, cotton, wool, foam and any other synthetic artificial and natural fibers and intermediates of all types, grades and formulations and including specifically plastics, polyester fibers, polycrylonitrile, polyvinylacetate, polypropylene, nylon and rayon.
3. To carry on the business of manufacturers, producers, processors, importers, exporters, buyers, sellers and dealers in and as brokers, agents, stockiest, distributors and suppliers of all kinds of waterproof fabrics, pavliners, floor clothes, carpets, tent clothes, tweed, patto, pashminas, blazer, gabardine, drill, tapestry, georgetta, linen, velvet, tarpaulin, khaddar, lace and lining, surgical cotton, surgical bandages, lints, gauge, sanitary goods necessary for medical aid, hospital needs, as are made from or with cotton, nylon, silk, polyester acrylics, jute, wool and other kinds of fibers, by whatever name called or made under any process, whether natural or artificial and by mechanical or other means.

The main object clause contained in the Memorandum of Association of our Company enables our company to carry

on the business presently being carried out.

Amendments to our Memorandum of Association

The following table set forth details of the amendments to our Memorandum of Association, since incorporation till the date of this Draft Red Herring Prospectus:

| Date of change/ shareholders' resolution | Nature of Amendment |
|---|---|
| November 30, 2021 | Clause V of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs. 10/- each (Rupee Ten only) to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only). |
| September 27, 2024 | Clause V of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs. 10/- each (Rupee Ten only) to Rs. 25,00,00,000/- (Rupees Twenty-five Crores only) divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity Shares of Rs. 10/- each (Rupee Ten only). |
| November 1, 2025 | Clause I of the Memorandum of Association of Company was amended to reflect the change in our name from 'Shreedhar Spinners Private Limited' to 'Shreedhar Spinners Limited' pursuant to the conversion of our Company from a Private Limited Company to a Public Limited Company. |

Major events, Milestones Awards, accreditations and recognitions received by our Company.

The below table below sets forth some of the awards and accreditations in the history of our Company:

| Year | Milestone & Events |
|-------------|---|
| 2020 | Incorporation |
| 2022 | Became a subsidiary of Shreedhar Cotsyn Private Limited a 3-star export hosue |
| 2022 | UNIT 1 Commencement with 18240 spindles |
| 2023 | OEKO-TEX STANDARD 100 |
| 2023 | Global Organic Textile Standard (GOTS) |
| 2023 | Organic Content Standard (OCS) |
| 2023 | Better Cotton Initiative Platform (BCI-Mass Balance) |
| 2023 | Regenagri Content Standard |
| 2024 | Participated as Gold Partners in BharatCon24 |
| 2024 | Consent to establish Unit 2 with 10400 spindles and 1440 TFOs |
| 2025 | Bureau of Indian Standards IS/ISO 9001:2015 |
| 2025 | Bureau of Indian Standards IS/ISO 14001:2015 |
| 2025 | Bureau of Indian Standards IS/ISO 45001:2015 |
| 2025 | Conversion of Company from Private to Public |

Time/cost overrun

We have not experienced any time or cost overrun in setting up our projects as on the date of this Draft Red Herring Prospectus.

Defaults or rescheduling/restructuring of borrowings with financial institutions/ banks

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions

or banks or conversion of loans into equity in relation to our Company.

Significant financial or strategic partnerships

Our Company does not have any significant financial and strategic partners as on the date of this Draft Red Herring Prospectus.

Details of launch of key products or services, entry in new geographies or exit from existing markets, capacity/facility creation or location of plants

For details pertaining to launch of key products or services, entry in new geographies or exit from existing markets, capacity/ facility creation, location of our manufacturing facilities, see “*Our Business*” on page 135.

Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten (10) years.

Our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last ten (10) years preceding the date of this Draft Red Herring Prospectus.

Corporate profile of our Company

For details in relation to our corporate profile including details of our business, profile, activities, services, market, growth, competition, technology, and managerial competence, see “*Our Business*”, “*Our Management*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Risk Factors*” on pages 135, 166, 231 and 30 respectively.

Our Holding Company

As on the date of this Draft Red Herring Prospectus, our Company has a holding company, namely Shreedhar Cotsyn Private Limited. For details pertaining to our holding company, see “*Promoter and Promoter Group*” on page 180.

Our Subsidiary, Associate or Joint ventures of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any Subsidiary, Associate or Joint ventures.

Summary of key agreements

Details of Shareholders Agreements and Other Material Agreements

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsisting shareholders’ agreements and other material agreements.

Agreements with our Key Managerial Personnel or Senior Management, Director, Promoter or any other employee

None of our Key Managerial Personnel or members of the Senior Management, Director, Promoters, or any other employee have entered into any agreement with the any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Details of guarantees given to third parties by the Promoter.

For details with respect to guarantees given by the Promoter, see “*Restated Financial Statements*” on page 190 of this Draft Red Herring Prospectus.

Other Material Agreements

Except as disclosed in this Draft Red Herring Prospectus, there are no other agreements, arrangements, clauses, covenants which are material and which are required to be disclosed. Further, there are no clauses or covenants which are adverse or pre-judicial to the interest of the minority/public shareholders or the non-disclosure of which may have bearing on the investment.

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is authorised to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of this Draft Red Herring Prospectus, we have five (5) Directors on our Board, comprising of one (1) Executive Directors and two (2) Non-Executive Non-Independent Director and two (2) Non-Executive Independent Directors. Out of five (5) Directors, we have two (2) women Directors on our Board. Our Company is in compliance with the laws prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

| Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN | Age (Years) | Other Directorships |
|---|-------------|---|
| Dharmendra Mohandas Goyal Designation: Chairman & Managing Director Date of Birth: September 23, 1968 Address: HA 4, Jolly Highrise Apartment, Pali Mala Road, Near Pali Naka, Mumbai – 400050, Maharashtra Occupation: Business Period of directorship: Since December 9, 2020 Current Term: For a term of three years with effect from December 11, 2025 Nationality: Indian DIN: 00163777 | 57 | Indian Companies 1. Shreedhar Cotsyn Private Limited 2. The Cotton Textiles Export Promotion Council Foreign Companies Nil |
| Vishal Agarwal Designation: Non-Executive Non-Independent Director Date of Birth: November 5, 1974 Address: 403/404 Shree Rudraksh Co-op. Hsg. Soc. Ltd., Nariman Road, Vile Parle East, Mumbai – 400057, Maharashtra Occupation: Business Period of directorship: Since December 9, 2020 Current Term: Liable to retire by rotation Nationality: Indian DIN: 00376242 | 51 | Indian Companies 1. SRM Fibres Private Limited 2. Ram Kripa Print and Pack Private Limited 3. Shreedhar Cotsyn Private Limited 4. SRM Spinners Limited 5. Himtex Textiles Private Limited 6. Ram Krupa Properties Private Limited 7. Shree Nagani Silk Mills Private Limited 8. Siddhartha Super Spinning Mills Limited Foreign Companies Nil |
| Sunita Dharmendra Goyal Designation: Non-Executive Non-Independent Director Date of Birth: February 16, 1972 Address: HA 4, Jolly Highrise Apartment, Pali Mala Road, Near Pali Naka, Bandra West, Mumbai – 400050, Maharashtra Occupation: Service Period of directorship: Since October 6, 2025 Current Term: Liable to retire by rotation Nationality: Indian DIN: 11325609 | 53 | Indian Companies Nil Foreign Companies Nil |

| Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN | Age (Years) | Other Directorships |
|---|-------------|---|
| Bhavsar Utsav Sumantkumar Designation: Non-Executive Independent Director Date of Birth: August 13, 1993 Address: Opposite Gram Panchayat, Kadiyadara, Sabarkantha – 383440, Gujarat, India Occupation: Professional Period of directorship: December 11, 2025 Current Term: For a term of five years with effect from December 11, 2025 Nationality: Indian DIN: 10121169 | 32 | Indian Companies <ol style="list-style-type: none"> 1. Kesar India Limited 2. Pramara Promotions Limited 3. Uniza Lifecare Private Limited Foreign Companies <i>Nil</i> |
| Atri Maheshvariben Nileshkumar Designation: Non-Executive Independent Director Date of Birth: January 18, 1995 Address: Main Bajar, Near Avad Mandir, Kalyanpur, Devbhumi Dwarka, Jamkalyanpur – 361320 Gujarat, India. Occupation: Professional Period of directorship: December 11, 2025 Current Term: For a term of five years with effect from December 11, 2025 Nationality: Indian DIN: 11091124 | 30 | Indian Companies <ol style="list-style-type: none"> 1. Mother Nutri Foods Limited Foreign Companies <i>Nil</i> |

Brief Profile of Directors of our Company:

Dharmendra Mohandas Goyal aged 57 years is the Promoter, Chairman & Managing Director of our Company. He holds a degree in Bachelor of Commerce from University of Mumbai and holds the certificate of passing from Institute of Chartered Accountant of India. He has over 25 years of experience in textile fibres and yarns. He is an elected Member and Director of The Cotton Textiles Export Promotion Council (TEXPROCIL), where he contributes to industry representation and export development initiatives. He is responsible for the overall strategic direction of the Company, with specific focus on marketing of the product, product quality, and sustainable long-term growth.

Vishal Agarwal aged 51 years is the Promoter and Non-Executive Non-Independent Director of our Company. He holds a degree in Bachelor of Commerce from University of Mumbai and holds certificate of membership from Institute of Chartered Accountant of India. He has over 25 years of experience in managing the production operations of spinning units. Over the years, he has acquired comprehensive technical knowledge of spinning systems and has been instrumental in implementing modern technologies and process-improvement practices across the production processes.

Sunita Dharmendra Goyal aged 53 years is the Non-Executive Non-Independent Director of our Company. She holds a degree in Bachelor of Commerce from University of Mumbai. She has experience of over a decade in environment and social welfare. Currently she is the President of the Rotary Club of Mumbai Divas for the 2025-2026 term, where she successfully leads a team of 127 members in various social and community service projects.

Bhavsar Utsav Sumantkumar aged 32 years is the Non-Executive Independent Director of our Company. He holds degree in Bachelors of Law (LLB) and Masters in Commerce from Gujarat University and holds certificate of membership form Institute of Company Secretaries of India. He has experience of 6 years in corporate governance, secretarial compliance, and regulatory affairs across listed and private companies. He is currently serving as the Company Secretary at Uniza Lifecare Private Limited.

Atri Maheshvariben Nileshkumar aged 30 years is the Non-Executive Independent Director of the company. She holds degree in Master of Arts (External) from Saurashtra University and holds a degree in Masters of Education from

Indian Institute of Teacher Education, Gujarat. She has approximately 4 years of experience in teaching. Prior to joining our company, she was a visiting faculty at Shree M. D. Mehta Science School where her role was providing education.

Confirmations

None of our Directors were or are directors of listed company, during the preceding five years of this Draft Red Herring Prospectus whose shares have been or were suspended from being traded on any stock exchanges during his / her tenure as a director of such listed company.

None of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers or Fugitive Economic Offender as defined under the SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

There are no conflict of interests between the third party service providers (crucial for operations of the Company) and the Company, Directors and Key Managerial Personnel.

There are no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the Company, Directors and Key Managerial Personnel.

Relationship between our Directors

Except as mentioned below, none of the Directors are related to each other:

| Name of Director | Relation with | Relationship |
|---------------------------|-------------------------|---------------------|
| Dharmendra Mohandas Goyal | Sunita Dharmendra Goyal | Spouse |
| Dharmendra Mohandas Goyal | Varesh Goyal | Son |
| Sunita Dharmendra Goyal | Varesh Goyal | Son |

Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which our Directors were selected as a Director

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors have been appointed on the Board.

Service contract with Directors

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

Terms of employment of our Managing Director

1. Dharmendra Mohandas Goyal

He was appointed as the Chairman and Managing Director of our Company pursuant to the resolution passed by our Shareholders on December 11, 2025, for a period of three years with effect from December 11, 2025 on the following terms:

1. Remuneration: Not exceeding ₹ 1,00,00,000 /- per annum from December 11, 2025. Salary structure can be reviewed and/ or revised by the Board within the limits prescribed under the Companies Act 2013 that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.
2. Subject to the superintendence, direction and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial powers of management and also such other duties and responsibilities

as may be entrusted to him by the Board of Directors from time to time including but not limited to responsibilities as described in the Companies Act, 2013.

Sitting fees and commission of our Non-Executive Directors and Independent Directors

Our Board, pursuant to its resolution dated November 18, 2025 has decided that each of our Non- Executive Directors and Independent Directors is entitled to receive sitting fees of ₹ 1,00,000/- for attending each meeting of our Board and the committees constituted of the Board.

Payment or benefits to Directors

The details of payments and benefits made to our Directors by our Company, in the Financial Year 2025 are as follows:1

Executive Directors

| S. No. | Name of the Executive Director | Designation | Amount (₹ in Lakhs.) |
|---------------|---------------------------------------|------------------------------|-----------------------------|
| 1 | Dharmendra Mohandas Goyal** | Chairman & Managing Director | Nil |

** Appointed as Managing Director w.e.f December 11, 2025

Non-Executive Non-Independent Directors

| S. No. | Name of the Non-Executive Directors & Independent Director | Designation | Amount (₹ in Lakhs.) |
|---------------|---|--|-----------------------------|
| 1. | Sunita Dharmendra Goyal* | Non-Executive Non-Independent Director | Nil* |
| 2 | Vishal Agarwal | Non-Executive Non-Independent Director | Nil |

*Appointed w.e.f October 6, 2025

Non-Executive Directors and Independent Directors

| S. No. | Name of the Non-Executive Directors & Independent Director | Designation | Amount (₹ in Lakhs.) |
|---------------|---|------------------------------------|-----------------------------|
| 1. | Bhavsar Utsav Sumantkumar# | Non-Executive Independent Director | Nil# |
| 2. | Atri Maheshvariben Nileshkumar# | Non-Executive Independent Director | Nil# |

Appointed w.e.f December 11, 2025

Remuneration paid or payable to our Directors from our Subsidiaries

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

Bonus or profit-sharing plan of the Directors

None of our Directors are entitled to any bonus or profit-sharing plan of our Company.

Contingent or Deferred Compensation to our Directors

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares, as on the date of this Draft Red Herring Prospectus:

| Name of Director | No. of Equity Shares held | % of the Pre-Offer paid up share capital |
|---------------------------|----------------------------------|---|
| Vishal Agarwal | 1,75,000 | 1.12% |
| Dharmendra Mohandas Goyal | 1,10,000 | 0.70% |
| Sunita Dharmendra Goyal | 70,000 | 0.45% |
| Total | 3,55,000 | 2.27% |

Interests of our Directors

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company. Our Non-Executive Director or Independent Directors may be deemed to be interested to the extent of sitting fees and commission, if any, payable to them for attending meetings of our Board or Committees thereof as approved by our Board and or shareholders and reimbursement of expenses payable to them, as approved by our Board. For further details, please see the section entitled “*Terms of Appointment of our Managing Director*” and “*Payment or benefit to Directors of our Company*” on page 168 and 169.

Further, except as disclosed under ‘*Shareholding of Directors in our Company*’ above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company. For details, see “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on page 218.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No loans have been availed by the Directors from our Company. Further, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company, except to the extent of related party transactions already disclosed under “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on page 218.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

As on the date of this Draft Red Herring Prospectus, except for Vishal Agarwal, Dharmendra Mohandas Goyal who are the Promoters of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see “*Our Promoters and Promoter Group*” on page 180.

Changes in Board of Directors in Last 3 Years

Except as mentioned below, there have been no changes in our Directors in the last three years:

| Name | Date of Change | Reason |
|--------------------------------|-----------------------|--|
| Varesh Goyal | September 14, 2024 | Appointment as an Additional Director |
| Varesh Goyal | September 27, 2024 | Change in designation as Non-Executive Director |
| Varesh Goyal | September 5, 2025 | Resignation from Directorship |
| Sunita Dharmendra Goyal | October 6, 2025 | Appointment as an Additional Non-Executive Non-Independent Director* |
| Dharmendra Mohandas Goyal | November 18, 2025 | Change in designation as Chairman & Managing Director# |
| Bhavsar Utsav Sumantkumar | December 11, 2025 | Appointment as Non-Executive Independent Director |
| Maheshvariben Nileshkumar Atri | December 11, 2025 | Appointment as Non-Executive Independent Director |

** Regularized as a Non-Executive Non-Independent Director pursuant to a resolution passed in the EGM dated December 11, 2025*

Regularized as a Managing Director pursuant to a resolution passed in the EGM dated December 11, 2025

Details of Borrowing Powers of Directors

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to Board resolution passed at the Board Meeting dated October 6, 2025 and Special resolution passed at the Extra-Ordinary General Meeting dated November 1, 2025, our Board is authorised to borrow money by way of term loans, fund based, non-fund-based credit facilities, working capital facilities or any other kind of financial assistance, whether secured or unsecured, granted by banks and financial institutions or otherwise, subject to an overall limit not exceeding ₹ 250 crores or the aggregate of the paid up capital and free reserves of the company, whichever is higher.

Corporate Governance

The provisions of the Companies Act, 2013, SEBI LODR Regulations and SEBI ICDR Regulations relating to corporate governance, will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the Stock Exchanges. We are in compliance to the extent applicable with the requirements of the SEBI LODR Regulations, the Companies Act, 2013 and other applicable regulations, in respect of corporate governance in respect of the constitution of the Board and Committees thereof, and formulation and adoption of policies.

As on the date of filing of the Draft Red Herring Prospectus, our Board of Directors consist of five (5) directors of which one (1) Executive Director, two (2) Non-Executive Non-Independent Director, two (2) are Non-Executive Independent Directors, and we have two (2) women directors on the Board. The constitution of our Board is in compliance with the Companies Act, 2013 and SEBI LODR Regulations, to the extent applicable.

Committees of our Board

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute other committees for various functions as may be required.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

- (a) Audit Committee
- (b) Stakeholders Responsibility Committee
- (c) Nomination and Remuneration Committee

(a) Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated December 11, 2025 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The current constituted Audit Committee comprises following members:

| Name of the Directors | Status in Committee | Nature of Directorship |
|--------------------------------|----------------------------|---|
| Bhavsar Utsav Sumantkumar | Chairman | Non-Executive Independent Director |
| Atri Maheshvariben Nileshkumar | Member | Non-Executive Independent Director |
| Vishal Agarwal | Member | Non-Executive Non- Independent Director |

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

Terms of Reference for the Audit Committee:

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, for the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, the financial statements with respect to its unlisted Subsidiary(ies), in particular investments made by such Subsidiary(ies);
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed ;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

10. Scrutiny of inter-corporate loans and investments;

11. Valuation of undertakings or assets of the Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the security and control aspects of the information technology and connectivity systems;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Reviewing compliance with internal and statutory audit reports and examine reasons for substantial defaults and delays in implementing audit recommendations;
19. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
20. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
22. Reviewing the functioning of the whistle blower mechanism;
23. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. Review of statutory compliances and legal cases
25. Identification of list of key performance indicators and related disclosures in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, for the purpose of the Company's proposed initial public offering;
26. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate; and
27. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
28. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
29. Carrying out any other functions required to be carried out by the Audit Committee in terms of applicable law.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
 - statement of deviations in terms of the SEBI Listing Regulations;
- a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations;
 - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

The Audit Committee shall meet at per the requirement of the Company subject to minimum number of Meetings as per the applicable Act(s)/ Regulation(s)/ Rule(s), and shall have the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and shall have power to seek information from any employee, obtain external professional advice, and secure attendance of outsiders with relevant expertise if necessary.

(b) Stakeholders Relationship Committee

Our Company has constituted the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated December 11, 2025. The constituted Stakeholders Relationship Committee comprises the following:

| Name of the Directors | Status in Committee | Nature of Directorship |
|------------------------------|----------------------------|--|
| Vishal Agarwal | Chairman | Non-Executive Non-Independent Director |
| Sunita Dharmendra Goyal | Member | Non-Executive Non-Independent Director |
| Bhavsar Utsav Sumantkumar | Member | Non-Executive Independent Director |

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

The powers of the Stakeholders Relationship Committee shall be as follows:

- resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- reviewing of adherence to the service standards adopted by the Company with respect of various services being rendered by the registrar and share transfer agent of our Company and to recommend measures of overall improvement in the quality of investor services;
- review of measures taken for effective exercise of voting rights by shareholders;
- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities and ensure proper and timely attendance and redressal of investor queries and grievances;
- Giving effect to all transfer or transmission of shares and other securities, dematerialisation of shares and rematerialisation of shares, split and issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company, compliance with all requirements related to shares and other securities from time to time;

- Considering and soecifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;
- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time; and
- carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the Listing Regulations or any other applicable law, as and when amended from time to time."

(c) Nomination and Remuneration Committee

Our Company has constituted the Nomination and Remuneration Committee, vide Board Resolution dated December 13, 2025 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Nomination and Remuneration Committee comprise the following:

| Name of the Directors | Status in Committee | Nature of Directorship |
|--------------------------------|---------------------|--|
| Bhavsar Utsav Sumantkumar | Chairman | Non-Executive Independent Director |
| Atri Maheshvariben Nileshkumar | Member | Non-Executive Independent Director |
| Sunita Dharmendra Goyal | Member | Non-Executive Non-Independent Director |

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

The role of the Nomination and Remuneration Committee shall be as follows:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management personnel and other employees.
- for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates;

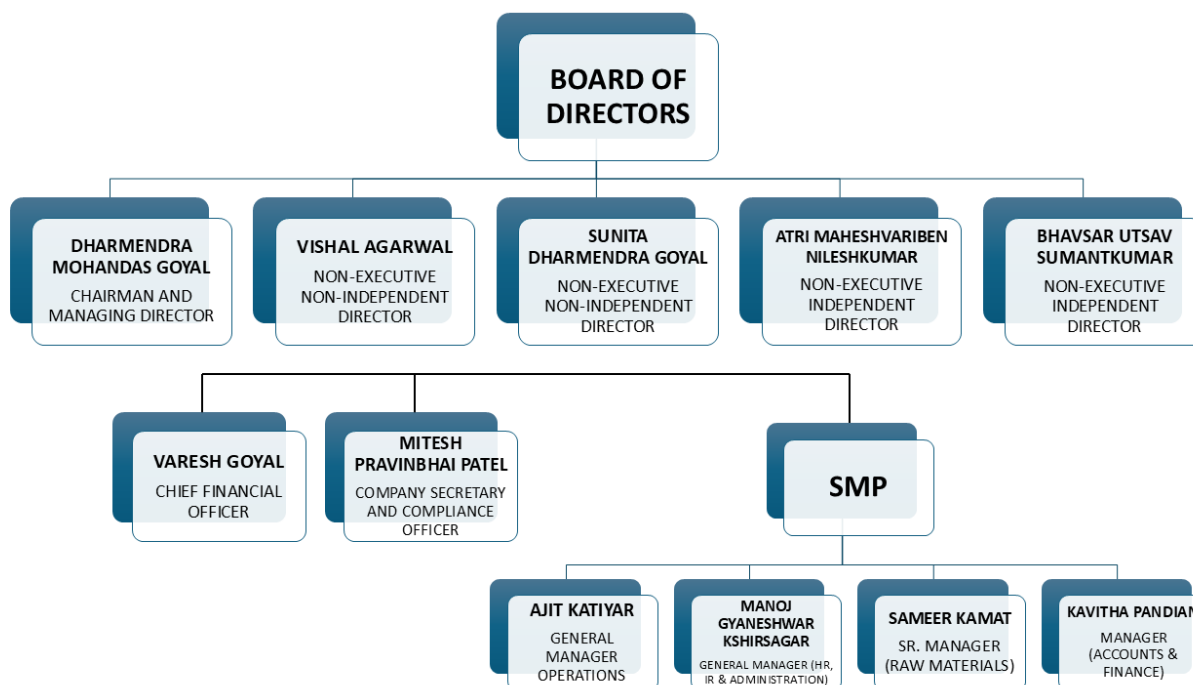
The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- formulation of criteria for evaluation of performance of independent directors and the Board;
- devising a policy on diversity of Board;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- recommend to the board, all remuneration, in whatever form, payable to senior management;

- Periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
- Ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;
- Developing a succession plan for the Board and senior management and regularly reviewing the plan;
- Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and
- carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.”

Management Organization Structure

The following chart depicts our Management Organization Structure:



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Dharmendra Mohandas Goyal, our Chairman and Managing Director, Vishal Agarwal, our Non-Executive Non-Independent Director whose details have been provided under the paragraph ‘*Our Management -Brief profile of our Directors*’ on page 167, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus, are as follows:

Varesh Goyal, aged 25 years is the Chief Financial Officer of our Company and has been involved in managerial and finance functions within the holding company since 2023. He holds a degree in Bachelor of Business Administration from Narsee Monjee Institute of Management Studies University. He has been associated with our company since December 11, 2025 as a CFO and is responsible for Accounts & Finance and marketing function in the Company. He has more than 2 years of experience in consultancy and portfolio valuation. Prior to joining our Company, he was associated with Kroll Global Solutions LLP and also currently he is working with our Holding Company. Since he

was appointed on December 11, 2025, no remuneration was paid to him for his role as Chief Financial Officer in our Company in Financial year 2025.

Mitesh Pravinbhai Patel aged 39 years is the Company Secretary and Compliance Officer of our Company. He holds degree in Bachelor of Commerce from University of Mumbai and holds certificate of membership from Institute of Company Secretaries of India and he has been associated with our Company since March 2, 2024 and is responsible for ensuring compliance with statutory and regulatory requirements of our Company. He has around 9 years of experience in auditing, compliance monitoring and secretarial work. Prior to joining our Company, he was associated with Sarda & Pareek LLP, Chartered Accountants. He was paid remuneration of ₹ 1.8 Lakhs for his role as Company Secretary and Compliance Officer in our Company in Financial year 2025.

Senior Management Personnel

In addition to the Company Secretary and the Chief Financial Officer of our Company, whose details are provided in “*Our Management – Key Managerial Personnel*” on page 176, the details of our Senior Management, as on the date of this Draft Red Herring Prospectus are as follows:

Ajit Katiyar, aged 50 years, is the General Manager Operations of our company. He holds Diploma in Textile Technology from Board of Technical Education, Uttar Pradesh. He has been associated with our Company since June 25, 2025 and is responsible for the complete operations of the Spinning Division such as manufacturing efficiency, quality control, production scheduling, manpower allocation and cost optimization. He has experience of more than 8 years in production. Prior to joining our Company, he was associated with Sintex Industries Limited and Nahar Industrial Enterprises Limited. Since he was appointed on June 25, 2025, no remuneration was paid to him for his role as General Manager Spinning in our Company in Financial year 2025.

Manoj Gyaneshwar Kshirsagar, aged 46 years, is the General Manager (HR, IR & Administration) of our company. He passed Bachelor of Commerce from Dr. Harisingh Gour Vishwavidyalaya, Sagar (M.P.) and Post Graduate Diploma in Computer Applications from All India Society for Electronics and Computer Technology. He also holds Bachelor of Law degree from Sagar University. He has been associated with our Company since January 1, 2022 and is responsible for HR management, industrial relations, statutory compliance, labour laws, contract manpower management and training & development. He has experience of 8 years in HR, IR and Administration Department. Since he was appointed on January 1, 2022, he was paid remuneration ₹ 13.20 Lakhs for his role as General Manager (HR, IR & Administration) in our Company in Financial year 2025.

Kavitha Pandian, aged 39 years, is the Manager (Accounts & Finance) of our company. She holds a degree in Bachelor of Commerce (Accounting and Finance) from University of Mumbai. She has been associated with our Company since November 01, 2025 and is responsible for accounting, statutory compliance, treasury operations, MIS reporting and ERP implementation, financial reporting, GST/TDS compliance, audit coordination, and accounts management for the Company. She has more than a decade of experience in accounts, taxation, finance and corporate supporting. Prior to joining our Company, she was associated with Shreedhar Cotsyn Private Limited. Since she was appointed on November 01, 2025, no remuneration was paid to her for her role as Manager (Accounts & Finance) in our Company in Financial year 2025.

Sameer Kamat, aged 48 years, is the Senior Manager (Raw Materials) of our company. He holds a degree in Bachelor of Arts from University of Mumbai. He has been associated with our Company since June 1, 2024, and is responsible for procurement of cotton, execution of forex and commodity hedging strategies, market analysis and managing price risk. He has 10 years of experience in stock broking, commodities trade and foreign exchange broking. Prior to joining our Company, he was associated with Shreedhar Cotsyn Private Limited and Kotak Commodity Services Private Limited. Since he was appointed on June 1, 2024, he was paid remuneration of ₹ 10.12 Lakhs for his role as Senior Manager (Purchase) in our Company in Financial year 2025.

Confirmations

Except as disclosed under the heading “Relationship between our Directors” hereinabove, none of the key managerial personnel and Senior Management are related to each other or to our Promoters or to any of our Directors.

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our other Key Managerial Personnel or Senior Management were selected as key managerial personnel or senior management personnel.

Interest of Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management have any interest in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business, and (ii) the Equity Shares held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding.

There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel or Senior Management, even if the compensation is payable at a later date.

Other than as disclosed in this section and as disclosed in “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on page 218, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel and Senior Management in all capacities in Fiscal 2025.

No loans have been availed by our Key Management Personnel or Senior Management from our Company as on the date of this Draft Red Herring Prospectus.

For further details of the interest of our Executive Directors in our Company, see “*Interests of Directors*” on page 170.

Payment or Benefit to Key Managerial Personnel and Senior Management

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel, Senior Management, is entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Except as disclosed in “*Interests of Directors*” on page 170 and stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no amount or benefits in kind has been paid or given, in the two years preceding of the date of this Draft Red Herring Prospectus, or is intended to be paid or given to any of our Company’s officers including the Key Managerial Personnel and Senior Management except remuneration and reimbursements for services rendered as Directors, officers or employees of our Company.

Bonus or profit-sharing plans for our Key Managerial Personnel or Senior Management

Other than as disclosed in “*Bonus or profit-sharing plan of the Directors*”, and the annual variable payments which our Key Managerial Personnel or Senior Management are entitle to, our Key Managerial Personnel or Senior Management are not parties to any bonus or profit-sharing plan of our Company.

Shareholding of our Key Managerial Personnel or Senior Management in our Company

Except as disclosed below and in “*Shareholding of Directors in our Company*”, none of our Key Managerial Personnel or Senior Management hold any Equity Shares.

| Name of Director | No. of Equity Shares held | % of the Pre-Offer paid up share capital |
|-------------------------|----------------------------------|---|
| Varesh Goyal | 42,500 | 0.27 % |
| Total | 42,500 | 0.27 % |

Changes in Key Managerial Personnel and Senior Management Personnel in the three immediately preceding years.

Except as mentioned below, there have been no changes in our Key Managerial Personnel and Senior Management Personnel in the last three years:

| Name | Date of appointment / change in designation / cessation | Reason |
|------------------|--|------------------------------------|
| Shraddha Agarwal | April 15, 2022 | Appointment as a Company Secretary |

| Name | Date of appointment / change in designation / cessation | Reason |
|-------------------------|--|---|
| Hiremath DC | February 01, 2023 | Appointment as a General Manager – Operations |
| Shraddha Agarwal | March 1, 2024 | Resignation from the position of Company Secretary |
| Mitesh Pravinbhai Patel | March 2, 2024 | Appointment as a Company Secretary |
| Sameer Kamat | June 01, 2024 | Appointment as Senior Manager (Raw Materials) |
| Ajit Katiyar | June 25, 2025 | Appointment as a General Manager – Operations |
| Hiremath DC | July 31, 2025 | Resignation from the position of General Manager – Operations |
| Kavitha Pandian | November 01, 2025 | Appointment as Manager (Accounts & Finance) |
| Mitesh Pravinbhai Patel | November 18, 2025 | Appointment as Compliance Officer |
| Varesh Goyal | December 11, 2025 | Appointment as a Chief Financial Officer |

Employee stock option schemes

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option scheme.



OUR PROMOTER AND PROMOTER GROUP

Our Promoters

The promoters of our Company are Vishal Agarwal, Dharmendra Mohandas Goyal, Varesh Goyal and Shreedhar Cotsyn Private Limited. As on date of this Draft Red Herring Prospectus, our Promoters in aggregate, holds 1,48,27,100 Equity Shares in our Company, representing 94.74 % of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of shareholding of the Promoter in our Company, see “*Capital Structure – Capital Build Up in respect of shareholding of our Promoters*” on page 85 of this DRHP.

Details of our Individual Promoters are as follows:

| | |
|--|--|
|  | <p>Dharmendra Mohandas Goyal is one of our Promoters, Chairman and Managing Director of our Company. For a complete profile of Dharmendra Mohandas Goyal, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 166.</p> <p>As on date of filing of this Draft Red Herring Prospectus, Dharmendra Mohandas Goyal holds 1,10,000 Equity Shares representing 0.70 % of the subscribed and paid-up Equity Share capital of our Company.</p> <p>His permanent account number is AAFPG3024K</p> <p>Other than as disclosed in “<i>Our Promoter and Promoter Group</i>” and “<i>Our Management</i>” on pages 180 and 166, respectively, Dharmendra Mohandas Goyal is not involved in any other venture.</p> |
|--|--|

| | |
|--|---|
|  | <p>Vishal Agarwal is one of our Promoters who is a Non - Executive Non-Independent Director of our Company. For a complete profile of Vishal Agarwal, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 166.</p> <p>As on date of filing of this Draft Red Herring Prospectus, Vishal Agarwal holds 1,75,000 Equity Shares representing 1.12 % of the subscribed and paid-up Equity Share capital of our Company.</p> <p>His permanent account number is AAIPA3210C</p> <p>Other than as disclosed in “<i>Promoter Group</i>” and “<i>Our Management</i>” on pages 180 and 166, respectively, Vishal Agarwal is not involved in any other venture.</p> |
|  | <p>Varesh Goyal is one of our Promoters who is the Chief Financial Officer of our Company. For a complete profile of Varesh Goyal, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 166.</p> <p>As on date of filing of this Draft Red Herring Prospectus, Varesh Goyal holds 42,500 Equity Shares representing 0.27 % of the subscribed and paid-up Equity Share capital of our Company.</p> <p>His permanent account number is CNWPG5932J</p> <p>Other than as disclosed in “<i>Promoter Group</i>” and “<i>Our Management</i>” on pages 180 and 166, respectively, Varesh Goyal is not involved in any other venture.</p> |

Our Company confirms that the permanent account number, bank account number, passport number, Aadhar number and driving license number of our Individual Promoters shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

Details of our Corporate Promoter, Shreedhar Cotsyn Private Limited (SCPL) are as follows:

Corporate Information:

Shreedhar Cotsyn Private Limited was incorporated on December 9, 2010, as a private limited company under the

Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai at Maharashtra. The registered office of Shreedhar Cotsyn Private Limited is at A-404, Gokul Arcade, Subhash Road, Vile Parle (East), Mumbai City, Mumbai - 400057, Maharashtra, India. Its CIN is U17120MH2010PTC210851.

Nature of Business:

Shreedhar Cotsyn Private Limited is in the business of trading Cotton and Yarns.

Shareholders of Shreedhar Cotsyn Private Limited:

The shareholding pattern of SCPL as of the date of this Draft Red Herring Prospectus is set out below:

| Sr. No. | Name | Number of shares | Shareholding (%) |
|---------|------------------------------|------------------|------------------|
| 1. | Ram Krupa Properties Pvt Ltd | 4,00,000 | 40.17% |
| 2. | Dharmendra Mohandas Goyal | 3,97,200 | 39.89% |
| 3. | Vishal Agarwal | 97,500 | 9.79% |
| 4. | Sunita Dharmendra Goyal | 1,00,000 | 10.05% |
| 5. | Twinkle Adukia | 100 | 0.01% |
| 6. | Mohan Das Goyal | 100 | 0.01% |
| 7. | Varesh Goyal | 100 | 0.01% |
| 8. | Aditi Goyal | 100 | 0.01% |
| 9. | Amit Jain | 100 | 0.01% |
| 10. | Sandeep Adukia HUF | 100 | 0.01% |
| 11. | Kusumdevi | 100 | 0.01% |
| 12. | Pooja Agarwal | 100 | 0.01% |
| 13. | Rakesh Gupta | 100 | 0.01% |
| 14. | Sangeeta Gupta | 100 | 0.01% |
| | Total | 9,95,700 | 100.00% |

Corporate Structure of Shreedhar Cotsyn Private Limited:

| Particulars | Amount (₹) |
|---|-------------|
| Authorised Share Capital | |
| 10,00,000 equity shares of face value of ₹10 each | 1,00,00,000 |
| Paid Up Share Capital | |
| 9,95,700 equity shares of face value of ₹ 10 each | 99,57,000 |

Details of change in control:

There has been no change in control of Shreedhar Cotsyn Private Limited in the last three years preceding the date of this Draft Red Herring Prospectus.

Promoter of Shreedhar Cotsyn Private Limited:

The promoters of Shreedhar Cotsyn Private Limited are Vishal Agarwal & Dharmendra Mohandas Goyal.

Board of Directors of Shreedhar Cotsyn Private Limited:

| Sr. No. | Name | Designation |
|---------|---------------------------|-------------|
| 1. | Dharmendra Mohandas Goyal | Director |
| 2. | Vishal Agarwal | Director |

Our Company confirms that the PAN, bank account number, the company registration number and the address of the Registrar of Companies where Shreedhar Cotsyn Private Limited is registered shall be submitted to the Stock

Exchange at the time of filing of this Draft Red Herring Prospectus.

Pursuant to the board resolution dated December 11, 2025 in terms of SEBI ICDR Regulations, our Board has taken on record Shreedhar Cotsyn Private Limited, Vishal Agarwal, Dharmendra Mohandas Goyal and Varesh Goyal as the Promoters of the Company. For details on their respective shareholding build up, please refer to Chapter titled “Capital Structure” on page 74 of this Draft Red Herring Prospectus.

Change in control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interest of Promoter in promotion of our Company

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company (ii) of their respective shareholding directly or indirectly along with that of their relatives in our Company, (iii) their directorship in our Company (wherever applicable), (iv) interest payable on the loans provided to our Company and (v) the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives in our Company. For further details of our Promoter’s shareholding, see “*Capital Structure*” on page 74 of this DRHP. For further details of interest of our Promoter in our Company, see “*Capital Structure*”, “*Our Management – Interest of Directors*” and “*Restated Financial Statements*” on pages 74, 169 and 190 of this DRHP.

Interest of Promoter in property of our Company

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Business Interests

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which such Promoter is interested as a member, in cash or shares or otherwise by any person either to induce them to become or to qualify them as a Director (as applicable) or otherwise for services rendered by them or by such Promoters or such firm or company in connection with the promotion or formation of our Company.

For details of related party transactions entered into by our Company with our Promoters during the financial year immediately preceding the date of this Draft Red Herring Prospectus, please see “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on page 218.”

Payment or benefits to our Promoter or our Promoter Group

There has been no payment of benefits to our Promoters or the Promoter Group during the two years immediately preceding the date of filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or any member of the Promoter Group by the Company as on the date of this Draft Red Herring Prospectus except remuneration and interest on Loan received by Promoters and member of Promoter Group as stated in “*Restated Financial Statements*” beginning on page 190.

Our Company has not entered into any contract, agreement or arrangements during the two years immediately preceding the date of this Draft Red Herring Prospectus and does not propose to enter into any such contract in which our Promoters or the Promoter Group are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made other than as disclosed in “*History and Certain Corporate Matters—Shareholders’ Agreements and Other Agreements*”, “*Our Management*” and “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on pages 164, 166 and 218 respectively.

Companies or firms with which our Promoter has disassociated in the last three years

Except as below, Our Promoters have not disassociated himself from any company or firm in the three years immediately preceding the date of this Draft Red herring Prospectus.

| Name of the Promoter | Year of dissociation | Name of the Firm/Company | Reason for Dissociation |
|---------------------------|----------------------|---|-------------------------|
| Dharmendra Mohandas Goyal | 2024 | Siddhartha Super Spinning Mills Limited | Due to personal reasons |

Material Guarantees

Other than as disclosed in “*Financial Indebtedness – Guarantee*” on page 227, our Promoter have not given any material guarantees to any third parties with respect to the Equity Shares of our Company, on behalf of the Company.

Confirmations

Our Promoter and members of our Promoter Group have not been declared wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.

Our Promoter and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter and members of our Promoter Group is not and has never been promoter, director, or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There are no conflict of interests between the third party service providers (crucial for operations of the Company) and the Company, Promoters and Promoter Group.

Except for the business relationship that may exist between the Company, Promoters and Promoter Group and the lessor of the immovable properties, (crucial for operations of the company), there are no conflict of interest between the lessor and the Company, Promoters and Promoter Group.

Our Promoter Group

In addition to our Promoters, individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

A. *Individuals forming part of our Promoter Group*

The individuals forming a part of our Promoter Group are as follows:

| Relationship with the Promoters | Vishal Agarwal | Dharmendra Mohandas Goyal | Varesh Goyal |
|---------------------------------|------------------------------|---------------------------|---------------------------|
| Father | Late. Rajendraprasad Agarwal | Mohandas Goyal | Dharmendra Mohandas Goyal |
| Mother | Kusumdevi Agarwal | Late. Vimala Goyal | Sunita Dharmendra Goyal |
| Sister | - | Arunima Agarwal | Aditi Goyal |
| Brother | - | Mukul Goyal | - |

| Relationship with the Promoters | Vishal Agarwal | Dharmendra Mohandas Goyal | Varesh Goyal |
|---------------------------------|----------------|---------------------------|--------------|
| Daughter | - | Aditi Goyal | - |
| Son | Raghav Agarwal | Varesh Goyal | - |
| | Madhav Agarwal | | |
| Spouse | Pooja Agarwal | Sunita Dharmendra Goyal | - |
| Spouse's Father | Bimal Kedia | Late K.C.Poddar | - |
| Spouse's Mother | Usha Kedia | Santosh Poddar | - |
| Spouse's Sister(s) | Shraddha Goel | Twinkle Adukia | - |
| Spouse's Brother(s) | Shlok Kedia | Pawan Poddar | - |
| | | Pankaj Poddar | - |

B. The entities forming a part of our Promoter Group

| S. No. | Entities |
|--------|--|
| 1. | Poddar Tubes and Pipes Limited |
| 2. | Ramkrupa Properties Private Limited |
| 3. | Kedia Paper Industries Private Limited |
| 4. | Singular Health Private Limited |
| 5. | Arohi Eye Care Foundation |
| 6. | Ginni Gopal Boards Private Limited |
| 7. | Pack N Print Packaging Private Limited |
| 8. | Shree Nagani Silk Mills Private Limited |
| 9. | Himtex Textile Private Limited |
| 10. | SRM Fibers Private Limited |
| 11. | SRM Spinners Limited |
| 12. | Siddharth Super Spinning Mills Private Limited |
| 13. | Amodkumar Agrawal HUF |
| 14. | Kailashprasad Chiranjilal HUF |
| 15. | Sandeep Adukia HUF |
| 16. | Pawan Kailash Poddar HUF |
| 17. | Rajendra Prasad Agarwal HUF |
| 18. | Vishal Agarwal HUF |
| 19. | Bimal Kedia HUF |
| 20. | Anurag Goel HUF |
| 21. | Pankaj Kailash Poddar HUF |
| 22. | Pawan Metals |
| 23. | SKP Enterprises |

OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), “group companies” in relation to the disclosure in Offer Documents, our Company shall include (i) the companies (other than our Subsidiaries and Promoter, as applicable) with which there were related party transactions, in accordance with AS 18, as disclosed in the Restated Financial Information; and (ii) such other companies as considered material by our Board pursuant to the materiality policy.

With respect to (ii) above, our Board in its meeting held on December 11, 2025 has approved that such companies that are a part of the promoter group (as defined in the SEBI ICDR Regulations) with which there were transactions in the most recent financial year and stub period, if any, to be included in the Offer Documents (“Test Period”), which individually or in the aggregate, exceed 10% of the total Revenue from Operations of our Company for the Test Period, shall also be classified as group companies.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company has identified and considered the following as our Group Company.

1. Ram Krupa Properties Pvt Ltd
2. SRM Spinners Limited
3. Siddhartha Super Spinning Mills Limited

Details of Our Group Company

1. Ram Krupa Properties Private Limited

Corporate Information:

Ram Krupa Properties Private Limited having CIN U70200MH2001PTC130951 was incorporated on February 22, 2021. The registered office of the company is situated at A-104 Gokul Arcadesubhash Road Vile Parle (East), Mumbai - 400057, Maharashtra, India

Financial Information:

Certain financial information derived from the audited financial statements of Ram Krupa Properties Private Limited for Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 as required by the SEBI ICDR Regulations, is available on our website at www.shreedharspinners.com.

2. SRM Spinners Limited

Corporate Information:

SRM Spinners Limited having CIN U17290RJ2012PLC040425 was incorporated on October 17, 2012. The registered office of the company is situated at M/S SRM Spinners Limited, 16Th KM, Stone, NH 79, Village Nanakpura, Mandal (Bhilwara), Bhilwara - 311403, Rajasthan, India

Financial Information:

Certain financial information derived from the audited financial statements of SRM Spinners Limited for Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 as required by the SEBI ICDR Regulations, is available on our website at www.shreedharspinners.com.

3. Siddhartha Super Spinning Mills Limited

Corporate Information:

Siddhartha Super Spinning Mills Limited having CIN U17115HP1980PLC025940 was incorporated on August 13, 1980. The registered office of the company is situated at Siddhartha Super Spinningmills Ltd Vpo Nihla Khera Nalagarh Distt Solan, Himachal Pradesh, India, 174101

Financial Information:

Certain financial information derived from the audited financial statements of Siddhartha Super Spinning Mills Limited for Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 as required by the SEBI ICDR Regulations, is available on our website at www.shreedharspinners.com.

Nature and extent of interest of Our Group Company

In the promotion of our Company

Our Group Company does not have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company

Our Group Company is not interested in the properties acquired by us in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of this Draft Red Herring Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

Our Group Company is not interested in any transactions for the acquisition of land, construction of building or supply of machinery, except in ordinary course business and as disclosed in “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on page 218.

Common pursuits among our Group Company and our Company

Except as disclosed in “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on page 218”. Our Group Company is not involved in any kind of common pursuits with our Company or other Group Companies as on the date of this Draft Red Herring Prospectus.

Related business transactions within and significance on the financial performance of our Company

Except transaction as disclosed in “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on page 218 which are in ordinary course of business, our Group Company is not involved in any related business transaction with our Company as on the date of this Draft Red Herring Prospectus.

Litigation

Except as mentioned in the chapter titled “Outstanding Litigations and Material Developments” on page 249 of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Company which will have a material impact on our Company.

Business and other interest of our Group Company

Except in the ordinary course of business and as stated in “*Restated Financial Information – Annexure XXXIX: Statement of Related Parties & Transactions*” on page 218, none of our Group Company have any business interest in our Company.

Other Confirmations

None of our Group Companies have any securities listed on any stock exchange in India or abroad. Further, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and our Group Company or their respective directors.

There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Group Company or their respective directors.

DIVIDEND POLICY

The declaration and payment of dividends on the Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act and rules made thereunder, to the extent applicable to our Company, and the SEBI Listing Regulations and the dividend policy of our Company, which may be reviewed and amended periodically by the Board.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, please see “*Financial Indebtedness*” on page 227 of this DRHP. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time. For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” beginning on page 30 of the Draft Red Herring Prospectus. Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not declared any dividends on our Equity Shares in the period ended September 30, 2025 and last three Fiscals 2025, 2024, 2023 until the date of this Draft Red Herring Prospectus.

SECTION VII- FINANCIAL INFORMATION
RESTATED FINANCIAL STATEMENTS

(THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK)

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors,
Shreedhar Spinners Limited
503, Matharu Arcade,
Subhash Road, Vile Parle East,
Mumbai - 400057, Maharashtra

Dear Sirs,

1. We, M R B & Associates, Chartered Accountants ("we" or "us" or "MRB") have examined the attached Restated Financial Information of **Shreedhar Spinners Limited (formerly known as Shreedhar Spinners Private Limited)** (the "**Company**" or the "**Issuer**") comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows for the period ended September 30, 2025 and the year ended March 31, 2025, March 31, 2024 and March 31, 2023 the Summary Statement of Material Accounting Policies, and other explanatory information (collectively, the "**Restated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on January 09, 2026, for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:
 - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**"); and related amendments/ clarification from time to time issued by the Securities and Exchange Board of India ("SEBI");
 - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "Guidance Note").
2. The Company's Management and Board of Directors are responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("**SEBI**"), Registrar of Companies, Mumbai (**RoC**) and National Stock Exchange of India Limited, where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**") in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in note 2.1 of Annexure V to the Restated Consolidated Financial Information.

The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the company Complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 25, 2025 in connection with the proposed IPO of equity shares of the Company;
 - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from:
Audited financial statements of the company for the period ended on September 30, 2025 and for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with the Accounting Standards (referred to as “AS”) as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India.
5. For the purpose of our examination, we have relied on:
 - a) Auditor’s report issued by us dated January 09, 2026 on the financial statements of the company for period ended on September 20, 2025 and financial year ended on March 31, 2025. Further Auditors Report issued by Sarda and Pareek LLP, Chartered Accountants for the financial year ended on March 31, 2024 and March 31, 2023.
 - b) The audit was conducted by the Company's previous statutory auditors, and accordingly reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the Significant Accounting Policies, and other explanatory information and (collectively, the Audited Financial Statement") examined by them for the said year.
6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:
 - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors, regrouping / reclassifications and adjustments to the Restated Financial Information retrospectively in the financial years ended March 31, 2025, March 31, 2025 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025;
 - b) The Restated Financial information or Restated Summary Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years / period to which they relate and there are no qualifications which require adjustments;
 - c) There are no qualifications in the Audit Reports issued by us for the financial period ended on September 30, 2025 & for the financial year ended on March 31, 2025, and also no qualifications in the Audit Reports issued by Sarda and Pareek; Chartered Accountants for the financial year ended on March 31, 2024 and March 31, 2023 which would require adjustments in this Restated Financial Statements of the Company.
 - d) Adjustments in Restated Financial Information or Restated Summary Financial Statement have been made in accordance with the correct accounting policies;
 - e) There were no changes in accounting policies, which needs to be adjusted in the Restated Financial Information or Restated Summary Financial Statement;
 - f) It does not contain any qualifications requiring adjustments; and
 - g) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustment / restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE - IV to this report;

- h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement
 - i) The Company has not paid any dividend since its incorporation.
 - j) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraphs 4 and 5 above.
 8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
 9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 10. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, the Stock Exchanges and Registrar of Companies, Mumbai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M R B & Associates

Chartered Accountants

ICAI Firm Registration Number: 136306W

Manish R Bohra

Partner

Membership No.: 058431

Place: Mumbai

UDIN: 26058431PHSTGH2886

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

CIN : U17299MH2020PLC351591

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

ANNEXURE I

| PARTICULARS | Annx No. | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------|---------------------------------|-----------------------------|-----------------------------|-----------------------------|
| I-Equity and Liabilities | | | | | |
| 1) Shareholders' Fund | | | | | |
| (a) Share Capital | V | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 |
| (b) Reserves and Surplus | VI | 837.33 | 533.55 | 192.02 | (143.18) |
| | | 2,337.33 | 2,033.55 | 1,692.02 | 1,356.82 |
| 2) Non-Current Liabilities | | | | | |
| (a) Long-term Borrowings | VII | 4,979.10 | 4,890.48 | 4,772.07 | 5,147.69 |
| (b) Deferred Tax Liabilities (net) | VIII | 139.59 | 117.89 | 49.09 | (20.79) |
| (c) Long-Term Provisions | IX | 10.82 | 8.63 | 2.71 | 0.61 |
| | | 5,129.51 | 5,017.00 | 4,823.87 | 5,127.51 |
| 3) Current Liabilities | | | | | |
| (a) Short-Term Borrowings | X | 1,750.83 | 1,640.02 | 1,438.58 | 1,152.53 |
| (b) Trade payables | XI | | | | |
| Total outstanding dues of micro enterprises and small enterprises | | 25.99 | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 890.80 | 1,175.11 | 905.50 | 345.66 |
| (c) Other Current liabilities | XII | 655.65 | 363.32 | 281.20 | 165.16 |
| (d) Short-Term Provisions | XIII | 28.53 | 2.57 | 86.71 | 108.18 |
| | | 3,351.80 | 3,181.02 | 2,711.99 | 1,771.53 |
| TOTAL-(I) | | 10,818.64 | 10,231.57 | 9,227.88 | 8,255.86 |
| II-Assets | | | | | |
| 1) Non-current Assets | | | | | |
| (a) Property, Plant & Equipment | XIV | 5,745.60 | 5,916.24 | 6,178.95 | 6,426.40 |
| (b) Capital Work in Progress (CWIP) | XV | 1,574.97 | 805.14 | 121.49 | - |
| (c) Long-term loans & advances | XVI | 126.50 | 90.52 | 17.17 | 23.81 |
| (d) Other Non Current Assets | XVII | 207.38 | 187.82 | 199.45 | 288.31 |
| | | 7,654.45 | 6,999.72 | 6,517.06 | 6,738.52 |
| 2) Current Assets | | | | | |
| (a) Inventories | XVIII | 1,356.42 | 1,794.82 | 1,567.44 | 1,092.10 |
| (b) Trade Receivables | XIX | 77.50 | 150.98 | 118.07 | 7.51 |
| (c) Cash & Cash Equivalents | XX | 7.07 | 11.13 | 12.05 | 6.04 |
| (d) Short term Loans and Advances | XXI | 334.51 | 248.33 | 234.70 | 309.55 |
| (e) Other Current Assets | XXII | 1,388.69 | 1,026.58 | 778.56 | 102.14 |
| | | 3,164.19 | 3,231.85 | 2,710.82 | 1,517.34 |
| TOTAL-(II) | | 10,818.64 | 10,231.57 | 9,227.88 | 8,255.86 |

See accompanying annexures forming part of the restated financial statements (Refer ANNEXURE - IV to ANNEXURE - L)

For M R B & ASSOCIATES**Chartered Accountants**

ICAI Firm Registration No.136306W

For and on behalf of the Board of Director of**Shreedhar Spinners Limited****Sd/-****Manish R Bohra****Partner**

Membership No.058431Place: M

umbai

Date: January 09, 2026

UDIN: 26058431PHSTGH2886

Sd/-**Dharmendra Goyal****Managing Director**

DIN: 00163777

Sd/-**Vishal Agarwal****Director**

DIN:00376242

Sd/-**Mitesh Patel****Company Secretary**

M.No.: ACS 48773

Sd/-**Varesh Goyal****Chief Financial Officer**

PAN: CNWPG5932J

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

STATEMENT OF PROFIT & LOSS AS RESTATED**CIN : U17299MH2020PLC351591**

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

ANNEXURE II

| PARTICULARS | Annx No. | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|-----------------|---|--|--|--|
| I- Income | | | | | |
| (a) Revenue from operations | XXIII | 7,000.62 | 13,426.66 | 12,613.85 | 2,024.11 |
| (b) Other Income | XXIV | 9.02 | 15.94 | 21.31 | 3.57 |
| Total Income | | 7,009.64 | 13,442.60 | 12,635.16 | 2,027.68 |
| II- Expenses | | | | | |
| (a) Cost of Materials consumed | XXV | 5,428.73 | 10,552.41 | 10,193.11 | 1,972.30 |
| (b) Changes in inventories of finished goods & work-in-progress | XXVI | (78.89) | (36.46) | (252.16) | (471.68) |
| (c) Employee benefits expense | XXVII | 274.51 | 528.66 | 464.25 | 129.94 |
| (d) Finance costs | XXVIII | 277.23 | 584.73 | 640.17 | 201.10 |
| (e) Depreciation and amortization expense | XXIX | 170.72 | 337.24 | 331.26 | 120.36 |
| (f) Other Expenses | XXX | 587.06 | 1,063.31 | 853.45 | 239.63 |
| Total Expenses | | 6,659.36 | 13,029.89 | 12,230.08 | 2,191.65 |
| III- Profit before tax | | 350.28 | 412.71 | 405.08 | (163.97) |
| IV- Tax Expense | | | | | |
| a) Current tax | | 24.80 | 2.38 | - | - |
| b) Deferred tax | | 21.70 | 68.80 | 69.88 | (20.79) |
| Total (abs) | | 46.50 | 71.18 | 69.88 | (20.79) |
| V- Profit/(Loss) After Tax | | 303.78 | 341.53 | 335.20 | (143.18) |
| VI-Earning per equity share: | XXXI | | | | |
| Nominal Value per share : Rs 10 | | | | | |
| (a) Basic | | 2.03 | 2.28 | 2.23 | (0.95) |
| (b) Diluted | | 2.03 | 2.28 | 2.23 | (0.95) |

See accompanying annexures forming part of the restated financial statements (Refer ANNEXURE - IV to ANNEXURE - L)

For M R B & ASSOCIATES**Chartered Accountants**

ICAI Firm Registration No.136306W

Sd/-**Manish R Bohra****Partner**

Membership No.058431

Place: Mumbai

Date: January 09, 2026

UDIN: 26058431PHSTGH2886

For and on behalf of the Board of Director of**Shreedhar Spinners Limited****Sd/-****Dharmendra Goyal****Managing Director**

DIN: 00163777

Sd/-**Vishal Agarwal****Director**

DIN:00376242

Sd/-**Mitesh Patel****Company Secretary**

M.No.: ACS 48773

Sd/-**Varesh Goyal****Chief Financial Officer**

PAN: CNWPG5932J

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

RESTATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2025

CIN : U17299MH2020PLC351591

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

ANNEXURE III

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| A. Cash flow from operating activities | | | | |
| Net Profit / (Loss) before tax | 350.28 | 412.71 | 405.08 | (163.98) |
| <u>Adjustments for:</u> | | | | |
| Depreciation and amortisation | 170.72 | 337.24 | 331.26 | 120.36 |
| Interest Expenses | 277.23 | 584.73 | 640.17 | 201.10 |
| Interest Income | 7.82 | 12.85 | 19.74 | 3.57 |
| Operating profit / (loss) before working capital changes | 806.05 | 1,347.53 | 1,396.25 | 161.05 |
| <u>Changes in working capital:</u> | | | | |
| (Increase)/ Decrease in Inventories | 438.41 | (227.38) | (475.34) | (1,092.10) |
| (Increase)/ Decrease in Trade receivables | 73.48 | (32.91) | (110.56) | (7.51) |
| (Increase)/ Decrease in Short term Loans and Advances | (87.37) | (26.33) | 90.61 | (301.75) |
| (Increase)/ Decrease in Other Current Assets | (362.11) | (248.03) | (676.42) | (66.62) |
| Increase/ (Decrease) in Trade payables | (258.32) | 269.61 | 559.84 | 340.08 |
| Increase/ (Decrease) in Other current liabilities | 292.34 | 82.12 | 116.04 | (191.72) |
| Increase/ (Decrease) in Provisions | 28.14 | (78.21) | (19.38) | 108.80 |
| Cash generated from operations | 930.62 | 1,086.40 | 881.05 | (1,049.77) |
| Net income tax (paid) / refunds | (23.61) | 10.32 | (15.76) | (7.80) |
| Net cash flow from / (used in) operating activities (A) | 907.01 | 1,096.72 | 865.29 | (1,057.57) |
| B. Cash flow from investing activities | | | | |
| Capital expenditure on fixed assets, including capital advances | | | | |
| Capital Work in Progress (CWIP) | (769.83) | (683.65) | (121.49) | 2,215.67 |
| Capital Advances given | (35.98) | (73.35) | 6.63 | 213.88 |
| Changes in Other Non Current Assets | (19.56) | 11.63 | 88.87 | (286.39) |
| Interest Income | (7.82) | (12.85) | (19.74) | (3.57) |
| Purchase of Fixed Assets | (0.08) | (74.52) | (83.82) | (6,546.76) |
| Net cash flow from / (used in) Investing activities (B) | (833.27) | (832.75) | (129.55) | (4,407.16) |
| C. Cash flow from financing activities | | | | |
| Interest Expenses | (277.23) | (584.73) | (640.17) | (201.10) |
| Repayment of Long term Borrowings | (191.03) | (1,076.59) | (300.01) | - |
| Proceeds from Long-Term Borrowings | 310.00 | 1,275.00 | 4.39 | 4,474.27 |
| Short-Term Borrowings | 80.46 | 121.44 | 206.06 | 1,152.53 |
| Net cash flow from / (used in) financing activities (C) | (77.80) | (264.88) | (729.73) | 5,425.70 |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | (4.05) | (0.92) | 6.01 | (39.03) |
| Cash and cash equivalents at the beginning of the year | 11.13 | 12.05 | 6.04 | 45.07 |
| Cash and cash equivalents at the end of the year | 7.07 | 11.13 | 12.05 | 6.04 |
| Cash and cash equivalents at the end of the year * | 7.07 | 11.13 | 12.05 | 6.04 |
| * Comprises: | | | | |
| (a) Cash on hand | 0.57 | 2.68 | 0.35 | 0.04 |
| (b) Balances with banks | | | | |
| (i) In current accounts | 6.50 | 8.45 | 11.70 | 6.00 |
| Total | 7.07 | 11.13 | 12.05 | 6.04 |

Notes:
(i) The Cash Flow Statement reflects the cash flows pertaining to continuing operations and has been prepared using Indirect Method.

See accompanying annexures forming part of the restated financial statements (Refer ANNEXURE - IV to ANNEXURE - L)

For M R B & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No.136306W

For and on behalf of the Board of Director of

Shreedhar Spinners Limited

Sd/-

Manish R Bohra

Partner

Membership No.058431

Place: Mumbai

Date: January 09, 2026

UDIN: 26058431PHSTGH2886

Sd/-

Dharmendra Goya

Managing Director

rDIN: 00163777

Sd/-

Vishal Agarwa

Director

DIN:00376242

Sd/-

Mitesh Patel

Company Secretary

M.No.: ACS 48773

Sd/-

Varesh Goyal

Chief Financial Officer

PAN: CNWPG5932J

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES**1 Corporate Information:**

The Shreedhar Spinners Limited (the 'Company') is initially incorporated as a private limited company on December 09, 2020 under the Indian Companies Act, 2013. The Company has been subsequently converted to Public Limited Company on November 14, 2025. The corporate identification number of the company is U17299MH2020PLC351591. The registered office of the Company is located at 502, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057. The company is in the business of manufacturing cotton yarns.

2 Material Accounting Policies**Statement of Compliance**

The Standalone financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) as notified under the Companies (Accounting Standards) Rules, 2021 read with section 133 of the Companies Act, 2013 (as amended from time to time).

Basis of Preparation and Presentation

The restated summary statement of assets and liabilities of the Company as at March 31, 2025, March 31, 2024 and March 31, 2023 and the related restated summary statement of profits and loss and cash flows for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 (herein collectively referred to as ("Restated Summary Statements")) have been compiled by the management from the audited Financial Statements of the Company for the year ended on March 31, 2025, March 31, 2024 and March 31, 2023 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE in connection with its proposed EMERGE IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES**Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise

3 Other Significant Accounting Policies**3.01 PROPERTY PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS****Property, Plant & Equipment**

- Property Plant and Equipment are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment.
- The cost of Property Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties, GST and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property Plant and Equipment upto the date the asset is ready for its intended use.
- Subsequent expenditure on Property Plant and Equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance
- Property Plant and Equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately

Construction Period Expenses on Projects

- Expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with the production/ operations simultaneously are charged to revenue.
- Financing cost incurred during the construction period on loans specifically borrowed and utilized for projects is capitalized up to the date of capitalization.
- Financing cost, if any, incurred on general borrowings used for projects is capitalized at the weighted average cost. The amount of such borrowings is determined on a quarterly basis after setting off the amount of internal accruals.

Intangible Assets

- Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets and amortized on a straight line basis over a period of ten years or life of the underlying plant/ facility, whichever is earlier.
- Expenditure incurred on Research & Development, other than on capital account, is charged to revenue.
- Costs incurred on computer software purchased / developed resulting in future economic benefits, are capitalised as Intangible Asset and amortised over a period of three years beginning from the period in which such software is capitalised. However, where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as "Intangible Assets Under Development".

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES**Impairment of Assets:**

- The carrying value of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.
- The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.
- When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised

Depreciation/Amortization

- Cost of Property Plant and Equipment's (net of residual value) is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013
- Depreciation/ amortization is charged pro-rata on the basis of assets, from/up to the date of capitalization/ sale, disposal/ or earmarked for disposal. Residual value is considered at 5% of cost of assets.
- The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately.
- Expenditure on the items, ownership of which is not with the Company are charged off to revenue in the year of incurrence of such expenditure
- The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any

3.02 INVESTMENTS

- Long term investments are valued at cost and provision for diminution in value, thereof is made, wherever such diminution is other than temporary.
- Current investments are valued at lower of cost or fair market value.

3.03 INVENTORIES**Raw Materials & Stock-in-Process**

- Raw materials are valued at cost determined on weighted average basis or net realizable value, whichever is lower.
- Stock in Process is valued at raw material cost plus conversion costs as applicable or net realizable value, whichever is lower.
- Goods in Transit are valued at cost or net realizable value, whichever is lower.

Finished Products and Stock-in-Trade

- Finished products and stock in trade, are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower.

3.04 TAXES ON INCOME:

- **Income taxes** are accounted for in accordance with Accounting Standard (AS-22) – "Accounting for taxes on income", notified under Companies (Accounting Standard) Rules, 2021. Income tax comprises of both current and deferred tax.
- **Current tax** is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES

- Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

- Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

3.05 FOREIGN CURRENCY TRANSLATION**Initial recognition**

- Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

- Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

- Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

3.06 REVENUE RECOGNITION

- Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Revenue from sale of goods is recognized when sufficient risks and rewards are transferred to customers, which is generally on dispatch of goods.
- Interest Income on fixed deposit is recognized on time proportion basis.
- Other Income is accounted for when right to receive such income is established.

3.07 BORROWING COST

- Borrowing costs that are attributable to the acquisition and construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

3.08 CASH AND CASH EQUIVALENTS

For the purpose of Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES**3.09 EMPLOYEE BENEFITS****Defined Contribution Plan**

- Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service. Employee benefits include provident fund and gratuity fund.

Defined Benefit Plan

- The Company has an obligation towards gratuity a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, at death while in employment or on termination of an amount equal to 15 by 26 days salary payable for each completed years of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year.

3.10 LEASE

Lease arrangements where the risks and rewards incidental to ownership of an asset vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

3.11 PROVISIONS, CONTINGENT LIABILITIES and CONTINGENT ASSETS

- A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.
- Contingent liabilities are not recognised in the financial statements and are disclosed in the Notes.
- A Contingent asset is neither recognised nor disclosed in the financial statements.

3.12 EARNING PER SHARE

- Basic earnings per share is computed by dividing the profit/loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/loss after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.
- Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

3.13 GOVERNMENTS GRANTS

- Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
- Grant relating to Assets (Capital Grants)

In case of grants relating to depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Deferred income which are recognised as "Other Operating Revenues" usually in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES

- Grant related to Income (Revenue Grants)

Revenue grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related cost for which the grants are intended to compensate.

The Company has treated waiver of duty under EPCG Scheme as revenue grant as the condition of meeting the export obligations is a primary condition of availing the grant as per the EPCG Scheme.

In case of post export EPCG Scheme, revenue grant is recognised in “Other Operating Revenues” equivalent to the amount of Custom duty remission in proportion to export obligations actually fulfilled during the accounting period.

Revenue grants are generally recorded under “Other Operating Revenues”.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF SHARE CAPITAL AS RESTATED**ANNEXURE - V**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| EQUITY SHARE CAPITAL: | | | | |
| AUTHORISED: | | | | |
| 2,50,00,000 Equity Shares of ₹ 10 each | 2,500.00 | 2,500.00 | 1,500.00 | 1,500.00 |
| (FY 2024-25 - 2,50,00,000 Equity shares of Rs.10/- each) | | | | |
| (FY 2023-24 - 1,50,00,000 Equity shares of Rs.10/- each) | | | | |
| (FY 2022-23 - 1,50,00,000 Equity shares of Rs.10/- each) | | | | |
| | 2,500.00 | 2,500.00 | 1,500.00 | 1,500.00 |
| PAID UP AND SUBSCRIBED | | | | |
| 1,50,00,000 Equity Shares of ₹ 10 each | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 |
| (FY 2024-25 - 1,50,00,000 Equity shares of Rs.10/- each) | | | | |
| (FY 2023-24 - 1,50,00,000 Equity shares of Rs.10/- each) | | | | |
| (FY 2022-23 - 1,50,00,000 Equity shares of Rs.10/- each) | | | | |
| | 1,500.00 | 1,500.00 | 1,500.00 | 1,500.00 |

Reconciliation of number of shares outstanding at the end of the year:

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Equity Shares at the beginning of the period/ year | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 |
| Add: Changes during the period/ year | - | - | - | - |
| Equity Shares at the end of the period/year | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 |

Notes:

1. Terms/Rights attached to Equity Shares: The Company only has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2. The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

3) Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

Details of Shareholders holding more than 5% of the aggregate shares of the company:

| Name of shareholder | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| M/s. Shreedhar Cotsyn Private Limited | 1,44,99,600 | 1,44,99,600 | 1,45,00,000 | 1,45,00,000 |
| % of Shares held | 96.66% | 96.66% | 96.67% | 96.67% |

Details of equity shares held by promoters:

| Name of shareholder | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| M/s. Shreedhar Cotsyn Private Limited | 1,44,99,600 | 1,44,99,600 | 1,45,00,000 | 1,45,00,000 |
| % of Shares held | 96.66% | 96.66% | 96.67% | 96.67% |
| % of changes during the period/year | - | 0.01% | - | - |
| Mr. Dharmendra Mohandas Goyal | 1,10,000 | 1,10,000 | 1,00,000 | 1,00,000 |
| % of Shares held | 0.73% | 0.73% | 0.67% | 0.67% |
| % of changes during the period/year | - | 0.06% | - | - |
| Mr. Vishal Rajendra Prasad Agarwal | 1,75,000 | 1,75,000 | 1,50,000 | 1,50,000 |
| % of Shares held | 1.17% | 1.17% | 1.00% | 1.00% |
| % of changes during the period/year | - | 0.17% | - | - |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF RESERVES AND SURPLUS AS RESTATED**ANNEXURE - VI**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Balance in profit & Loss A/c | | | | |
| Balance as at the beginning of the Year/Period | 533.55 | 192.02 | (143.18) | - |
| Add/(Less): Profit/(Loss) for the Year/Period | 303.78 | 341.53 | 335.20 | (143.18) |
| Balance as at the end of the Year/Period | 837.33 | 533.55 | 192.02 | (143.18) |

DETAILS OF LONG-TERM BORROWINGS AS RESTATED**ANNEXURE - VII**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| Secured Loan from Bank | | | | |
| Term loan from bank* | 3,060.35 | 3,251.38 | 3,649.97 | 3,949.98 |
| Less: Current Maturity of Long term Debt* | (490.35) | (460.00) | (380.00) | (300.00) |
| Total (a) | 2,570.00 | 2,791.38 | 3,269.97 | 3,649.98 |
| Unsecured Loan | | | | |
| Loan from Related Parties | 1,419.10 | 1,159.10 | 1,502.10 | 1,497.71 |
| Loan from Others | 990.00 | 940.00 | - | - |
| Total (b) | 2,409.10 | 2,099.10 | 1,502.10 | 1,497.71 |
| Total (a+b) | 4,979.10 | 4,890.48 | 4,772.07 | 5,147.69 |

(Refer Annexure - XXXII for details borrowings)

*Includes foreign exchange fluctuation amounting to Rs.10.35 lakhs on foreign currency term Loan.

Foreign Currency Term loan from Scheduled Bank as on September 30, 2025**Term Loan Repayable - PHASE-I**

| Period | Amount |
|----------------------|-----------------|
| Less than one year | 490.35 |
| One to two year | 490.00 |
| Two to five year | 1,772.00 |
| More than five Years | 308.00 |
| TOTAL | 3,060.35 |

- Total 65 instalments, Each instalments are as follows:

| Period | Amount |
|-----------------------------|--------|
| October 2025 to July 2027 | 40.00 |
| August 2027 to July 2028 | 45.00 |
| August 2028 to July 2030 | 50.00 |
| August 2030 to January 2031 | 61.00 |
| February 2031 | 64.00 |

A) SBI Term Loan Account PHASE-I

- Security Terms: - First charge by way of Registered Mortgage on all piece and parcel of land located at Plot No.T-15 at Amravati.
-Exclusive charge by way of hypothecation on entire plant and machinery of the company.
-Debt Service Reserve Account (DSRA) Fixed Deposit covering Interest and instalments for 3 Months for Phase I
- Collateral Security: - Exclusive First charge by way of Registered Mortgage of office premises held at office No.502, 5th Floor along with car parking space in the building named "Matharu Arcade" located at Plot No.32, Survey No. 50-A9 part and CTS No.181, 181/1 and 181/2 of village Vile Parle East, Andheri East Mumbai.
- 51% of shares of the Company aggregating upto 76.50 lakhs shares has been pledged by the promoters.
- Second charge on entire current assets of the Company.
- Personal Guarantee of promoter directors for the Term loan.
- Corporate Guarantee of Shreedhar Cotsyn Private Limited, Siddhartha Super Spinning Mills Limited & Ram Krupa Properties Private Limited
- Rate of Interest: Rupee Term Loan at 1.45% above EBLR i.e. 9.60% p.a., Converted in Foreign Currency Term Loan: 9.25% p.a.(XIRR) (FCNRB TL at 6M SOFR+200 bps with swing option)
- Repayment Terms: The term loan is repayable in 108 monthly instalments including 11 months of moratorium.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

B) SBI Term Loan Account PHASE-II

The State Bank of India has sanctioned fresh term loan (PHASE-II) of Rs.3800.00 Lakhs on August 26, 2025 for construction of Unit II. The terms and conditions of the said limit are as mentioned below:

1. Security Terms: - Extension of Charge on all piece and parcel of land located at Plot No.T-15 at Amravati.
-Exclusive charge by way of hypothecation on entire plant and machinery of the company both present and future.
-Debt Service Reserve Account (DSRA) Fixed Deposit covering Interest and instalments for 4 Months for Phase II.
2. Collateral Security: - Extension of charge on office premises held by Ram Krupa Properties Private Limited at office No.502, 5th Floor along with car parking space in the building named "Matharu Arcade" located at Plot No.32, Survey No. 50-A9 part and CTS No.181, 181/1 and 181/2 of village Vile Parle East, Andheri East Mumbai.
- Extension of charges on existing pledge of promoters shares upto aggregate of 76.50 Lakhs shares of Company.
- Second charge on entire current assets of the Company.
3. Personal Guarantee of promoter directors for the Term loan.
4. Corporate Guarantee of Shreedhar Cotsyn Private Limited and Ram Krupa Properties Private Limited.
5. Rate of Interest: Rupee Term Loan at 1.45% above EBLR i.e. 9.60% p.a., Converted in Foreign Currency Term Loan: 9.25% p.a.(XIRR) (FCNRB TL at 6M SOFR+200 bps with swing option)
6. Repayment Terms: The term loan is repayable in 105 monthly instalments including 12 months of moratorium.

Unsecured Loan

Loan from related parties and others are at the interest rate of 9.00% p.a. to 10.50% p.a. payable on quarterly/annually basis.

DETAILS OF DEFERRED TAX LIABILITIES AS RESTATED**ANNEXURE - VIII**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Related to Fixed Assets | 214.06 | 191.99 | 130.60 | 51.93 |
| Related to unabsorbed Depreciation | (72.61) | (72.61) | (81.04) | (72.61) |
| Related to Gratuity | (1.86) | (1.49) | (0.47) | (0.11) |
| | 139.59 | 117.89 | 49.09 | (20.79) |

DETAILS OF LONG-TERM PROVISIONS AS RESTATED**ANNEXURE - IX**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Provision for employee benefits - Long Terms | 10.82 | 8.63 | 2.71 | 0.61 |
| | 10.82 | 8.63 | 2.71 | 0.61 |

DETAILS OF SHORT-TERM BORROWINGS AS RESTATED**ANNEXURE - X**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Secured Loan from Bank | | | | |
| Cash Credits Facility from Bank | 1,160.48 | 1,180.02 | 1,058.58 | 852.53 |
| Current Maturity of Long Term Debt | 490.35 | 460.00 | 380.00 | 300.00 |
| Total (a) | 1,650.83 | 1,640.02 | 1,438.58 | 1,152.53 |
| Unsecured Loan | | | | |
| Loan from Related Parties | - | - | - | - |
| Loan from Others | 100.00 | - | - | - |
| Total (b) | 100.00 | - | - | - |
| Total (a+b) | 1,750.83 | 1,640.02 | 1,438.58 | 1,152.53 |

(Refer Annexure - XXXII for details borrowings)

Cash Credit Facility:

1. Cash Credit Facility is taken from State Bank of India.
2. Cash Credit limit has been secured by giving exclusive charge of Hypothecation of entire current assets of the company including stocks and receivables, both present and future.

SHREEDHAR SPINNERS LIMITED**(Formerly known as Shreedhar Spinners Private Limited)****CIN : U17299MH2020PLC351591****Notes to financial statements for the period ended September 30, 2025****(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)**

3. Collateral security by way of second charge of Hypothecation of entire Fixed Assets (Plant & Machinery) of the company both present and future.

4. Second charge by way of registered mortgage on all piece and parcel of land located at Plot No.T-15 at Amravati.

5. Exclusive charge by way of registered mortgage of office premises held by Ram Krupa Properties Private Limited, at office No.502, 5th Floor along with car parking space in the building named "Matharu Arcade" located at Plot No.32, Survey No. 50-A9 part and CTS No.181,181/1 & 181/2 of village Vile Parle East

6. Personal Guarantee of the promoter directors.

7. Corporate Guarantee of Shreedhar Cotsyn Private Limited, Siddhartha Super Spinning Mills Limited (upto initial sanction limit of Rs. 1200 Lakhs) and Ram Krupa Properties Private Limited

7. Cash Credit Facility is Repayable on demand, available for 12 month, subject to annual review.

DETAILS OF TRADE PAYABLES AS RESTATED**ANNEXURE - XI**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| Dues to micro and small enterprises; | 25.99 | - | - | - |
| Due to other than micro and small Enterprises | 890.80 | 1,175.11 | 905.50 | 345.66 |
| | 916.79 | 1,175.11 | 905.50 | 345.66 |

(Refer Annexure - XXXIV for trade payable ageing and Annexure - XLVII for MSME disclosure)

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**ANNEXURE - XII**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Statutory Dues Payable | 5.71 | 24.26 | 4.70 | 0.89 |
| Advance from Customers | 69.06 | 0.11 | 0.04 | 0.02 |
| Salary & Wages Payable | 38.20 | 35.10 | 34.75 | - |
| Trade payable for Capital Goods | 236.62 | 10.61 | 16.93 | 81.90 |
| Interest Payable on loans* | 306.06 | 293.24 | 224.78 | 82.35 |
| | 655.65 | 363.32 | 281.20 | 165.16 |

(Refer Annexure - XXXIX for interest payable to related parties)

DETAILS OF SHORT-TERM PROVISIONS AS RESTATED**ANNEXURE - XIII**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| Provision for employee benefits - Short Terms | 0.03 | 0.03 | 0.01 | 0.00 |
| Provisions for expenses | 28.50 | 2.54 | 86.70 | 108.18 |
| | 28.53 | 2.57 | 86.71 | 108.18 |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF CAPITAL WORK IN PROGRESS (CWIP) AS RESTATED**ANNEXURE - XV**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Opening Work in progress | 805.14 | 121.49 | - | - |
| Add: Additions during the period/year | 769.83 | 683.65 | 121.49 | - |
| Less: Transfer during the period/year | - | - | - | - |
| Closing Work in progress | 1,574.97 | 805.14 | 121.49 | - |

Capital work-in-progress mainly comprises addition /expansion of plant in progress.

(Refer Annexure - XXXVI for Construction Work in Progress ageing)

DETAILS OF LONG-TERM LOANS AND ADVANCES AS RESTATED**ANNEXURE - XVI**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Capital Advance to Suppliers | 126.50 | 90.52 | 17.17 | 23.81 |
| | 126.50 | 90.52 | 17.17 | 23.81 |

DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED**ANNEXURE - XVII**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| DSRA Fixed Deposit (including accrued interest)* | 180.00 | 180.00 | 194.27 | 181.67 |
| Security Deposit- for Electricity | 19.99 | 1.07 | 1.18 | 104.88 |
| Security Deposit- for Office Premises | 3.22 | 3.22 | - | - |
| Security Deposit- for Others | 4.17 | 3.53 | 4.00 | 1.77 |
| | 207.38 | 187.82 | 199.45 | 288.31 |

* DSRA represent "Debt Service Reserve Account". Refer Annexure VII (A)

DETAILS OF INVENTORIES AS RESTATED**ANNEXURE - XVIII**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Raw Materials | 517.23 | 1,034.52 | 843.60 | 620.42 |
| Work In Progress | 468.62 | 411.11 | 288.53 | 150.75 |
| Finished goods | 321.99 | 309.73 | 398.86 | 320.93 |
| Stock of Consumables and Stores | 32.23 | 22.92 | 31.85 | - |
| Stock of Packing Materials | 16.35 | 16.54 | 4.60 | - |
| | 1,356.42 | 1,794.82 | 1,567.44 | 1,092.10 |

DETAILS OF TRADE RECEIVABLES AS RESTATED**ANNEXURE - XIX**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Unsecured Considered Good | 77.50 | 150.98 | 118.07 | 7.51 |
| | 77.50 | 150.98 | 118.07 | 7.51 |

(Refer Annexure - XXXV for trade receivable ageing)

DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED**ANNEXURE - XX**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Cash & Cash Equivalents | | | | |
| Cash on hand | 0.57 | 2.68 | 0.35 | 0.04 |
| Balance with Scheduled Banks | 6.50 | 8.45 | 11.70 | 6.00 |
| | 7.07 | 11.13 | 12.05 | 6.04 |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF SHORT-TERM LOANS AND ADVANCES AS RESTATED**ANNEXURE - XXI**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| GST Receivables | 142.87 | 155.75 | 184.42 | 264.93 |
| Advance tax (net of provision) | 10.54 | 11.73 | 24.43 | 8.67 |
| Prepaid Expenses | 5.18 | 7.12 | - | 6.38 |
| Advance to Suppliers | 173.98 | 73.74 | 20.54 | 10.25 |
| Other Receivables | 1.94 | - | 5.31 | 19.32 |
| | 334.51 | 248.33 | 234.70 | 309.55 |

DETAILS OF OTHER CURRENT ASSETS**ANNEXURE - XXII**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| Fixed Deposits (including accrued interest) | 28.37 | 28.25 | 26.64 | - |
| Subsidy Receivable from Government | 1,360.32 | 998.34 | 751.91 | 102.14 |
| | 1,388.69 | 1,026.58 | 778.56 | 102.14 |

The Company has established a new manufacturing facility at Amravati in the Vidarbha region of Maharashtra and is engaged in the production of cotton yarn.

The Company has been granted "Mega Status" under the Package Scheme of Incentives (PSI) 2019 and the Maharashtra State Textile Policy 2019-23. Accordingly, it is eligible for an Investment Promotion Subsidy (IPS) equal to 100% of the gross SGST payable on the first sale of eligible products that are billed and delivered within the state of Maharashtra. In addition, under the PSI policy, the Company has also received 100% exemption from electricity duty for a period of seven years from the date of commencement of production.

Under the Maharashtra State Textile Policy 2019-23, the company has availed benefit in the form of "capital subsidy in lieu of interest" on the value of investments in eligible plant & machinery. The company has also availed the State Textile Power Subsidy under this policy, since commencement of production.

Furthermore, as the manufacturing unit is located in the Vidarbha region of Maharashtra, the Company has been availing the Vidarbha Power Subsidy in the form of a "New Connection Subsidy" since the commencement of production.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF PROPERTY, PLANT & EQUIPMENT
ANNEXURE - XIV
As at September 30, 2025

| Description of Assets | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|-------------------------|-------------|------------|-----------------------------|-------------------------|----------------|------------|-----------------------------|-----------------------------|-------------------------|
| | As on April 01, 2025 | Additions | Deductions | As on September 30, 2025 | As on April 01, 2025 | For the period | Deductions | As on September 30, 2025 | As on September 30, 2025 | As on March 31, 2025 |
| Leasehold Land | 342.66 | - | - | 342.66 | - | - | - | - | 342.66 | 342.66 |
| Building | 1,710.47 | - | - | 1,710.47 | 64.42 | 13.55 | - | 77.97 | 1,632.50 | 1,646.05 |
| Computers | 2.99 | - | - | 2.99 | 1.73 | 0.38 | - | 2.10 | 0.89 | 1.27 |
| Electrical Instruments | 367.63 | - | - | 367.63 | 82.85 | 17.51 | - | 100.36 | 267.27 | 284.78 |
| Furniture and Fixtures | 66.85 | 0.08 | - | 66.92 | 8.88 | 3.19 | - | 12.06 | 54.86 | 57.97 |
| Motor Car | 11.02 | - | - | 11.02 | 3.60 | 0.66 | - | 4.26 | 6.76 | 7.42 |
| Plant and Machinery | 4,173.41 | - | - | 4,173.41 | 623.91 | 132.45 | - | 756.36 | 3,417.05 | 3,549.50 |
| Office Equipments | 5.96 | - | - | 5.96 | 0.74 | 0.57 | - | 1.31 | 4.65 | 5.22 |
| Leasehold Improvement | 24.12 | - | - | 24.12 | 2.74 | 2.42 | - | 5.15 | 18.97 | 21.39 |
| TOTAL | 6,705.10 | 0.08 | - | 6,705.18 | 788.86 | 170.72 | - | 959.58 | 5,745.60 | 5,916.24 |

As at March 31, 2025

| Description of Assets | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|-------------------------|--------------|------------|-------------------------|-------------------------|---------------|------------|-------------------------|-------------------------|-------------------------|
| | As on April 01, 2024 | Additions | Deductions | As on March 31, 2025 | As on April 01, 2024 | For the Year | Deductions | As on March 31, 2025 | As on March 31, 2025 | As on March 31, 2024 |
| Leasehold Land | 342.66 | - | - | 342.66 | - | - | - | - | 342.66 | 342.66 |
| Building | 1,710.47 | - | - | 1,710.47 | 37.39 | 27.03 | - | 64.42 | 1,646.05 | 1,673.08 |
| Computers | 2.27 | 0.72 | - | 2.99 | 0.80 | 0.93 | - | 1.73 | 1.27 | 1.47 |
| Electrical Instruments | 367.63 | - | - | 367.63 | 47.92 | 34.92 | - | 82.85 | 284.78 | 319.70 |
| Furniture and Fixtures | 33.62 | 33.23 | - | 66.85 | 3.45 | 5.43 | - | 8.88 | 57.97 | 30.17 |
| Motor Car | 11.02 | - | - | 11.02 | 2.30 | 1.31 | - | 3.60 | 7.42 | 8.72 |
| Plant and Machinery | 4,162.92 | 10.49 | - | 4,173.41 | 359.77 | 264.14 | - | 623.91 | 3,549.50 | 3,803.15 |
| Office Equipments | - | 5.96 | - | 5.96 | - | 0.74 | - | 0.74 | 5.22 | - |
| Leasehold Improvement | - | 24.12 | - | 24.12 | - | 2.74 | - | 2.74 | 21.39 | - |
| TOTAL | 6,630.58 | 74.52 | - | 6,705.10 | 451.63 | 337.24 | - | 788.86 | 5,916.24 | 6,178.95 |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF PROPERTY, PLANT & EQUIPMENT**ANNEXURE - XIV****As at March 31, 2024**

| Description of Assets | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|-------------------------|--------------|------------|-------------------------|-------------------------|---------------|------------|-------------------------|-------------------------|-------------------------|
| | As on April 01, 2023 | Additions | Deductions | As on March 31, 2024 | As on April 01, 2023 | For the Year | Deductions | As on March 31, 2024 | As on March 31, 2024 | As on March 31, 2023 |
| Leasehold Land | 342.66 | - | - | 342.66 | - | - | - | - | 342.66 | 342.66 |
| Building | 1,710.47 | - | - | 1,710.47 | 10.37 | 27.03 | - | 37.39 | 1,673.08 | 1,700.10 |
| Computers | 2.03 | 0.24 | - | 2.27 | 0.13 | 0.67 | - | 0.80 | 1.47 | 1.91 |
| Electrical Instruments | 364.94 | 2.69 | - | 367.63 | 13.00 | 34.92 | - | 47.92 | 319.70 | 351.94 |
| Furniture and Fixtures | 18.53 | 15.09 | - | 33.62 | 0.25 | 3.19 | - | 3.45 | 30.17 | 18.27 |
| Motor Car | 11.02 | - | - | 11.02 | 0.99 | 1.31 | - | 2.30 | 8.72 | 10.03 |
| Plant and Machinery | 4,097.11 | 65.81 | - | 4,162.92 | 95.63 | 264.14 | - | 359.77 | 3,803.15 | 4,001.48 |
| TOTAL | 6,546.76 | 83.82 | - | 6,630.58 | 120.36 | 331.26 | | 451.63 | 6,178.95 | 6,426.40 |

As at March 31, 2023

| Description of Assets | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------|-------------------------|-----------------|------------|-------------------------|-------------------------|---------------|------------|-------------------------|-------------------------|-------------------------|
| | As on April 01, 2022 | Additions | Deductions | As on March 31, 2023 | As on April 01, 2022 | For the Year | Deductions | As on March 31, 2023 | As on March 31, 2023 | As on March 31, 2022 |
| Leasehold Land | - | 342.66 | - | 342.66 | - | - | - | - | 342.66 | - |
| Building | - | 1,710.47 | - | 1,710.47 | - | 10.37 | - | 10.37 | 1,700.10 | - |
| Computers | - | 2.03 | - | 2.03 | - | 0.13 | - | 0.13 | 1.91 | - |
| Electrical Instruments | - | 364.94 | - | 364.94 | - | 13.00 | - | 13.00 | 351.94 | - |
| Furniture and Fixtures | - | 18.53 | - | 18.53 | - | 0.25 | - | 0.25 | 18.27 | - |
| Motor Car | - | 11.02 | - | 11.02 | - | 0.99 | - | 0.99 | 10.03 | - |
| Plant and Machinery | - | 4,097.11 | - | 4,097.11 | - | 95.63 | - | 95.63 | 4,001.48 | - |
| TOTAL | - | 6,546.76 | - | 6,546.76 | - | 120.36 | - | 120.36 | 6,426.40 | - |

Note:

The company has obtained leasehold land located at Plot No.T-15 at Additional Amravati Industrial area (Textile Zone) MIDC, Amravati. From MIDC for the period of 95 year.

Depreciation has been charged on all assets net of the GST input tax credit.

Refer Annexure VII & for X information on property, plant and equipment hypothecated / mortgaged as security by the Company

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**ANNEXURE - XXIII**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Sales of Goods | 6,600.75 | 12,734.45 | 12,120.00 | 2,024.11 |
| Total (a) | 6,600.75 | 12,734.45 | 12,120.00 | 2,024.11 |
| Other Operating Revenues | | | | |
| GST Subsidy on Sales | 148.93 | 277.18 | 117.44 | - |
| Interest Subsidy | 250.94 | 376.41 | 376.41 | - |
| Foreign Exchange Fluctuation Income | - | 38.62 | - | - |
| Total (b) | 399.87 | 692.21 | 493.85 | - |
| Revenue from operations (a+b) | 7,000.62 | 13,426.66 | 12,613.85 | 2,024.11 |

DETAILS OF OTHER INCOME AS RESTATED**ANNEXURE - XXIV**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|-------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Interest income | 7.82 | 12.85 | 19.74 | 3.57 |
| Interest on Income Tax Refund | - | 1.05 | 0.35 | - |
| Other income | 1.20 | 2.04 | 1.22 | - |
| | 9.02 | 15.94 | 21.31 | 3.57 |

DETAILS OF COST OF MATERIALS CONSUMED AS RESTATED**ANNEXURE - XXV**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Opening stock | 1,034.52 | 843.60 | 620.42 | - |
| Purchases of Materials | 4,911.44 | 10,743.33 | 10,416.29 | 2,592.72 |
| Less: Closing stock | (517.23) | (1,034.52) | (843.60) | (620.42) |
| | 5,428.73 | 10,552.41 | 10,193.11 | 1,972.30 |

DETAILS OF CHANGE IN INVENTORIES OF FINISHED GOODS AND WIP**ANNEXURE - XXVI**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <u>Inventories at the end of the year</u> | | | | |
| Stock of Consumables and Stores | 32.23 | 22.92 | 31.85 | - |
| Stock of Packing Materials | 16.35 | 16.54 | 4.60 | - |
| Work In progress | 468.62 | 411.11 | 288.53 | 150.75 |
| Finished goods | 321.99 | 309.73 | 398.86 | 320.93 |
| <u>Inventories at the beginning of the year</u> | | | | |
| Stock Consumables and Stores | 22.92 | 31.85 | - | - |
| Stock Packing Material | 16.54 | 4.60 | - | - |
| Work In progress | 411.11 | 288.53 | 150.75 | - |
| Finished goods | 309.73 | 398.86 | 320.93 | - |
| | (78.89) | (36.46) | (252.16) | (471.68) |

DETAILS OF EMPLOYEE BENEFITS EXPENSES AS RESTATED**ANNEXURE - XXVII**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Salaries and Wages | 255.06 | 485.71 | 429.74 | 119.27 |
| Directors' Remuneration | - | - | - | - |
| Gratuity Expenses | 2.18 | 5.94 | 2.11 | 0.61 |
| Contribution to Provident Fund & Other Funds | 14.90 | 23.39 | 14.04 | 3.52 |
| Staff Welfare Expenses | 2.37 | 13.62 | 18.36 | 6.54 |
| | 274.51 | 528.66 | 464.25 | 129.94 |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF FINANCE COSTS AS RESTATED**ANNEXURE - XXVIII**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|-------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Interest on Bank Loans | 211.93 | 444.64 | 467.63 | 197.74 |
| Interest on Other Loans | 61.26 | 131.85 | 158.25 | - |
| Other Finance Cost | 4.04 | 8.24 | 14.29 | 3.36 |
| | 277.23 | 584.73 | 640.17 | 201.10 |

DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED**ANNEXURE - XXIX**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Depreciation | 170.72 | 337.24 | 331.26 | 120.36 |
| | 170.72 | 337.24 | 331.26 | 120.36 |

DETAILS OF OTHER EXPENSES AS RESTATED**ANNEXURE - XXX**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Electricity Charges | 378.18 | 742.73 | 587.59 | 177.27 |
| Transportation Charges | 51.70 | 84.42 | 89.45 | 16.05 |
| Water Charges | 8.29 | 11.16 | 11.36 | 5.63 |
| Auditors' Remuneration* | 1.00 | 2.00 | 0.10 | 0.20 |
| Rates & Taxes | 0.00 | 9.76 | 0.98 | 0.19 |
| Rent | 8.86 | 17.21 | - | 0.84 |
| Professional Charges | 2.67 | 4.26 | 3.66 | 0.21 |
| Security Charges | 9.24 | 20.89 | 18.51 | 8.24 |
| Printing & Stationery | 0.66 | 1.35 | 1.86 | 0.58 |
| Membership & Subscription | 1.73 | 6.65 | 8.62 | 3.32 |
| Selling and Distribution Expenses | 18.48 | 31.29 | 51.98 | 13.81 |
| Insurance Expense | 8.61 | 12.07 | 28.09 | 4.18 |
| Testing & Inspection Charges | 2.09 | 3.20 | 5.70 | - |
| Repairs and Maintenance | 12.69 | 22.80 | 6.90 | 1.81 |
| Vehicle Expenses | 2.28 | 2.72 | 3.57 | - |
| Travelling Expenses | 2.16 | 7.12 | 1.55 | - |
| Other Expenses | 28.24 | 79.58 | 33.19 | 6.64 |
| Foreign Exchange Fluctuation Expense | 48.97 | - | - | - |
| Loading & Unloading Charges | 1.21 | 4.10 | 0.34 | 0.65 |
| | 587.06 | 1,063.31 | 853.45 | 239.63 |

* Auditors' Remuneration comprise: (net of tax input credit)

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| - As statutory auditor | 0.75 | 1.50 | 0.10 | 0.20 |
| - As tax auditor | 0.25 | 0.50 | - | - |
| - For reimbursement of expenses | - | - | - | - |
| - For other services (certification work, etc.) | - | - | - | - |
| Total | 1.00 | 2.00 | 0.10 | 0.20 |

DETAILS OF EARNING PER SHARES AS RESTATED**ANNEXURE - XXXI**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Net Profit attributable to equity share holder | 303.78 | 341.53 | 335.20 | (143.18) |
| <u>No. of Equity Shares</u> | | | | |
| Weighted Average No. of Equity Shares | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 | 1,50,00,000 |
| Nominal Value of Share | 10.00 | 10.00 | 10.00 | 10.00 |
| Earning Per Share – Basic (in Rs.)* | 2.03 | 2.28 | 2.23 | (0.95) |
| Earning Per Share – Diluted (in Rs.)* | 2.03 | 2.28 | 2.23 | (0.95) |
| *(Not annualised for Sept 2025) | | | | |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF TERMS OF BORROWING AS RESTATED**ANNEXURE - XXXII**

| Sr No. | Name of Lender | Nature of Security | Sanctioned Amount | Rate of Interest | Tenure (Months/Year) | Instalment (₹) | O/s. As on Sept 30, 2025 | O/s. As on March 31, 2025 | O/s. As on March 31, 2024 | O/s. As on March 31, 2023 |
|----------|---|--------------------|-------------------|------------------|----------------------|----------------|--------------------------|---------------------------|---------------------------|---------------------------|
| A | Secured Loan from Bank | | | | | | | | | |
| 1 | Term loan from bank | ANNEXURE - VII | 6,965.00 | 9.25% | 108 months | Variable | 3,060.35 | 3,251.38 | 3,649.97 | 3,949.98 |
| 2 | Cash Credits Facility from Bank | ANNEXURE - X | 2,400.00 | 9.25% | 105 months | NA | 1,160.48 | 1,180.02 | 1,058.58 | 852.53 |
| | Total (A) | | | | | | 4,220.83 | 4,431.40 | 4,708.55 | 4,802.50 |
| B | Loan from related parties | | | | | | | | | |
| 1 | Shreedhar Cotsyn Private Limited | Unsecured Loans | 2,091.00 | 9.50% | 5 Year | Lumpsum | 1,059.71 | 1,059.71 | 1,407.71 | 1,407.71 |
| 2 | Ramkrupa Properties Private Limited | Unsecured Loans | 200.00 | 9.50% | 5 Year | Lumpsum | 204.39 | 49.39 | 44.39 | 40.00 |
| 3 | SRM Spinners Limited | Unsecured Loans | 100.00 | 9.50% | 5 Year | Lumpsum | 100.00 | - | - | - |
| 4 | Kusumdevi Rajendraprasad Agarwal | Unsecured Loans | 50.00 | 9.50% | 5 Year | Lumpsum | 50.00 | 50.00 | 50.00 | 50.00 |
| 5 | Pooja Agarwal | Unsecured Loans | 5.00 | 9.00% | 5 Year | Lumpsum | 5.00 | - | - | - |
| | Total (B) | | | | | | 1,419.10 | 1,159.10 | 1,502.10 | 1,497.71 |
| C | Loan from others | | | | | | | | | |
| 1 | Anita Agarwal | Unsecured Loans | 25.00 | 9.00% | 5 Year | Lumpsum | 25.00 | - | - | - |
| 2 | Neena Jain* | Unsecured Loans | 140.00 | 9.50% | 5 Year | Lumpsum | 240.00 | 140.00 | - | - |
| 3 | Pushpa S Pareek | Unsecured Loans | 120.00 | 9.50% | 5 Year | Lumpsum | 120.00 | 120.00 | - | - |
| 4 | Sandeep Sitaram Pareek | Unsecured Loans | 100.00 | 9.50% | 5 Year | Lumpsum | 100.00 | 100.00 | - | - |
| 5 | Sitaram Pareek HUF | Unsecured Loans | 280.00 | 9.50% | 5 Year | Lumpsum | 280.00 | 280.00 | - | - |
| 6 | Ramgopal Agarwal | Unsecured Loans | 25.00 | 9.00% | 5 Year | Lumpsum | 25.00 | - | - | - |
| 7 | Shree Chakra Properties Private Limited | Unsecured Loans | 325.00 | 9.50% | 5 Year | Lumpsum | 300.00 | 300.00 | - | - |
| | Total (C) | | | | | | 1,090.00 | 940.00 | - | - |

Note:

* Interest rate revised from 10.50% to 9.50% w.e.f. July 01, 2025, Further Rs.100.00 Lakhs is repayable on demand.

Loans from individuals represent borrowings received from the shareholders of the Company.

Aforesaid borrowing are excluding accrued interest thereon.

Interest on loan is payable yearly, except in case of Mrs. Neena Jain, where interest is payable on quarterly rest.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF OTHER INCOME AS RESTATED
ANNEXURE - XXXIII

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | Nature |
|-----------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------|
| Other Income | 9.02 | 15.94 | 21.31 | 3.57 | |
| Net profit before tax as restated | 350.28 | 412.71 | 405.08 | (163.98) | |
| Percentage | 2.57% | 3.86% | 5.26% | -2.17% | |

Source of Income

| | | | | | |
|-------------------------------|-------------|--------------|--------------|-------------|--|
| Interest Income | 7.82 | 12.85 | 19.74 | 3.57 | Recurring and not related to Business Activity |
| Interest on Income Tax Refund | - | 1.05 | 0.35 | - | Non-Recurring and not related to Business Activity |
| Written Off/Misc. Income | 1.13 | 1.89 | 1.22 | - | Non-Recurring and not related to Business Activity |
| Interest On Delay In Payment | 0.07 | 0.15 | - | - | Non-Recurring and not related to Business Activity |
| Total Other income | 9.02 | 15.94 | 21.31 | 3.57 | |

AGEING OF TRADE PAYABLES AS RESTATED
ANNEXURE - XXXIV
Trade Payable Ageing as on September 30, 2025

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-------------------|--|---------------|-----------|-----------|-----------|---------------|
| | Not Due | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Undisputed | | | | | | |
| MSME | - | 25.99 | - | - | - | 25.99 |
| Others | - | 890.80 | - | - | - | 890.80 |
| Disputed | | | | | | |
| MSME | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Total | - | 916.79 | - | - | - | 916.79 |

Trade Payable Ageing as on March 31, 2025

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-------------------|--|-----------------|-------------|-----------|-----------|-----------------|
| | Not Due | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Undisputed | | | | | | |
| MSME | - | - | - | - | - | - |
| Others | - | 1,174.59 | 0.52 | - | - | 1,175.11 |
| Disputed | | | | | | |
| MSME | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Total | - | 1,174.59 | 0.52 | - | - | 1,175.11 |

Trade Payable Ageing as on March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-------------------|--|---------------|-------------|-----------|-----------|---------------|
| | Not Due | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Undisputed | | | | | | |
| MSME | - | - | - | - | - | - |
| Others | - | 904.88 | 0.62 | - | - | 905.50 |
| Disputed | | | | | | |
| MSME | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Total | - | 904.88 | 0.62 | - | - | 905.50 |

Trade Payable Ageing as on March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-------------------|--|---------------|-----------|-----------|-----------|---------------|
| | Not Due | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Undisputed | | | | | | |
| MSME | - | - | - | - | - | - |
| Others | - | 345.66 | - | - | - | 345.66 |
| Disputed | | | | | | |
| MSME | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Total | - | 345.66 | - | - | - | 345.66 |

(Refer Annexure - XLVII for MSME disclosure)

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

AGEING OF TRADE RECEIVABLES AS RESTATED

ANNEXURE - XXXV

Trade Receivable as on September 30, 2025

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------|--|-------------------|-----------|------------|-------------------|--------------|
| | Less than 6 Month | 6 Months - 1 year | 1-2 years | 2 -3 years | More than 3 years | |
| Undisputed: | | | | | | |
| - Considered Good | 77.50 | - | - | - | - | 77.50 |
| - Considered Doubtful | - | - | - | - | - | - |
| Disputed: | | | | | | |
| - Considered Good | - | - | - | - | - | - |
| - Considered Doubtful | - | - | - | - | - | - |
| Total | 77.50 | - | - | - | - | 77.50 |

Trade Receivable as on March 31, 2025

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------|--|-------------------|-----------|------------|-------------------|---------------|
| | Less than 6 Month | 6 Months - 1 year | 1-2 years | 2 -3 years | More than 3 years | |
| Undisputed: | | | | | | |
| - Considered Good | 150.98 | - | - | - | - | 150.98 |
| - Considered Doubtful | - | - | - | - | - | - |
| Disputed: | | | | | | |
| - Considered Good | - | - | - | - | - | - |
| - Considered Doubtful | - | - | - | - | - | - |
| Total | 150.98 | - | - | - | - | 150.98 |

Trade Receivable as on March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------|--|-------------------|-----------|------------|-------------------|---------------|
| | Less than 6 Month | 6 Months - 1 year | 1-2 years | 2 -3 years | More than 3 years | |
| Undisputed: | | | | | | |
| - Considered Good | 118.07 | - | - | - | - | 118.07 |
| - Considered Doubtful | - | - | - | - | - | - |
| Disputed: | | | | | | |
| - Considered Good | - | - | - | - | - | - |
| - Considered Doubtful | - | - | - | - | - | - |
| Total | 118.07 | - | - | - | - | 118.07 |

Trade Receivable as on March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------|--|-------------------|-----------|------------|-------------------|-------------|
| | Less than 6 Month | 6 Months - 1 year | 1-2 years | 2 -3 years | More than 3 years | |
| Undisputed: | | | | | | |
| - Considered Good | 7.51 | - | - | - | - | 7.51 |
| - Considered Doubtful | - | - | - | - | - | - |
| Disputed: | | | | | | |
| - Considered Good | - | - | - | - | - | - |
| - Considered Doubtful | - | - | - | - | - | - |
| Total | 7.51 | - | - | - | - | 7.51 |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

AGEING OF CAPITAL-WORK-IN PROGRESS (CWIP) AS RESTATED**ANNEXURE - XXXVI**

The CWIP of the Company as on September 30, 2025

| Particulars | Amount in CWIP for a period of | | | | Total |
|-------------------------------|--------------------------------|---------------|---------------|-----------|-----------------|
| | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Project in progress | 769.83 | 683.65 | 121.49 | - | 1,574.97 |
| Project temporarily suspended | - | - | - | - | - |
| Total | 769.83 | 683.65 | 121.49 | - | 1,574.97 |

The CWIP of the Company as on March 31, 2025

| Particulars | Amount in CWIP for a period of | | | | Total |
|-------------------------------|--------------------------------|---------------|-----------|-----------|---------------|
| | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Project in progress | 683.65 | 121.49 | - | - | 805.14 |
| Project temporarily suspended | - | - | - | - | - |
| Total | 683.65 | 121.49 | - | - | 805.14 |

The CWIP of the Company as on March 31, 2024

| Particulars | Amount in CWIP for a period of | | | | Total |
|-------------------------------|--------------------------------|-----------|-----------|-----------|---------------|
| | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Project in progress | 121.49 | - | - | - | 121.49 |
| Project temporarily suspended | - | - | - | - | - |
| Total | 121.49 | - | - | - | 121.49 |

The CWIP of the Company as on March 31, 2023

| Particulars | Amount in CWIP for a period of | | | | Total |
|-------------------------------|--------------------------------|-----------|-----------|-----------|----------|
| | < 1 year | 1-2 years | 2-3 years | > 3 years | |
| Project in progress | - | - | - | - | - |
| Project temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

NOTES ON RECONCILIATION OF RESTATED PROFITS**ANNEXURE - XXXVII**

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Net Profit/(Loss) after Tax as per Audited Profit & Loss Account | 303.78 | 398.30 | 417.75 | (157.80) |
| Adjustments for: | | | | |
| a. Provision for Income-tax | - | 9.32 | - | - |
| b. Depreciation and Amortization Expense | - | 0.03 | (10.57) | (5.56) |
| c. Interest on MSME | - | - | - | - |
| d. Provision for Gratuity | - | 2.69 | (2.11) | (0.61) |
| e. Deferred Tax (Expenses)/ Income | - | (68.80) | (69.88) | 20.79 |
| Net Profit/ (Loss) After Tax as Restated | 303.78 | 341.53 | 335.20 | (143.18) |

Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:

a. Prior Period Expense/ Income: Prior Period Expense/Income has been re-classified and been restated to their actual period.

b. Depreciation and Amortization Expense: The Company has inappropriately calculated depreciation using SLM method and useful life as per Schedule II of Companies Act, 2013 which has now been restated.

c. Provision for Gratuity: The Company has not recognised gratuity liability as per AS-15 (Revised) which has now been provided for as per valuation report and has been restated.

NOTES ON RECONCILIATION OF RESTATED NET-WORTH**ANNEXURE - XXXVIII**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| Net worth as audited (a) | 2,337.33 | 2,158.26 | 1,759.96 | 1,342.20 |
| Adjustments for: | | | | |
| Opening Balance of Adjustments | - | (67.94) | 14.62 | - |
| a) Opening Provision for Income-tax | | 9.32 | | |
| b) Opening Depreciation adjustments | - | 0.03 | (10.57) | (5.56) |
| c) Opening Gratuity adjustments | - | 2.69 | (2.11) | (0.61) |
| d) Deferred Tax Expenses/ (Income) | - | (68.80) | (69.88) | 20.79 |
| Closing Balance of Adjustments (b) | - | (124.70) | (67.94) | 14.62 |
| Net worth as restated (a +b) | 2,337.33 | 2,033.55 | 1,692.02 | 1,356.82 |

Explanatory notes to the above restatements to net worth made in the audited Financial Statements of the Company for the respective years:

a. Prior Period adjustments : Prior Period Expense/Income has been restated to their actual period.

b. Change in Profit/(Loss) : Refer Annexure - XXXVII above

6. ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:**Material Regrouping**

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED**ANNEXURE - XXXIX****a) Holding Company**

M/s. Shreedhar Cotsyn Private Limited

b) Key Management Personnel:**Name of Party****Nature of relationship**

| | |
|-------------------------------------|--|
| Mr. Vishal Rajendra Prasad Agarwal | Director |
| Mr. Dharmendra Mohandas Goyal | Managing Director |
| Mrs. Sunita Dharmendra Goyal | Additional Director (Joined w.e.f. October 06, 2025) |
| Mrs. Sunita Dharmendra Goyal | Non Executive Director (w.e.f. November 18, 2025) |
| Mr. Utsav Sumantkumar Bhavsar | Independent Director (Joined w.e.f. December 11, 2025) |
| Mrs. Atri Maheshwariben Nileshkumar | Independent Director (Joined w.e.f. December 11, 2025) |
| Mr. Vares Goyal | Director (from September 14, 2024 to September 05, 2025) |
| Mr. Vares Goyal | Chief Financial Officer (Joined w.e.f. November 18, 2025) |
| Mr. Mitesh Pravin Bhai Patel | Company Secretary |

M/s. Siddhartha Super Spinning Mills Limited Entity in which Director is a Member/Director

M/s. Ram Krupa Properties Private Limited Entity in which Director is a Member/Director

M/s. SRM Spinners Limited Entity in which Director is a Member/Director

Mrs. Kusum Devi Agarwal Relatives of Director

Mrs. Pooja Agarwal Relatives of Director

List of transactions during the period / year ended

| Name of Related Party | Nature of Transaction | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|-----------------------|---------------------------------------|---|---|---|
| M/s. Shreedhar Cotsyn Private Limited | Loan Taken | 496.00 | 305.00 | - | 1,277.81 |
| | Loan Repaid | 496.00 | 653.00 | - | - |
| | Interest on Loan | 54.35 | 119.38 | 148.21 | 69.08 |
| | Sales | 672.18 | 2,501.39 | 5,518.94 | 107.73 |
| | Purchase | - | 536.10 | 1,869.02 | 27.54 |
| Mrs. Kusum Devi Agarwal | Loan Taken | - | - | - | - |
| | Interest on Loan | 2.40 | 5.30 | 5.31 | 0.50 |
| M/s. Ram Krupa Properties Private Limited | Loan Taken | 155.00 | 5.00 | 4.39 | 40.00 |
| | Interest on Loan | 3.56 | 5.21 | 4.72 | 0.68 |
| M/s. SRM Spinners Limited | Loan Taken | 100.00 | - | - | - |
| | Interest on Loan | 0.39 | - | - | - |
| M/s. Siddhartha Super Spinning Mills Limited | Sales | 0.07 | - | - | - |
| | Purchases | - | - | - | - |
| Mrs. Pooja Agarwal | Loan Taken | 5.00 | - | - | - |
| | Interest on Loan | 0.02 | - | - | - |
| Mr. Mitesh Patel | Remuneration | 0.90 | 1.80 | 0.15 | - |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED**ANNEXURE - XXXIX****Amount outstanding as on (Payable)/ Receivable**

| Name of Related Party | Nature of Transaction | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|--------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| M/s. Shreedhar Cotsyn Private Limited | Loan payable | (1,059.71) | (1,059.71) | (1,407.71) | (1,407.71) |
| | Interest on Loan payable | (193.14) | (244.71) | (214.68) | (81.29) |
| | Trade Payable | (2.12) | (2.12) | (263.87) | (28.92) |
| | Trade Receivable | (4.32) | - | 95.06 | - |
| Mrs. Kusum Devi Agarwal | Loan payable | (50.00) | (50.00) | (50.00) | (50.00) |
| | Interest on Loan payable | (7.62) | (5.22) | (5.23) | (0.45) |
| M/s. Ram Krupa Properties Pvt Ltd | Loan payable | (204.39) | (49.39) | (44.39) | (40.00) |
| | Interest on Loan payable | (8.86) | (5.30) | (4.87) | (0.61) |
| M/s. SRM Spinners Limited | Loan payable | (100.00) | - | - | - |
| | Interest on Loan payable | (0.39) | - | - | - |
| M/s. Siddhartha Super Spinning Mills Limited | Trade Payable | - | - | - | - |
| | Trade Receivable | 0.07 | - | - | - |
| Mrs. Pooja Agarwal | Loan payable | (5.00) | - | - | - |
| | Interest on Loan payable | (0.02) | - | - | - |
| Mr. Mitesh Patel | Remuneration | - | - | - | - |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

SUMMARY OF SIGNIFICANT ACCOUNTING RATIOS AS RESTATED**ANNEXURE - XL**

| Ratios | Numerator | Denominator | FY 24-25 | FY 23-24 | % of variance | Reasons for variance > 25% |
|--------------------------------------|--|--|----------|----------|---------------|------------------------------|
| (a) Current Ratio | Current Assets | Current Liabilities | 1.02 | 1.00 | 0.02 | - |
| (b) Debt-Equity Ratio | Total Debt | Total Equity | 3.21 | 3.67 | (0.13) | - |
| (c) Debt Service Coverage Ratio | Earning before Interest, Tax and Exceptional Items | Interest Expenses + Principal Repayments made during the period for long term loan | 0.79 | 1.44 | (0.45) | - |
| (d) Return on Equity Ratio | Profit After Tax | Share holders Equity | 0.17 | 0.20 | (0.15) | - |
| (e) Inventory turnover ratio | Cost of Goods Sold | Average Inventories of Finished Goods, Stock in Trade and Stock-in-Trade | 6.26 | 7.48 | (0.16) | - |
| (f) Trade Receivables turnover ratio | Value of sales & services | Average Trade Receivables | 99.81 | 200.89 | (0.50) | Increase in Trade Receivable |
| (g) Trade payables turnover ratio | Net Credit Purchase | Average Trade Payable | 10.11 | 15.89 | (0.36) | Increase in Trade Payable |
| (h) Net capital turnover ratio | Net Sales | Average Working Capital | 540.69 | (98.79) | (6.47) | Increase in Working Capital |
| (i) Net profit ratio | Profit After Tax | Value of sales & Services | 0.03 | 0.03 | (0.04) | - |
| (j) Return on Capital employed | Earning before Interest & Taxes | Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax liability) | 0.11 | 0.13 | (0.12) | - |
| (k) Return on investment | Income generated from Investment | Average Investment | - | - | - | - |

| Ratios | Numerator | Denominator | FY 23-24 | FY 22-23 | % of variance | Reasons for variance > 25% |
|--------------------------------------|--|--|----------|----------|---------------|--|
| (a) Current Ratio | Current Assets | Current Liabilities | 1.00 | 0.86 | 0.17 | - |
| (b) Debt-Equity Ratio | Total Debt | Total Equity | 3.67 | 4.64 | (0.21) | - |
| (c) Debt Service Coverage Ratio | Earning before Interest, Tax and Exceptional Items | Interest Expenses + Principal Repayments made during the period for long term loan | 1.44 | 0.31 | 3.69 | Increase in EBIT |
| (d) Return on Equity Ratio | Profit After Tax | Share holders Equity | 0.20 | (0.11) | (2.88) | Increase in EBIT |
| (e) Inventory turnover ratio | Cost of Goods Sold | Average Inventories of Finished Goods, Stock in Trade and Stock-in-Trade | 7.48 | 2.75 | 1.72 | Increase in Profit |
| (f) Trade Receivables turnover ratio | Value of sales & services | Average Trade Receivables | 200.89 | 538.95 | (0.63) | Increase in Trade Receivable |
| (g) Trade payables turnover ratio | Net Credit Purchase | Average Trade Payable | 15.89 | 8.54 | 0.86 | Increase in Credit Purchase |
| (h) Net capital turnover ratio | Net Sales | Average Working Capital | (98.79) | (7.55) | 12.08 | Increase in revenue from operation and working capital |
| (i) Net profit ratio | Profit After Tax | Value of sales & Services | 0.03 | (0.07) | (1.38) | Increase in Profit |
| (j) Return on Capital employed | Earning before Interest & Taxes | Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax liability) | 0.13 | 0.00 | 28.32 | Increase in EBIT |
| (k) Return on investment | Income generated from Investment | Average Investment | - | - | - | - |

The reason for the variance exceeding 25% has not been disclosed for the stub period. Since the comparative period represents a full financial year, the figures are not comparable.

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF GRATUITY AS PER AS-15 AS RESTATED**ANNEXURE - XLI****Short-term employee benefits -**

recognized as an expense at the undiscounted amount in the statement of profit & loss of the year in which the related service is rendered.

Long-term employee benefits -**Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15/26 days salary multiplied the number of years of service. The Company makes full provision for gratuity liabilities in the books of accounts on the basis of Actuarial Valuation.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method as per actuarial valuation carried out at balance sheet date .

The following table set out the status of gratuity plan as required under AS 15 (Revised):**A. DEFINED CONTRIBUTION PLAN**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Employers' Contribution to Provident Fund and ESIC | 14.49 | 22.73 | 13.58 | 2.76 |

B. DEFINED BENEFIT OBLIGATION

| I. ASSUMPTIONS: | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Discount Rate | 6.35% p.a. | 6.60% p.a. | 7.15% p.a. | 7.30% p.a. |
| Salary Escalation | 5.00% p.a. | 5.00% p.a. | 5.00% p.a. | 5.00% p.a. |
| Expected Return on Plan Asset | NA | NA | NA | NA |
| Withdrawal Rates | 20.00% p.a. | 20.00% p.a. | 20.00% p.a. | 20.00% p.a. |
| | 20yrs - 0.09% | 20yrs - 0.09% | 20yrs - 0.09% | 20yrs - 0.09% |
| | 30yrs - 0.10% | 30yrs - 0.10% | 30yrs - 0.10% | 30yrs - 0.10% |
| Mortality Table | 40yrs - 0.17% | 40yrs - 0.17% | 40yrs - 0.17% | 40yrs - 0.17% |
| | 50yrs - 0.44% | 50yrs - 0.44% | 50yrs - 0.44% | 50yrs - 0.44% |
| | 60yrs - 1.12% | 60yrs - 1.12% | 60yrs - 1.12% | 60yrs - 1.12% |
| Retirement Age | 60 yrs. | 60 yrs. | 60 yrs. | 60 yrs. |

| II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION: | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Present Value of Benefit Obligation as at the beginning of the year | 8.67 | 2.72 | 0.61 | - |
| Transfer in/(out) obligation | - | - | - | - |
| Past Service Cost | - | - | - | - |
| Current Service Cost | 2.46 | 4.69 | 2.15 | 0.61 |
| Interest Cost | 0.29 | 0.19 | 0.04 | - |
| (Benefit paid) | - | - | - | - |
| Actuarial (gains)/losses | (0.57) | 1.06 | (0.09) | - |
| Present value of benefit obligation as at the end of the year | 10.84 | 8.67 | 2.72 | 0.61 |

| III. ACTUARIAL GAINS/LOSSES: | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Actuarial (gains)/losses on obligation for the year | (0.57) | 1.06 | (0.09) | - |
| Actuarial (gains)/losses on asset for the year | - | - | - | - |
| Actuarial (gains)/losses recognized in statement of Profit and Loss | (0.57) | 1.06 | (0.09) | - |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

| IV. AMOUNT RECOGNIZED IN THE BALANCE SHEET: | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Fair value of plan assets at the end of the year | - | - | - | - |
| Present value of benefit obligation as at the end of the year | 10.84 | 8.67 | 2.72 | 0.61 |
| Net (liability)/asset recognized in the balance sheet | 10.84 | 8.67 | 2.72 | 0.61 |

| V. AMOUNT RECOGNIZED AS LONG-TERM AND SHORT TERM IN BALANCE SHEET: | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Non-Current Obligation | 10.82 | 8.63 | 2.71 | 0.61 |
| Current Obligation | 0.03 | 0.03 | 0.01 | 0.00 |
| Net (liability)/asset recognized in the balance sheet | 10.84 | 8.67 | 2.72 | 0.61 |

| VI. EXPENSES RECOGNISED | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Current service cost | 2.46 | 4.69 | 2.15 | 0.61 |
| Interest cost | 0.29 | 0.19 | 0.04 | - |
| Benefit Paid | - | - | - | - |
| Expected return on Plan Asset | - | - | - | - |
| Actuarial (gains)/losses | (0.57) | 1.06 | (0.09) | - |
| Expense charged to the Statement of Profit & Loss | 2.18 | 5.94 | 2.11 | 0.61 |

| VII. BALANCE SHEET RECONCILIATION: | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Opening net liability | 8.67 | 2.72 | 0.61 | - |
| Expense as above | 2.18 | 5.94 | 2.11 | 0.61 |
| Net liability/(asset) recognized in the balance sheet | 10.84 | 8.67 | 2.72 | 0.61 |

| VIII. EXPERIENCE ADJUSTMENTS | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| On Plan Liabilities (Gain)/Losses | - | - | - | - |

STATEMENT OF TAX SHELTERS AS RESTATED
ANNEXURE - XLII

| Particulars | For the period ended Sept 30, 2025 | For the year ended March 31, 2025 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|--|--|--|
| Profit before tax as per books (A) | 350.28 | 412.71 | 405.08 | (163.98) |
| Income Tax Rate (%) | 17.160% | 17.160% | 17.160% | 17.160% |
| MAT Rate (%) | Not Applicable | Not Applicable | Not Applicable | Not Applicable |
| Tax at notional rate on profits | 60.11 | 70.82 | 69.51 | (28.14) |
| Adjustments : | | | | |
| Permanent Differences(B) | | | | |
| <u>Expenses disallowed under Income Tax Act, 1961</u> | | | | |
| Employee contribution - ESIC & EPF | - | - | 3.96 | - |
| Disallowance for non Deduction of TDS | - | - | - | - |
| Statutory Interest, Penalty & Demand | - | - | 0.35 | - |
| Total Permanent Differences(B) | - | - | 4.31 | - |
| Timing Differences (C) | | | | |
| Depreciation as per Companies Act, 2013 | 170.72 | 337.24 | 331.26 | 120.36 |
| Depreciation as per Income Tax Act, 1961 | (299.35) | (695.00) | (792.00) | (423.00) |
| Gratuity expenses | 2.18 | 5.94 | 2.11 | 0.61 |
| Total Timing Differences (C) | (126.46) | (351.82) | (458.63) | (302.02) |
| Net Adjustments D = (B+C) | (126.46) | (351.82) | (454.32) | (302.02) |
| Tax expense / (saving) thereon | | | | |
| Set-off from Brought Forward Losses (E) | - | (49.09) | - | - |
| Taxable Income/(Loss) as per Income Tax (A+D+E) | 223.82 | 11.81 | (49.24) | (466.00) |
| Income Tax as returned/computed | Not Applicable | 13.90 | (49.09) | (466.08) |
| Tax paid as per normal or MAT | Not Applicable | 2.39 | - | - |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF CONTINGENT LIABILITIES & CAPITAL COMMITMENT AS RESTATED**ANNEXURE - XLIII****Details of contingent liabilities are as given below:**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Bank Guarantee provided to MSEDCL | 170.17 | 170.17 | - | - |
| Toward future fulfilment of Export Obligation (EPCG) | - | - | - | 997.62 |
| Claims against the Company not acknowledged, as debt | - | - | - | - |
| Hedged funds for FCNB loan | 3,060.35 | 3,251.38 | 3,625.00 | - |

Details of Capital Commitments are as given below:

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| Estimated amounts of Contract remaining to be executed on capital Account and not provided for (net of advances)* | 3,266.98 | 635.32 | - | 148.50 |

* A letter of credit amounting to Rs. 2582.00 Lakhs was issued and outstanding as of September 30, 2025.

DETAILS OF RESTATED VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS BY THE COMPANY**ANNEXURE - XLIV**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| a) CIF Value of Imports calculated on CIF basis | Nil | Nil | Nil | Nil |
| I. Raw materials | Nil | Nil | Nil | Nil |
| II. Components and spare parts | Nil | Nil | Nil | Nil |
| III. Capital goods | Nil | Nil | Nil | Nil |

DETAILS OF EXPENDITURE IN FOREIGN CURRENCY AS RESTATED**ANNEXURE - XLV**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------|-----------------------------|-------------------------|-------------------------|-------------------------|
| Membership Fee | 2.52 | 2.27 | 1.84 | - |
| Purchase of Materials | - | - | - | 0.71 |

DETAILS OF EARNINGS IN FOREIGN EXCHANGE AS RESTATED**ANNEXURE - XLVI**

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------------------|-------------------------|-------------------------|-------------------------|
| Earnings in foreign currency on accrual basis | Nil | Nil | Nil | Nil |

DETAILS OF CAPITALISATION STATEMENT AS RESTATED**ANNEXURE - XLVII**

| Particulars | Pre Issue | Post Issue |
|--|-----------------|------------|
| Borrowings | | |
| Short term debt (A) | 1,750.83 | - |
| Long Term Debt (B) | 4,979.10 | - |
| Total debts (C) | 6,729.93 | - |
| Shareholders' funds | | |
| Share capital | 1,500.00 | - |
| Reserve and surplus - as Restated | 837.33 | - |
| Total shareholders' funds (D) | 2,337.33 | - |
| Long term debt / shareholders funds (B/D) | 2.13 | - |
| Total debt / shareholders funds (C/D) | 2.88 | - |

SHREEDHAR SPINNERS LIMITED

(Formerly known as Shreedhar Spinners Private Limited)

CIN : U17299MH2020PLC351591

Notes to financial statements for the period ended September 30, 2025

(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)

DETAILS OF DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES AS RESTATED**ANNEXURE - XLVIII**

The information as required under Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the bases of information available with the Company and no there are no dues to Micro, Small and Medium Enterprises to the extent of information made available to us except as given below"

| Particulars | As at September 30, 2025 | As at March 31, 2025 | As at March 31, 2024 | As at March 31, 2023 |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|
| Principal amount due to suppliers registered under the MSMED Act & remaining unpaid as at year end | 25.99 | - | - | - |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - | - | - |
| Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - | - | - |
| Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - | - | - |
| Further interest remaining due and payable for earlier years | - | - | - | - |

CORPORATE SOCIAL RESPONSIBILITY (CSR)**ANNEXURE - XLIX**

In terms of the provisions of Section 135 of the Companies Act, 2013, the CSR requirements apply to companies having a net worth of Rs.500.00 crore or more, or turnover of Rs. 1,000.00 crore or more, or net profit of Rs. 5.00 crore or more during the immediately preceding financial year. Since the Company does not satisfy the said criteria, the provisions relating to Corporate Social Responsibility are not applicable for the financial year under review.

SHREEDHAR SPINNERS LIMITED**(Formerly known as Shreedhar Spinners Private Limited)****CIN : U17299MH2020PLC351591****Notes to financial statements for the period ended September 30, 2025****(All amounts are in Indian Rupees in Lakhs except equity share, per equity share data and as otherwise stated)****OTHER STATUTORY DISCLOSURE AS PER SCHEDULE III TO COMPANIES ACT, 2013 AS RESTATED****ANNEXURE - L**

- 1 There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 2 There is no charge or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- 3 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 4 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- 5 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 6 The Company has not disclosed any income in terms of any transaction which is not recorded in books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 7 The company has obtained funds from bank. Such amount has been utilised for the specific purpose as stated in the sanction letter as at the balance sheet date.
- 8 The Company has not granted any loans and advances in the nature of loans to promoters, directors, key management personnel (KMP) and the related parties as repayable on demand or guaranteed without specifying terms during the year. Further the Company has not given any corporate guarantee, made any investments or provided any security during the year.
- 9 The Company has complied with the number of layers prescribed under Clause (87) of Section 2 of the Act read with The Companies (Restriction on number of layer) Rules, 2017.
- 10 The company have not been declared as wilful defaulter by any banks, financial institutions or other lenders.
- 11 The Company does not have immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Further the Company has not revalued its Property, Plant and Equipment during the year.
- 12 The company does not have any transaction with a company struck-off under the section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

For M R B & ASSOCIATES**Chartered Accountants**

ICAI Firm Registration No.136306W

Sd/-**Manish R Bohra****Partner**

Membership No.058431Place: Mumbai

Date: January 09, 2026

UDIN:26058431PHSTGH2886

For and on behalf of the Board of Director of**Shreedhar Spinners Limited****Sd/-****Dharmendra Goyal**
Managing Director

DIN: 00163777

Place: Mumbai

Date: January 09, 2026

Sd/-**Vishal Agarwal**
Director

DIN:00376242

Sd/-**Mitesh Patel**
Company Secretary

M.No.: ACS 48773

Sd/-**Varesh Goyal**
Chief Financial Officer

PAN: CNWPG5932J

OTHER FINANCIAL INFORMATION

(₹ in Lakhs except per share value)

| Particulars | For The Period/ Year Ended | | | |
|--|----------------------------|----------------|----------------|----------------|
| | September 30, 2025 | March 31, 2025 | March 31, 2024 | March 31, 2023 |
| Total Revenue (A) | 7,009.64 | 13,442.60 | 12,635.16 | 2,027.68 |
| Net Profit as Restated Continuing Operations (B) | 303.78 | 341.53 | 335.20 | -143.18 |
| Profit before tax | 350.28 | 412.71 | 405.08 | -163.97 |
| Add: Depreciation | 170.72 | 337.24 | 331.26 | 120.36 |
| Add: Interest on Loan | 273.19 | 576.49 | 625.88 | 197.74 |
| Less: Other Non-Operating Income | 9.02 | 15.94 | 21.31 | 3.57 |
| EBITDA (C) | 785.17 | 1,310.50 | 1,340.91 | 150.57 |
| EBITDA Margin (in %) (C/A) | 11.22% | 9.76% | 10.63% | 7.44% |
| Net Worth as Restated (D) | 2,337.33 | 2,033.55 | 1,692.02 | 1,356.82 |
| Return on Net Worth (in %) as Restated (B/D) | 13.00 | 16.79 | 19.81 | -10.55 |
| Equity Share at the end of year/period (in Nos.) (E) | 15,000,000 | 15,000,000 | 15,000,000 | 15,000,000 |
| Weighted No. of Equity Shares (G) | 15,000,000 | 15,000,000 | 15,000,000 | 15,000,000 |
| Earnings per Equity Share as Restated (B/G) | 2.03 | 2.28 | 2.23 | -0.95 |
| - Basic & Diluted (As per restated Period) | | | | |
| Basic Earnings per share (in Rs.) | 2.03 | 2.28 | 2.23 | -0.95 |
| Diluted Earnings per share (in Rs.) | 2.03 | 2.28 | 2.23 | -0.95 |
| Net Asset Value per Equity share as Restated (D/E) | 15.58 | 13.56 | 11.28 | 9.05 |

Note:

1. EBITDA Margin = EBITDA/Total Revenues
2. Earnings per share (₹) = Profit available to equity shareholders from continuing operations/ Weighted No. of shares outstanding at the end of the year
3. Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
4. Return on Net worth (%) = Restated Profit after taxation / Net worth x 100
5. Net Worth = Equity Share Capital + Reserve and Surplus (including P&L surplus) - Revaluation Reserve, If any
6. Net asset value/Book value per share (₹) = Net worth / weighted average number equity shares outstanding for the period/ year
7. The Company does not have any revaluation reserves or extra-ordinary items.

FINANCIAL INDEBTEDNESS

₹ in Lakhs

| Particulars | Sanctioned Amount | Outstanding amount as on 30.11.25 | Outstanding amount as on 30.09.25 |
|--|-------------------|-----------------------------------|-----------------------------------|
| Secured Loan from Bank | | | |
| Term loan from bank | | | |
| State Bank of India: Phase - I | 3165.00 | 2970.00 | 3,060.35 |
| State Bank of India: Phase - II | 3800.00 | 997.53 | Nil |
| | | | |
| Working Capital loan from bank (Cash Credit) | | | |
| State Bank of India: Phase – I | 1200.00 | 1088.02 | 1160.48 |
| State Bank of India: Phase – II on achievement of DCCO i.e. 01.01.2026 | 1200.00 | Nil | Nil |
| Non-Fund Based (NFB) Limit from bank | 375.00 | 170.17 | 170.17 |
| Total (A) (including NFB) | 9740.00 | 5225.72 | 4391.00 |
| | | | |
| Unsecured Loan | | | |
| Loan from Related Parties | 2446.00 | 1419.10 | 1419.10 |
| Loan from Others | 1015.00 | 990.00 | 1090.00 |
| Total (B) | 3461.00 | 2,409.10 | 2,509.10 |
| Total (A+B) | 13201.00 | 7634.82 | 6,900.10 |

| Category of borrowing | Sanctioned Amount (₹ in Lakhs) | Outstanding amount (₹ in Lakhs) as on 30.11.25 | Outstanding amount (₹ in Lakhs) as on 30.09.25 | Outstanding amount (₹ in Lakhs) as on 31.03.25 | Rate of Interest | Tenure | Repayment Term | Collateral / Asset Charged | Principal Terms and Conditions |
|---------------------------------|--------------------------------|--|--|--|--|-----------------|---|----------------------------|--------------------------------|
| A. Secured Loan | | | | | | | | | |
| State Bank of India: Phase – I | 3165.00 + 1200.00 | 4019.40 | 4220.83 | 4431.40 | 9.60* | Till May - 2034 | 108 Months incl. 11 month of moratorium | Refer Note 1 | Refer Note 1 & 3 |
| State Bank of India: Phase – II | 3800.00+ 1200.00 | 997.53 | Nil | Nil | 9.60%* | Till May - 2034 | 105 Month incl. 12 months of moratorium | Refer Note 2 | Refer Note 2 & 3 |
| State Bank of India: NFB Limit | 375.00 | 171.70 | 171.70 | 171.70* | - | - | - | *** | - |
| Total (A) | 9740.00 | 5016.93 | 4220.83 | 4431.40 | *(NFB limit not considered for total) | | | | |

| B. Unsecured Loan | | | | | | | | | |
|-------------------------------------|----------------|----------------|----------------|----------------|----------|----------|----------|----------------|-------------------------|
| a. Loan from Related Parties | | | | | | | | | |
| Shreedhar Cotsyn Private Limited | 2,091.00 | 1059.71 | 1059.71 | 1059.71 | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Ramkrupa Properties Private Limited | 200.00 | 204.39 | 204.39 | 49.39 | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| SRM Spinners Limited | 100.00 | 100.00 | 100.00 | - | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Kusumdevi Rajendraprasad Agarwal | 50.00 | 50.00 | 50.00 | 50.00 | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Pooja Agarwal | 5.00 | 5.00 | 5.00 | - | 9.00% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Total | 2446.00 | 1419.10 | 1419.10 | 1159.10 | - | - | - | - | - |

| b. Loan from others | | | | | | | | | |
|---|----------------|---------------|----------------|---------------|-------|--------|---------|----------------|----------------------------|
| Shree Chakra Properties Private Limited | 325.00 | 300.00 | 300.00 | 300.00 | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Anita Agarwal | 25.00 | 25.00 | 25.00 | Nil | 9.00% | 5 Year | Lumpsum | Not Applicable | Interest payable Yearly |
| Neena Jain* | 240.00 | 140.00 | 240.00 | 140.00 | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable Quarterly |
| Sandeep Sitaram Pareek | 100.00 | 100.00 | 100.00 | 100.00 | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Sitaram Pareek HUF | 280.00 | 280.00 | 280.00 | 280.00 | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Pushpa S Pareek | 120.00 | 120.00 | 120.00 | 120.00 | 9.50% | 5 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Ramgopal Agarwal | 25.00 | 25.00 | 25.00 | Nil | 9.50% | 1 Year | Lumpsum | Not Applicable | Interest payable yearly |
| Total | 1015.00 | 990.00 | 1090.00 | 940.00 | | | | | |

The principal terms of the loans and assets charged as security by the Company are stated in

Note 1. SBI Term Loan Account PHASE-I

1. Security Terms: - First charge by way of Registered Mortgage on all piece and parcel of land located at Plot No.T-15 at Amravati.

-Exclusive charge by way of hypothecation on entire plant and machinery of the company.

-Debt Service Reserve Account (DSRA) Fixed Deposit covering Interest and instalments for 3 Months for Phase I
2. Collateral Security: - Exclusive First charge by way of Registered Mortgage of office premises held at office No.502, 5th Floor along with car parking space in the building named "Matharu Arcade" located at Plot No.32, Survey No. 50-A9 part and CTS No.181, 181/1 and 181/2 of village Vile Parle East, Andheri East Mumbai.
- 51% of shares of the Company aggregating upto 76.50 lakhs shares has been pledged by the promoters i.e., Shreedhar Cotsyn Private Limited

- Second charge on entire current assets of the Company.
3. Personal Guarantee of promoter directors for the Term loan.
4. Corporate Guarantee of Shreedhar Cotsyn Private Limited, Siddhartha Super Spinning Mills Limited & Ram Krupa Properties Private Limited
5. Rate of Interest: Rupee Term Loan at 1.45% above EBLR i.e. 9.60% p.a., Converted in Foreign Currency Term Loan: 9.25% p.a.(XIRR) (FCNRB TL at 6M SOFR+200 bps with swing option)
6. Repayment Terms: The term loan is repayable in 108 monthly instalments including 11 months of moratorium.

SBI Term Loan Account PHASE-II

The State Bank of India has sanctioned fresh term loan (PHASE-II) of Rs.3800.00 Lakhs on August 26, 2025 for construction of Unit II and Modification of charge has been done with ROC on September 09, 2025. The terms and conditions of the said limit are as mentioned below:

1. Security Terms: - Extension of Charge on all piece and parcel of land located at Plot No.T-15 at Amravati.
-Exclusive charge by way of hypothecation on entire plant and machinery of the company both present and future.

-Debt Service Reserve Account (DSRA) Fixed Deposit covering Interest & instalments for 4 Months for Phase II.
2. Collateral Security: - Extension of charge on office premises held by Ram Krupa Properties Private Limited at office No.502, 5th Floor along with car parking space in the building named "Matharu Arcade" located at Plot No.32, Survey No. 50-A9 part and CTS No.181, 181/1 and 181/2 of village Vile Parle East, Andheri East Mumbai.
- Extension of charges on existing pledge of promoters shares upto aggregate of 76.50 Lakhs shares of Company.

- Second charge on entire current assets of the Company.
3. Personal Guarantee of promoter directors for the Term loan.
4. Corporate Guarantee of Shreedhar Cotsyn Private Limited and Ram Krupa Properties Private Limited.
5. Rate of Interest: Rupee Term Loan at 1.45% above EBLR i.e. 9.60% p.a., Converted in Foreign Currency Term Loan: 9.25% p.a.(XIRR) (FCNRB TL at 6M SOFR+200 bps with swing option)
6. Repayment Terms: The term loan is repayable in 105 monthly instalments including 12 months of moratorium.

* Interest rate revised from 10.50% to 9.50% w.e.f. July 01, 2025, Further Rs.100.00 Lakhs is repayable on demand.

Note 3

Cash Credit Facility:

1. Cash Credit Facility is taken from State Bank of India.
2. Cash Credit limit has been secured by giving exclusive charge of Hypothecation of entire current assets of the company including stocks and receivables, both present and future.
3. Collateral security by way of second charge of Hypothecation of entire Fixed Assets (Plant & Machinery) of the company both present and future.
4. Second charge by way of registered mortgage on all piece and parcel of land located at Plot No.T-15 at Amravati.
5. Exclusive charge by way of registered mortgage of office premises held by Ram Krupa Properties Private Limited, at office No.502, 5th Floor along with car parking space in the building named "Matharu Arcade" located at Plot No.32, Survey No. 50-A9 part and CTS No.181,181/1 & 181/2 of village Vile Parle East
6. Personal Guarantee of the promoter directors.
7. Corporate Guarantee of Shreedhar Cotsyn Private Limited, Siddhartha Super Spinning Mills Limited (upto initial sanction limit of Rs. 1200 Lakhs) and Ram Krupa Properties Private Limited
8. Cash Credit Facility is Repayable on demand, available for 12 months, subject to annual review.

Except as stated below, the Promoters and group entity have not provided any material guarantees with respect to specified securities of the Company

| Name of the Promoter | Reason | Individual / entity in whose favour the guarantee has been provided. | Period |
|---|---|---|----------------|
| Shreedhar Cotsyn Private Limited | Corporate guarantee by Promoter company | SBI against Term loan taken by the company | till May, 2034 |
| Dharmendra Goyal | Personal Bank guarantee of Director | SBI against Term loan taken by the company | till May, 2034 |
| Vishal Agarwal | Personal Bank guarantee of Director | SBI against Term loan taken by the company | till May, 2034 |
| Siddhartha Super Spinning Mills Limited | Corporate guarantee by group company Rs.5522.00 Lakhs | SBI against Term loan taken by the company | till May, 2034 |
| Ram Krupa Properties Private Limited | Corporate guarantee by group company | SBI against Term loan taken by the company | till May, 2034 |

Note: As certified by M R B & Associates vide their certificate dated January 09, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations for the period ended on September 30, 2025 and for the financial year ended on 2025, 2024 and 2023 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled “**Restated Financial Statements**” beginning on page 190 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Red Herring Prospectus. You should also read the section titled “**Risk Factors**” beginning on page 30 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Shreedhar Spinners Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “**Restated Financial Statements**” for the period ended on September 30, 2025 and for the Fiscal ended on 2025, 2024 and 2023 included in this Draft Red Herring Prospectus beginning on page 190 of this Draft Red Herring Prospectus.*

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be “Forward Looking Statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our Company is primarily engaged into manufacturing of compact spun cotton yarn of various counts ranging from Ne 12s to Ne 32 at our manufacturing facility located at manufacturing units located at Plot No. T-15, additional Amravati industrial area textile park, Tuljapur, Amravati – 444901, Maharashtra, India for a period of 95 years spread across 1,20,000 sq. mt. and has a production capacity of 5500 MT of cotton yarn, with 18240 spindles as on September 30, 2025. Our Manufacturing Facility operates 24 hours per day to maximize output and ensure uninterrupted operations and usually operates for approximately 360 days a year. We believe that our manufacturing facility is equipped with modern state-of-the-art spinning technology and processing techniques which enable to ensure production of quality yarn. Our raw material: raw cotton bales are utilized for production of cotton yarns. These yarns are suitable for both knitting and weaving applications and catering to a wide spectrum of end-use segments and products including but not limited to Apparel, Denim, Terry towels, Shirting, Bed linen, Sweaters, Socks, Furnishing Fabrics and Industrial fabrics. We operate exclusively in the business-to-business (B2B) segment, supplying our products to buyers such as textile manufacturers, yarn exporters, traders and fabric processors (collectively “Customers”).

For more details, please refer chapter titled “**Our Business**” beginning on page 135 of this Draft Red Herring Prospectus.

SIGNIFICANT DEVELOPMENTS AFTER FISCAL 2025

1. Pursuant to Resolution passed by our Board of Director dated October 06, 2025 and Special Resolution passed at the Extraordinary General Meeting held on November 01, 2025, our company has been converted from Private Company to Public Company. Consequently name of our company was changed from ‘Shreedhar Spinners Private Limited’ to ‘Shreedhar Spinners Limited’ w.e.f. November 17, 2025.
2. Pursuant to Resolution passed by our Board of Director dated September 15, 2025 and Special Resolution passed at the Annual General Meeting held on September 22, 2025, our company has allotted 6,50,000 equity shares of face value of ₹ 10 each at the issue price of ₹ 50 each for cash through private placement. Consequently, paid up

share capital of our company has increased from ₹ 15,00,00,000.00 divided into 1,50,00,000 equity shares of face value of ₹ 10 each to ₹ 15,65,00,000.00 divided into 1,56,50,000 equity shares of face value of ₹ 10 each.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, financial condition and results of operations have been, and are expected to be, influenced by numerous factors. A summary of the most important factors that have had, and that we expect will continue to have, a significant impact on our business, results of operations and financial condition follows below:

Our business is subject to various risks and uncertainties, including those discussed in the section titled “**Risk Factors**” on page 30 beginning of this Draft Red Herring Prospectus.

Raw Material Cost

We source raw materials, such as, cotton bales , and other additives from our suppliers with whom we have established long-standing relationships in order to ensure the consistent supply of products to our customers. We do not enter into formal arrangements or contracts with certain of our suppliers and instead issue purchase orders to source our materials on an as-needed basis to such suppliers. Our factory is located within major cotton growing area of Maharashtra and hence, we procure cotton bales from local vendors, Cotton Corporation of India and traders for our spinning unit, which helps reduce transportation costs, shorten lead times, and support timely production. ; during the last three Fiscals and for the period ended September 30, 2025, we procured cotton bales from more than 10 Suppliers and top 10 suppliers contribute 96.04 %, 91.05 %, 71.51% and 67.21% of the total purchase during the period ended September 30, 2025 and Fiscals 2025, 2024 and 2023, respectively.

Our cost of goods sold is impacted by the amount of raw materials procured and the price at which we procure such raw materials and may fluctuate from time to time. During the period ended September 30, 205, Fiscal 2025, Fiscal 2024 and Fiscal 2023 are raw material consumed to revenue from operations were 77.55%, 78.59%, 80.81% and 97.44%, respectively. The availability and price of our raw materials may be subject to a number of factors beyond our control, including macro and micro economic factors, seasonal factors, environmental factors and changes in Government policies and regulations.

Our business is dependent on our manufacturing facility and the loss of or shutdown of operations of any of these facilities could adversely affect our business

Our company’s business faces a high operational risk due to its reliance on a single, modern manufacturing facility in Amaravati, Maharashtra. The concentration of the entire production capacity in one location makes the company extremely vulnerable to any event that could cause a shutdown. Should a natural disaster, fire, major power outage, or an internal issue like machinery failure or a labour strike occur, all production would cease. This would lead to a complete loss of revenue, as the company would be unable to full-fill orders. In addition, extended shutdowns could damage the company's reputation, potentially causing distributors and key customers to seek more reliable suppliers. Cybersecurity incidents, contamination, or quality control failures could also force temporary shutdowns or product recalls, affecting both revenue and brand trust. The resulting loss of revenue, coupled with fixed operational expenses, could impact the company’s ability to meet debt obligations and jeopardize its long-term viability as an unlisted, unfunded entity.

Demand for our products

Demand for our products is also significantly affected by the general level of economic activity and economic conditions in the various geographies and sectors in which we operate. We have benefitted from multi-national companies contemplating diversifying their dependence on China to developing Asian countries including India. Deterioration in economic conditions in any of the key sectors that we operate in may lead to lower demand for our services. Any deterioration in global markets may also have a corresponding effect on our operations as some of our top customers have operations in India. Any decision by such customers to reduce or exit their emerging markets operations may have a significant adverse impact on our business and financial performance

Relationships with customers

Our business is dependent on our continuing relationships with our customers. Our Company neither have any long-term contract with any of customers nor have any marketing tie up for our products as our sales are primarily conducted through individual purchase orders that set out terms, volumes and delivery schedules. The absence of long-term commitments exposes us to the risk of customer retention and creates uncertainty in production planning. If one or more of our key customers reduce their orders, cease to source from us, or are unable to perform their obligations due to financial distress, insolvency, business restructuring, regulatory actions, or shifts in procurement policies, our revenue and profitability could be materially impacted.

We have an inhouse testing facility having advance equipment such as wrap reel machine and weigh balance for denier testing (i.e. to determine the fibre thickness of individual threads or filaments), yarn strength tester to determine tensile properties (i.e., to check elongation and tenacity of yarns).. The efforts of our product team are supported by our sales teams which give us constant feedback for customer requirements and market trends. However, failure to meet the expectations of the client can lead to cancellation of current and future orders.

Government policies

Our business and revenues are dependent on policies and regulations in relation to the manufacturing activities and to the textile sector. Any adverse changes in government policies, subsidies and benefits could materially and adversely affect our financing, capital expenditure, revenues, development or operations relating to our existing and proposed capacities as well as our ability to participate and compete with our peers. Further, policies not limited to our services rendered but largely affecting India could also affect the manner in which we carry out and intend to carry out our operations.

Macroeconomic Factors

The performance of our business is closely linked to macroeconomic conditions. Economic downturns, recessions, political instability, social unrest, or natural disasters in India or our other markets can disrupt operations, supply chains, and consumer demand. Furthermore, volatility in crude oil prices, rising interest rates, and inflationary pressures can increase operational costs, reduce margins, and affect consumer spending patterns, all of which can materially impact our financial results

SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies beginning under “*Restated Financial Statements*” on page **190** of this Draft Red Herring Prospectus.

Set out below are a few key performance indicators:

| Particulars | Unit | For the period ended September 30, 2025 | For the financial year ended March 31, 2025 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 |
|---|------|---|---|---|---|
| Revenue from Operations ⁽¹⁾ | ₹ | 7,000.62 | 13,426.66 | 12,613.85 | 2,024.11 |
| Total Income ⁽²⁾ | ₹ | 7009.64 | 13442.60 | 12635.16 | 2027.68 |
| Revenue CAGR ⁽³⁾ | % | NA | 157.55% | | |
| EBITDA ⁽⁴⁾ | ₹ | 785.17 | 1,310.50 | 1,340.91 | 150.57 |
| EBITDA Margin ⁽⁵⁾ | % | 11.22% | 9.76% | 10.63% | 7.44% |
| Profit After Tax ⁽⁶⁾ | ₹ | 303.78 | 341.53 | 335.20 | -143.18 |
| Profit After Tax Margin ⁽⁷⁾ | % | 4.34% | 2.54% | 2.66% | -7.07% |
| Return on Equity (RoE) ⁽⁸⁾ | % | 13.00% | 16.79% | 19.81% | -10.55% |
| Return on Capital Employed ⁽⁹⁾ | % | 6.82% | 11.49% | 13.14% | 0.49% |

| Particulars | Unit | For the period ended September 30, 2025 | For the financial year ended March 31, 2025 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 |
|--|----------------|---|---|---|---|
| Net Fixed Asset Turnover Ratio ⁽¹⁰⁾ | Times | 1.22 | 2.27 | 2.04 | 0.31 |
| Working Capital Turnover Ratio ⁽¹¹⁾ | Times | 4.50 | 7.99 | 8.85 | 2.27 |
| Working Capital Days ⁽¹²⁾ | Number of days | 14 | 26 | 29 | 218 |
| Debt to Equity Ratio ⁽¹³⁾ | Times | 2.88 | 3.21 | 3.67 | 4.64 |
| Return on Assets ⁽¹⁴⁾ | % | 0.03 | 0.03 | 0.04 | -0.02 |
| Current Ratio ⁽¹⁵⁾ | Times | 0.94 | 1.02 | 1.00 | 0.86 |
| Inventory turnover ratio ⁽¹⁶⁾ | Times | 3.40 | 6.26 | 7.48 | 2.75 |
| Trade Receivables turnover ratio ⁽¹⁷⁾ | Times | 61.28 | 99.81 | 200.89 | 538.95 |
| Trade payables turnover ratio ⁽¹⁸⁾ | Times | 5.11 | 10.11 | 15.89 | 8.54 |

As certified by M R B & Associates, Chartered Accountant by their certificate dated January 09, 2026.

Notes:

⁽¹⁾ Revenue from operations as derived from restated financial statements

⁽²⁾ Total Income as derived from restated financial statements

⁽³⁾ Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising to the power of one divided by the number of compounding period i.e. 2 years and subtracting by one.

⁽⁴⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.

⁽⁵⁾ EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁶⁾ Profit After Tax as derived from restated financial statements

⁽⁷⁾ PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

⁽⁸⁾ Return on Equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.

⁽⁹⁾ Return on Capital Employed is calculated as EBIT divided by total capital employed. Capital employed is calculated as sum of total equity and total borrowings. EBIT is calculated as EBITDA minus depreciation and amortization

⁽¹⁰⁾ Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset

⁽¹¹⁾ Working Capital Turnover Ratio is calculated as Revenue from operation divided by Capital employed

⁽¹²⁾ Working Capital days is Inventory days + Receivables Days – Trade Payable Days

⁽¹³⁾ Debt to Equity Ratio is calculated as total borrowings divided by total equity. Total Borrowings is calculated as sum of non - current borrowings, current borrowings and lease liabilities.

⁽¹⁴⁾ Return on Assets is calculated by dividing the total assets by the profit after tax.

⁽¹⁵⁾ Current Ratio is a liquidity ratio that measures our ability to pay short - term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

⁽¹⁶⁾ Inventory Turnover Ratio = Cost of Goods Sold ÷ Average Inventory

⁽¹⁷⁾ Trade Receivables turnover ratio = Revenue from Operations ÷ Average Trade Receivables

⁽¹⁸⁾ Trade Payable turnover ratio = Purchases ÷ Average Trade Payables

DETAILS OF THE REVENUE RECOGNITION METHOD ADOPTED BY THE ISSUER AND ITS BASIC PARAMETERS.

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Revenue from sale of goods is recognized when sufficient risks and rewards are transferred to customers, which is generally on dispatch of goods.
- Interest Income on fixed deposit is recognized on time proportion basis.

- Other Income is accounted for when right to receive such income is established

COMPONENTS OF INCOME AND EXPENDITURE

Total Revenue

Our total revenue is divided into revenue from operations and other income.

Revenue from operations consists of sale of goods, GST subsidy on sales & interest subsidy.

Other income consists of interest income, interest on Income Tax Refund and other income.

Total Expenses

Our total expenses comprise of Cost of Materials consumed, Changes in inventories of finished goods & work-in-progress, Employee benefits expense, Finance costs, Depreciation and amortization expense, other expenses.

Cost of Materials consumed

Cost of material consumed consists of Opening stock and purchase of material.

Changes in inventories of finished goods & work-in-progress

Changes in inventories of finished goods & work-in-progress consists of inventories at the end of the year and inventories at the beginning of the year.

Finance Costs

Finance costs includes Interest on Bank Loans, Interest on Other Loans, Other Finance Cost.

Employee benefits expenses

Employee benefit expenses comprise of Salaries and Wages, Directors' Remuneration, Gratuity Expenses, Contribution to Provident Fund & Other Funds, Staff Welfare Expenses.

Depreciation and Amortization Expenses

Depreciation and amortization expenses primarily Depreciation.

Other Expenses

Other expenses include Electricity Charges, Transportation Charges, Water Charges, Auditors' Remuneration, Rates & Taxes, Rent, Professional Charges, Security Charges, Printing & Stationery, Membership & Subscription, Selling and Distribution Expenses, Insurance Expense, Testing & Inspection Charges, Repairs and Maintenance, Vehicle Expenses, Travelling Expenses, Other Expenses, Foreign Exchange Fluctuation Expense, Loading & Unloading Charges.

RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for period ended September 30, 2025 and for the financial years ended on 2025, 2024 and 2023:

(₹ in Lakhs)

| Particulars | For the period ended September 30, 2025 | % of Total Income | Fiscal 2025 (₹) | % of Total Income | Fiscal 2024 (₹) | % of Total Income | Fiscal 2023 (₹) | % of Total Income |
|--|---|-------------------|------------------|-------------------|------------------|-------------------|-----------------|-------------------|
| Revenue | | | | | | | | |
| Revenue from Operations | 7,000.62 | 99.87% | 13,426.66 | 99.88% | 12,613.85 | 99.83% | 2,024.11 | 15.06% |
| Other Income | 9.02 | 0.13% | 15.94 | 0.12% | 21.31 | 0.17% | 3.57 | 0.18% |
| Total Income | 7,009.64 | 100.00% | 13,442.60 | 100.00% | 12,635.16 | 100.00% | 2,027.68 | 100.00% |
| Expenses | | | | | | | | |
| Cost of materials consumed | 5,428.73 | 77.45% | 10,552.41 | 78.50% | 10,193.11 | 80.67% | 1,972.30 | 97.27% |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | (78.89) | (1.13)% | (36.46) | (0.27)% | (252.16) | (2.00)% | (471.68) | (23.26)% |
| Employee Benefit expenses | 274.51 | 3.92% | 528.66 | 3.93% | 464.25 | 3.67% | 129.94 | 6.41% |
| Financial Costs | 277.23 | 3.95% | 584.73 | 4.35% | 640.17 | 5.07% | 201.10 | 9.92% |
| Depreciation and amortisation expense | 170.72 | 2.44% | 337.24 | 2.51% | 331.26 | 2.62% | 120.36 | 5.94% |
| Other Expenses | 587.06 | 8.38% | 1,063.31 | 7.91% | 853.45 | 6.75% | 239.63 | 11.82% |
| Total expenses | 6,659.36 | 95.00% | 13,029.89 | 96.93% | 12,230.08 | 96.79% | 2,191.65 | 108.09% |
| Profit before tax | 350.28 | 5.00% | 412.71 | 3.07% | 405.08 | 3.21% | (163.97) | (8.09)% |
| Tax expense | | | | | | | | |
| Current tax | 24.80 | 0.35% | 2.38 | 0.02% | - | - | - | - |
| Deferred tax (credit)/charge | 21.70 | 0.31% | 68.80 | 0.51% | 69.88 | 0.55% | (20.79) | (1.03)% |
| Earlier Year Taxes | - | - | - | - | - | - | - | - |
| Profit for the period / year | 303.78 | 4.33% | 341.53 | 2.54% | 335.20 | 2.65% | (143.18) | (7.06)% |

FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2025

Components of Balance Sheet

Long Term Borrowings:

Long Term Borrowing for the period ended September 30, 2025 stood at ₹ 4,979.10 Lakhs consisting of 71.03 % of total income.

Short Term Borrowings:

Short Term Borrowing for the period ended September 30, 2025 stood at ₹ 1,750.83 Lakhs consisting of 24.98 % of total income.

Trade receivables:

Trade receivables for the period ended September 30, 2025 stood at ₹ 77.50 Lakhs consisting of 1.11 % of total income.

Trade Payables:

Trade payables for the period ended September 30, 2025 stood at ₹ 916.79 Lakhs consisting of 13.08 % of total income.

Investments:

There were no Investments for the period ended September 30, 2025.

Loans and Advances:

Long term loans and advances for the period ended September 30, 2025 stood at ₹ 126.50 Lakhs consisting of 1.80 % of total income.

Short term loans and advances for the period ended September 30, 2025 stood at ₹ 334.51 Lakhs consisting of 4.77 % of total income.

Income

Total Income:

Total Income for the period ended September 30, 2025 stood at ₹ 7,009.64 Lakhs consisting of 100.00 % of total income.

Revenue from Operations:

Revenue from Operations for the period ended September 30, 2025 stood at ₹ 7,000.62 Lakhs consisting of 99.87 % of total income.

Other Income

Other income for the period ended September 30, 2025 stood at ₹ 9.02 Lakhs consisting of 0.13 % of total income.

Expenditure

Total Expenses:

Our total expenses for the period ended September 30, 2025 stood at ₹ 6,659.36 Lakhs consisting of 95.00 % of total income.

Cost of materials consumed

Cost of materials consumed for the period ended September 30, 2025 stood at ₹ 5,428.73 Lakhs consisting of 77.45 % of total income.

Changes in inventories of finished goods & work-in-progress

Changes in inventories of finished goods work-in-progress and Stock-in-Trade for the period ended September 30, 2025 were ₹ (78.89) Lakhs consisting of (1.13) % of total income.

Employee benefit expenses

The Employee Benefit Expenses for the period ended September 30, 2025 stood at ₹ 274.51 Lakhs consisting of 3.92 % of total income.

Financial Costs

Our Financial Costs for the period ended September 30, 2025 stood at ₹ 277.23 Lakhs consisting of 3.95 % of total income.

Depreciation and amortisation expense

The Depreciation and Amortization expenses for the period ended September 30, 2025 stood at ₹ 170.72 Lakhs consisting of 2.44 % of total income.

Other expenses

Other expenses for the period ended September 30, 2025 stood at ₹ 587.06 Lakhs consisting of 8.38 % of total income.

Profit before Tax

Our profit before tax for the period ended September 30, 2025 stood at ₹ 350.28 Lakhs consisting of 5.00 % of total income.

Tax Expenses

Our total tax expense for the period ended September 30, 2025 stood at ₹ 46.50 Lakhs consisting of 0.66 % of total income.

Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax for the period ended September 30, 2025 stood at ₹ 303.78 Lakhs consisting of 4.33 % of total income.

COMPARISON OF FINANCIAL YEAR ENDED 2025 TO FINANCIAL YEAR ENDED 2024

Components of Balance Sheet

Long Term borrowings:

Long Term Borrowings have increased by 2.48 %. This is mainly because of an increase in unsecured loans, infused for capital expenditure

Short Term Borrowings:

Short term borrowings have increased by 14.00 %. This is mainly because of an increase in current maturities of long term debt and unsecured loans infused for capital expenditure.

Trade receivables:

Trade receivables increased by 27.87% during FY 2025, primarily driven by a corresponding increase in sales and normal timing differences in collections. However, when viewed relative to sales, the increase in receivables remains marginal, with receivables as a percentage of sales rising modestly from 0.94% in FY 2024 to 1.12% in FY 2025. This

indicates that despite higher absolute receivable levels, the Company's collection efficiency and credit control have remained largely stable.

Trade Payables:

Trade payables have increased 29.77 %, this is mainly due to higher procurement of raw material to support the increased production activity in Fiscal 2025. The rise in payables is aligned with the scale-up in operations and higher purchase volumes necessitated by increased demand.

Investments:

Long term Loans and Advances have increased by 427.17 %, this increase is due to capital advances for machinery.

Loans and Advances:

Short term Loans and Advances have increased by 5.81 %, this increase is due to an increase in advances to suppliers.

Income

Total Income:

Our total income was increased by 6.39 % from ₹ 12,635.16 Lakhs in Fiscal 2024 to ₹ 13,442.60 Lakhs in Fiscal 2025 due to the factors described below:

Revenue from Operations:

Our Revenue from Operations was increased by 6.44 % in the year Fiscal 2025. The amount increased from ₹ 12,613.85 Lakhs in Fiscal 2024 to ₹ 13,426.66 Lakhs in Fiscal 2025. This performance was driven by a combination of improved operational efficiency and higher capacity utilization, which increased from approximately 94% in Fiscal 2024 to approximately 98% in Fiscal 2025.

Other Income

Other income decreased by 25.20% from ₹ 21.31 Lakhs in Fiscal 2024 to ₹ 15.94 Lakhs in Fiscal 2025. This is mainly because of increase in interest income

Expenditure

Total Expenses:

Our total expenses increased by 6.54 % from ₹ 12,230.08 Lakhs in Fiscal 2024 to ₹ 13,029.89 Lakhs in Fiscal 2025 due to the factors described below:

Cost of materials consumed

The Cost of materials consumed increased by 3.52 % from ₹ 10,193.11 Lakhs in Fiscal 2024 to ₹ 10,552.41 Lakhs in Fiscal 2025. This increase was mainly due to an increase in capacity utilization, resulting in increased consumption of raw cotton.

Changes in inventories of finished goods & work-in-progress

The Changes in inventories of finished goods work-in-progress and Stock-in-Trade increased by 85.54 % from ₹ (252.16) Lakhs in Fiscal 2024 to ₹ (36.46) Lakhs in Fiscal 2025. This increase was mainly due to higher dispatches in FY2025, resulting in lower closing inventory levels.

Employee benefit expenses

The Employee Benefit Expenses increased by 13.87 % from ₹ 464.25 Lakhs in Fiscal 2024 to ₹ 528.66 Lakhs in Fiscal 2025. This increase was mainly due to an increase in manpower in Fiscal 2025.

Financial Costs

Our Financial Costs decreased by 8.66 % from ₹ 640.17 Lakhs in Fiscal 2024 to ₹ 584.73 Lakhs in Fiscal 2025. This was primarily due to scheduled repayments of term loan, thereby leading to lower outstanding borrowings, additionally a decrease in the effective interest rate on our term loan in Fiscal 2025 also contributed to a decrease in financial costs.

Depreciation and amortisation expense

The Depreciation and Amortization expenses was increased by 1.80 % from ₹ 331.26 Lakhs in Fiscal 2024 to ₹ 337.24 Lakhs in Fiscal 2025 due to an increase in depreciable assets on account of capital expenditure incurred.

Other expenses

Other expenses increased by 24.59 % from ₹ 853.45 Lakhs in Fiscal 2024 to ₹ 1,063.31 Lakhs in Fiscal 2025. This was mainly on account of an increase in electricity charges from ₹ 587.59 Lakhs in Fiscal 2024 to ₹ 742.73 lakhs in Fiscal 2025.

Profit before Tax

Our profit before tax increased by 1.88 % from ₹ 405.08 for the Fiscal 2024 to ₹ 412.71 Lakhs in Fiscal 2025.

Tax Expenses

Our total tax expense increased by 1.86 % from ₹ 69.88 Lakhs in Fiscal 2024 to ₹ 71.18 Lakhs in the Fiscal 2025.

Profit after Tax

Due to foregoing reasons our Profit after Tax increased by 1.89 % from ₹ 335.20 Lakhs in Fiscal 2024 to ₹ 341.53 Lakhs in Fiscal 2025. Furthermore, the improvement in Profit After Tax in Fiscal 2025 was primarily attributable to

- a. sustained growth in revenue from operations, which increased by 6.44% year-on-year. This growth was driven by enhanced operational efficiency and higher capacity utilization, which rose from approximately 94% in Fiscal 2024 to approximately 98% in Fiscal 2025. Higher utilization enabled increased production volumes and higher dispatches, leading to better recovery of fixed costs and improved contribution margins.
- b. While total expenses increased by 6.54%, largely in line with revenue growth, the cost structure remained broadly stable.
- c. The increase in cost of materials consumed was limited to 3.52%, which was lower than the growth in revenue, indicating improved input efficiency despite higher raw cotton consumption due to increased production.
- d. These cost increases were partially offset by a meaningful reduction in financial costs, which declined by 8.66% as a result of scheduled term loan repayments and a reduction in effective interest rates. Lower finance costs contributed positively to profitability and strengthened earnings quality.

COMPARISON OF FINANCIAL YEAR ENDED 2024 TO FINANCIAL YEAR ENDED 2023

Components of Balance Sheet

Long Term borrowings:

Long Term Borrowings has decreased by 7.30 % this is mainly because of an increase in current maturity of long term debt in Fiscal 2024.

Short Term Borrowings:

Short term borrowings have increased by 24.82 % this is mainly because of an increase in working capital facilities and an increase of current maturity of long term debt in Fiscal 2024.

Trade receivables:

Trade receivables have increased by 1472.13 %, this is due to increase in production post increasing the capacity utilization after commissioning production activities in November 2022, thereby increasing dispatches and normalcy of operations in Fiscal 2024.

Trade Payables:

Trade payables have increased 161.96 %, this is mainly due to an increase in production in Fiscal 2024, and thereby an increase in cotton consumed and inventory required.

Loans and Advances:

Long term Loans and Advances have decreased by 27.88 %, this decrease is due to a decrease in capital advance to suppliers given the commercial production began in November 2022.

Short term Loans and Advances have decreased by 24.18 %, this increase is due to a decrease in GST receivables from ₹ 264.93 Lakhs in Fiscal 2023 to ₹ 184.42 Lakhs in Fiscal 2024.

Income

Total Income:

Our total income was increased by 523.13 % from ₹ 2,027.68 Lakhs in Fiscal 2023 to ₹ 12,635.16 Lakhs in Fiscal 2024 due to the factors described below:

Revenue from Operations:

Our Revenue from Operations was increased by 523.18 % in the year Fiscal 2024. The amount increased from ₹ 2,024.11 Lakhs in Fiscal 2023 to ₹ 12,613.85 Lakhs in Fiscal 2024. This performance was driven by a combination of ramping up of capacity utilization from beginning commercial production in November 2022, to approximately 41% in Fiscal 2023, and approximately 94% in Fiscal 2024, resulting in higher production and sales volumes.

Other Income

Other income increased by 497.72 % from ₹ 3.57 Lakhs in Fiscal 2023 to ₹ 21.31 Lakhs in Fiscal 2024. This is mainly because of higher interest earned on deposits during Fiscal 2024.

Expenditure

Total Expenses:

Our total expenses increased by 458.03 % from ₹ 2,191.65 Lakhs in Fiscal 2023 to ₹ 12,230.08 Lakhs in Fiscal 2024 due to the factors described below:

Cost of materials consumed

The Cost of materials consumed increased by 416.81 % from ₹ 1,972.30 Lakhs in Fiscal 2023 to ₹ 10,193.11 Lakhs in Fiscal 2024. This increase was mainly due to higher number of production days in Fiscal 2024, since there were fewer days in Fiscal 2023 post commencing commercial production in November 2022. Other factors were also an increase in capacity utilization and production volume per day.

Changes in inventories of finished goods & work-in-progress

The Changes in inventories of finished goods work-in-progress and Stock-in-Trade increased by 46.54 % from ₹ (471.68) Lakhs in Fiscal 2023 to ₹ (252.16) Lakhs in Fiscal 2024. This increase was mainly due to stabilization of operations following commencement of commercial production in November 2022, resulting in higher production levels and increase in inventories in Fiscal 2024.

Employee benefit expenses

The Employee Benefit Expenses increased by 257.28 % from ₹ 129.94 Lakhs in Fiscal 2023 to ₹ 464.25 Lakhs in Fiscal 2024. This increase was mainly due to an increase in manpower in Fiscal 2024.

Financial Costs

Our Financial Costs increased by 218.33 % from ₹ 201.10 Lakhs in Fiscal 2023 to ₹ 640.17 Lakhs in Fiscal 2024. This was mainly due to an increase in interest servicing days in Fiscal 2024, following commencement of commercial production in November 2022, Fiscal 2023.

Depreciation and amortisation expense

The Depreciation and Amortization expenses was increased by 175.22 % from ₹ 120.36 Lakhs in Fiscal 2023 to ₹ 331.26 Lakhs in Fiscal 2024. This was on account of commencement of commercial production in November 2022, therefore leading to a lower depreciation for Fiscal 2023.

Other expenses

Other expenses increased by 256.16 % from ₹ 239.63 Lakhs in Fiscal 2023 to ₹ 853.45 Lakhs in Fiscal 2024. This was on account of a significant increase in Electricity charges, Transportation charges, Water charges, Selling and Distribution Expenses as well as Selling and Distribution expenses among others, given Fiscal 2024 included a full year of commercial production.

Profit before Tax

There was Loss before considering tax of ₹ (163.97) Lakhs in Fiscal 2023. In Fiscal 2024, Profit Before Tax stood at ₹ 405.08 Lakhs.

Tax Expenses

In Fiscal 2023, there was no tax expense as our company incurred losses. In Fiscal 2024, Total Tax Expense incurred were ₹ 69.88 Lakhs.

Profit after Tax

There was Loss after considering tax of ₹ (143.18) Lakhs in Fiscal 2023. In Fiscal 2024, Profit After Tax stood at ₹ 335.20 Lakhs. The Company reported a significant improvement in Profit After Tax and PAT margin in Fiscal 2024, mainly due to:

- a. Sharp increase in operating scale following a full year of commercial production.
- b. Total income increased by 523.13%, from ₹2,027.68 Lakhs in Fiscal 2023 to ₹12,635.16 Lakhs in Fiscal 2024. This growth was primarily driven by revenue from operations, which increased by 523.18% to ₹12,613.85 Lakhs, as capacity utilization increased substantially from approximately 41% in Fiscal 2023 to approximately 94% in Fiscal 2024. Fiscal 2023 included only a limited period of operations after commercial production commenced in November 2022, whereas Fiscal 2024 reflected a full year of stabilized operations.
- c. Although total expenses increased by 458.03% to ₹12,230.08 Lakhs, the increase in expenses was lower than the growth in income. This led to improved operating leverage, as fixed and semi-fixed costs such as depreciation, employee costs, and administrative expenses were spread over significantly higher production

- and sales volumes.
- d. The Company incurred a loss before tax of ₹163.98 Lakhs in Fiscal 2023, mainly due to low production volumes, under-absorption of fixed costs, and limited operating days. In contrast, Fiscal 2024 benefited from higher production days, improved capacity utilization, and better cost absorption.

CASH FLOWS

The table below is our cash flows for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

| (₹ in Lakhs) | | | | |
|---|---|-------------|-------------|-------------|
| Particulars | For the period ended September 30, 2025 | Fiscal 2025 | Fiscal 2024 | Fiscal 2023 |
| Net cash (used)/from operating activities | 907.01 | 1,096.72 | 865.29 | (1,057.57) |
| Net cash (used)/from investing activities | (833.27) | (832.75) | (129.55) | (4,407.16) |
| Net cash (used)/from financing activities | (77.80) | (264.88) | (729.73) | (5,425.70) |

Cash Flows from Operating Activities

Cash Flows from Operating Activities

For the period ended September 30, 2025

Our net cash generated from operating activities was ₹ 907.01 Lakhs for the period ended on September 30, 2025. Our net profit before tax of ₹ 350.28 Lakhs for the period ended on September 30, 2025 which was primarily adjusted against Depreciation and amortisation of ₹ 170.72 Lakhs, Interest Expenses of ₹ 277.23 Lakhs and Interest Income of ₹ 7.82 Lakhs. Operating profit before working capital changes was ₹ 806.05 Lakhs for the period ended on September 30, 2025.

The adjustments to operating profit before working capital changes included adjustments for (i) Decrease in inventories by ₹ 438.41 Lakhs, (ii) Decrease in Trade receivables by ₹ 73.48 Lakhs, (iii) Increase in Short-term loans and advances by ₹ 87.37 Lakhs, (iv) Increase in Other current assets by ₹ 362.11 Lakhs, (v) Decrease in trade payables by ₹ 258.32 Lakhs, (vi) Increase in other current liabilities by ₹ 292.34 Lakhs and (vii) Increase in provisions by ₹ 28.14 Lakhs. Tax paid for the period ended on September 30, 2025 amount to ₹ 23.61 Lakhs.

For the Fiscal 2025

Our net cash generated from operating activities was ₹ 1,096.72 Lakhs for the Fiscal 2025. Our net profit before tax of ₹ 412.71 Lakhs for the Fiscal 2025 which was primarily adjusted against Depreciation and amortisation of ₹ 337.24 Lakhs, Interest Expenses of ₹ 584.73 Lakhs and Interest Income of ₹ 12.85 Lakhs. Operating profit before working capital changes was ₹ 1,347.53 Lakhs for the Fiscal 2025.

The adjustments to operating profit before working capital changes included adjustments for (i) Increase in inventories by ₹ 227.38 Lakhs, (ii) Increase in Trade receivables by ₹ 32.91 Lakhs, (iii) Increase in Short-term loans and advances by ₹ 26.33 Lakhs, (iv) Increase in Other current assets by ₹ 248.03 Lakhs, (v) Increase in trade payables by ₹ 269.61 Lakhs, (vi) Increase in other current liabilities by ₹ 82.12 Lakhs and (vii) Decrease in provisions by ₹ 78.21 Lakhs. Tax refunded for the Fiscal 2025 amount to ₹ 10.32 Lakhs.

For the Fiscal 2024

Our net cash generated from operating activities was ₹ 865.29 Lakhs for the Fiscal 2024. Our net profit before tax of ₹ 405.08 Lakhs for the Fiscal 2024 which was primarily adjusted against Depreciation and amortisation of ₹ 331.26 Lakhs, Interest Expenses of ₹ 640.17 Lakhs and Interest Income of ₹ 19.74 Lakhs. Operating profit before working capital changes was ₹ 1,396.25 Lakhs for the Fiscal 2024.

The adjustments to operating profit before working capital changes included adjustments for (i) Increase in inventories by ₹ 475.34 Lakhs, (ii) Increase in Trade receivables by ₹ 110.56 Lakhs, (iii) Decrease in Short-term loans and advances by ₹ 90.61 Lakhs, (iv) Increase in Other current assets by ₹ 676.42 Lakhs, (v) Increase in trade payables by ₹ 559.84 Lakhs, (vi) Increase in other current liabilities by ₹ 116.04 Lakhs and (vii) Decrease in provisions by ₹ 19.38 Lakhs. Tax paid for the Fiscal 2024 amount to ₹ 15.76 Lakhs.

For the Fiscal 2023

Our net cash used in operating activities was ₹ 1,057.57 Lakhs for the Fiscal 2023. Our net loss before tax of ₹ 163.98 Lakhs for the Fiscal 2023 which was primarily adjusted against Depreciation and amortisation of ₹ 120.36 Lakhs, Interest Expenses of ₹ 201.10 Lakhs and Interest Income of ₹ 3.57 Lakhs. Operating profit before working capital changes was ₹ 161.05 Lakhs for the Fiscal 2023.

The adjustments to operating profit before working capital changes included adjustments for (i) Increase in inventories by ₹ 1,092.10 Lakhs, (ii) Increase in Trade receivables by ₹ 7.51 Lakhs, (iii) Increase in Short-term loans and advances by ₹ 301.75 Lakhs, (iv) Increase in Other current assets by ₹ 66.62 Lakhs, (v) Increase in trade payables by ₹ 340.08 Lakhs, (vi) Decrease in other current liabilities by ₹ 191.72 Lakhs and (vii) Increase in provisions by ₹ 108.80 Lakhs. Tax paid for the Fiscal 2023 amount to ₹ 7.80 Lakhs.

Cash Flows from Investing Activities

For the period ended September 30, 2025

Net cash flow used in investing activities for the period ended September 30, 2025 was ₹ 833.27 Lakhs. This was primarily on account of capital work in progress of ₹ 769.83 Lakhs, capital advances given of ₹ 35.98 Lakhs, Changes in Other Non-Current Assets of ₹ 19.56 Lakhs, interest income of ₹ 7.82 Lakhs and purchase of fixed assets of ₹ 0.08 Lakhs.

For the Fiscal 2025

Net cash flow used in investing activities for the Fiscal 2025 was ₹ 832.75 Lakhs. This was primarily on account of capital work in progress of ₹ 683.65 Lakhs, capital advances given of ₹ 73.35 Lakhs, interest income of ₹ 12.85 Lakhs and purchase of fixed assets of ₹ 74.52 Lakhs. This was partially offset by Changes in Other Non-Current Assets of ₹ 11.63 Lakhs.

For the Fiscal 2024

Net cash flow used in investing activities for the Fiscal 2024 was ₹ 129.55 Lakhs. This was primarily on account of capital work in progress of ₹ 121.49 Lakhs, interest income of ₹ 19.74 Lakhs and purchase of fixed assets of ₹ 83.82 Lakhs. This was partially offset by capital advances given of ₹ 6.63 Lakhs and by Changes in Other Non-Current Assets of ₹ 88.87 Lakhs.

For the Fiscal 2023

Net cash flow used in investing activities for the Fiscal 2023 was ₹ 4,407.16 Lakhs. This was primarily on account of Changes in Other Non-Current Assets of ₹ 286.39 Lakhs, interest income of ₹ 3.57 Lakhs and purchase of fixed assets of ₹ 6,546.76 Lakhs. This was partially offset by capital work in progress of ₹ 2,215.67 Lakhs and capital advances given of ₹ 213.88 Lakhs.

Cash Flows from Financing Activities

For the period ended September 30, 2025

Net cash flow used in financing activities for the period ended September 30, 2025 was ₹ 77.80 Lakhs. This was primarily on account of Interest Expenses of ₹ 277.23 Lakhs and Repayment of Long term Borrowings of ₹ 191.03

lakhs. This was partially offset by Proceeds from Long-Term Borrowings of ₹ 310.00 Lakhs and Short-Term Borrowings of ₹ 80.46 Lakhs.

For the Fiscal 2025

Net cash flow used in financing activities for the Fiscal 2025 was ₹ 264.88 Lakhs. This was primarily on account of Interest Expenses of ₹ 584.73 Lakhs and Repayment of Long term Borrowings of ₹ 1,076.59 lakhs. This was partially offset by Proceeds from Long-Term Borrowings of ₹ 1,275 Lakhs and Short-Term Borrowings of ₹ 121.44 Lakhs.

For the Fiscal 2024

Net cash flow used in financing activities for the Fiscal 2024 was ₹ 729.73 Lakhs. This was primarily on account of Interest Expenses of ₹ 640.17 Lakhs and Repayment of Long term Borrowings of ₹ 300.01 lakhs. This was partially offset by Proceeds from Long-Term Borrowings of ₹ 4.39 Lakhs and Short-Term Borrowings of ₹ 206.06 Lakhs.

For the Fiscal 2023

Net cash flow generated from financing activities for the Fiscal 2023 was ₹ 5,425.70 Lakhs. This was primarily on account of Interest Expenses of ₹ 201.10 Lakhs. This was partially offset by Proceeds from Long-Term Borrowings of ₹ 4,474.27 Lakhs and Short-Term Borrowings of ₹ 1,151.53 Lakhs.

RELATED PARTY TRANSACTIONS

Related party transactions with certain of our promoter, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled “**Restated Financial Statements**” beginning on page **190** of this Draft Red Herring Prospectus.

OFF-BALANCE SHEET ITEMS

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

The Restated Financial Statements do not contain any qualifications which have not been given effect in the restated financial statements.

QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices. We are exposed to inflation and credit risk in the normal course of our business.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our long term debt obligations with floating interest rates. We manage our interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. For further information, see “Financial Indebtedness” on page 227.

Effect of Inflation

We are affected by inflation as it has an impact on the salary, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

OTHER MATTERS

Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution

Except as disclosed in chapter titled “***Restated Financial Statements***” beginning on page **190** of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered “unusual” or “infrequent”.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect our income from continuing operations identified above in ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations -Significant factors affecting our financial condition and results of operations*’ and the uncertainties described in ‘*Risk Factors*’ on pages 230 and 30 respectively.

Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the section titled “***Risk Factors***” and chapter titled “***Management’s Discussion and Analysis of Financial Conditions and Results of Operations***”, beginning on page **30** and **231** of this Draft Red Herring Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

Future relationship between Costs and Income

Other than as described in the section titled “***Risk Factors***” beginning on page **30** of this Draft Red Herring Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Changes in revenue in the last three financial years are as explained in the part “Financial Year 2024-25 compared with financial year 2023-24”.

Total turnover of industry segments

Our Company is engaged into business of production of spun cotton yarn. Relevant industry data, as available, has been included in the chapter titled “**Industry Overview**” beginning on page **120** of this Draft Red Herring Prospectus.

Significant dependence on a single or few Suppliers or Customers

Significant proportion of our purchases have historically been derived from a limited number of suppliers. The % of Contribution of our supplier’s vis a vis the total purchases for the period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023 are as follows:

(₹ in Lakhs)

| Particulars | Suppliers | | | | | | | |
|---------------|---|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|
| | For the period ended September 30, 2025 | | March 31, 2025 | | March 31, 2024 | | March 31, 2023 | |
| | Purchase contribution | % of Purchase | Purchase contribution | % of Purchase | Purchase contribution | % of Purchase | Purchase contribution | % of Purchase |
| Top 1 | 2,550.33 | 51.93% | 6,111.49 | 56.89% | 1,869.02 | 17.94% | 431.14 | 16.63% |
| Top 3 | 4,025.97 | 81.97% | 7,766.73 | 72.29% | 4,343.23 | 41.70% | 979.60 | 37.78% |
| Top 5 | 4,419.84 | 89.99% | 8,756.76 | 81.51% | 5,781.54 | 55.50% | 1,293.48 | 49.89% |
| Top 10 | 4,717.13 | 96.04% | 9,782.22 | 91.05% | 7,448.28 | 71.51% | 1,742.53 | 67.21% |

Significant proportion of our total revenue have historically been derived from a limited number of Customers. The % of Contribution of our Customers vis a vis the revenue from operations for the Period ended September 30, 2025 and for the Fiscals 2025, 2024 and 2023 are as follows:

(₹ in Lakhs)

| Period | Revenue from Largest Customer | % Contribution of largest customer to revenue from operations | Revenue from Top 5 Customers | % Contribution of top 5 to revenue from operations | Revenue from Top 10 Customers | % Contribution of top 10 to revenue from operations |
|---|-------------------------------|---|------------------------------|--|-------------------------------|---|
| | (₹) | | (₹) | | (₹) | |
| For the period ended September 30, 2025 | 1,046.33 | 14.95% | 3,757.90 | 53.68% | 5,509.84 | 78.70% |
| Fiscal 2025 | 2,501.39 | 18.63% | 8,080.32 | 60.18% | 10,717.62 | 79.82% |
| Fiscal 2024 | 5,518.94 | 43.75% | 9,706.82 | 76.95% | 11,463.02 | 90.88% |
| Fiscal 2023 | 505.45 | 24.97% | 1,379.93 | 68.17% | 1,850.82 | 91.44% |

Status of any publicly announced new products or business segments

Please refer to the chapter titled “**Our Business**” beginning on page **135** of this Draft Red Herring Prospectus for new products or business segments.

Seasonality of business

Our business is not seasonal in nature. However, availability of raw materials being Cotton bales is seasonal in nature.

Competitive Conditions

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Our Business*” beginning on pages **120** and **135** respectively of this Draft Red Herring Prospectus.

SECTION VIII- LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT

*Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including matters at FIR stage where no / some cognizance has been taken by any court or any judicial authority); (ii) actions by statutory or regulatory authorities; (iii) claims related to direct or indirect tax liabilities; or (iv) proceedings (other than proceedings covered under (i) to (ii) above) which have been determined to be material pursuant to the Materiality Policy (as disclosed herein below), involving our Company, our Directors, our Promoters, our Subsidiary, (the “**Relevant Parties**”).*

Further, except as disclosed in this section, there are no (a) disciplinary actions including penalty imposed by the SEBI or any stock exchange against any of our Promoters in the last five Financial Years preceding the date of this Draft Red Herring Prospectus; (b) outstanding criminal proceedings (including matters at FIR stage where no / some cognizance has been taken by any court or any judicial authority), involving our Key Managerial Personnel and members of Senior Management; (c) outstanding actions by statutory or regulatory authorities against our Key Managerial Personnel and Senior Managerial Personnel; or (d) pending litigation involving our Group Companies which may have a material impact on our Company.

*For the purpose of identification and disclosure of material litigation in relation to (iv) above, our Board in its meeting held on December 11, 2025 has considered and adopted the following policy on materiality with regard to material outstanding litigation involving the Relevant Parties, to be disclosed by our Company in this Draft Red Herring Prospectus (“**Materiality Policy**”).*

(i) the monetary amount of the claim/dispute made by or against the Relevant Parties in any such pending litigation/arbitration proceeding, to the extent quantifiable, exceeds the lower of the following:

- (a) two percent of turnover, as per the latest annual restated financial statements i.e. ₹ 254.69 Lakh; or*
- (b) two percent of net worth, as per the latest annual restated financial statements of the Company, except in case the arithmetic value of the net worth is negative i.e. ₹ 40.67 Lakh; or*
- (c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the Company i.e. ₹ 13.67 Lakh.”*
- (d) the materiality threshold of the litigation as per the above criteria is ₹ 13.67 Lakh.*

(ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in individual litigation does not exceed the amount determined as per clause (i) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and

(iii) where monetary liability is not quantifiable or does not exceed the threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position or reputation of the Company.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended, for creditors where outstanding dues to any one of them exceeds 5% of the Company's total trade payables as per the latest restated financial statements.

A. LITIGATION INVOLVING THE COMPANY

Outstanding Litigations against the Company

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

(b) Actions by statutory and regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

(c) Other pending material litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation initiated against the Company.

Outstanding Litigations by the Company

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Company.

(b) Other pending material litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation initiated by the Company.

B. LITIGATIONS INVOLVING THE SUBSIDIARY COMPANY OF THE COMPANY

As on the date of this DRHP, there are no subsidiaries of the Company.

C. LITIGATIONS INVOLVING THE PROMOTERS OF THE COMPANY

Outstanding Litigations against the Promoters

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Promoters.

(b) Actions by statutory and regulatory authorities

1. An Appeal No.0061957 of 2018 (the Appeal) has been filed by Commissioner of Customs, Customs Commissionerate, Ludhiana against Shreedhar Cotsyn Private Limited under the Customs Act 1962 before the Customs, Excise and Service Tax Appellate Tribunal, Chandigarh (CESTAT) on December 17, 2018. The dispute relates to imports in July 2015 described as 100 percent recycled polyester staple fibre where exemption under Notification No. 12 of 2012 CE dated March 17, 2012 at Serial No. 172A was claimed by the Company. Vide Final Order No. 11/DC/CFS/PSWC/LDH/2016 dated May 24, 2016 the Deputy Commissioner (Import Appraisement) (the Assessment Officer) denied the exemption claimed by the Assessee under Notification No. 12 of 2012 CE dated March 17, 2012 at Serial No. 172A and directed the Appellant to pay the differential Customs duty of **Rs.1,39,201** alongwith interest on the differential duty from the first day of the month in which the duty was provisionally assessed till the date of payment of duty. The assessment was stated to be provisional pending laboratory analysis. The Company filed an appeal against the order before the Office of the Commissioner (Appeal) Customs and Central Excise, Chandigarh (the Appellate Authority) on July 26, 2016. The Appellate Authority vide their order dated September 13, 2018 allowed the appeal in favour of the Company (Appeal Order), stating that the Department had failed to prove its allegation with a cogent evidence that the goods imported were not manufactured from Polyethylene terephthalate waste/scrap and the denial of benefit of the aforesaid notification without any convincing, plausible and logical ground and without any cogent and valid evidence and was not fair and just.. Thereafter, an Appeal has been filed by the Commissioner of Customs, Commissionerate, Ludhiana (Appellant) before CESTAT against the Appeal Order. The Appellant has submitted that the exemption under Notification No. 12 of 2012 CE dated March 17, 2012 at Serial No. 172A was not available to the Company as the onus of proving that the goods in question were manufactured from Plastic scrap/waste was on the claimant of the exemption and the Company was not been able to provide any evidence in its support. The matter is pending in the Tribunal.

(c) Other pending material litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation initiated against the Promoters.

(d) Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action

As on the date of this Draft Red Herring Prospectus, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action.

Outstanding Litigations by the Promoters

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Promoters.

(b) Other pending material litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation initiated by the Promoters.

D. LITIGATIONS INVOLVING THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

Outstanding Litigations against the Directors other than Promoters

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Directors other than Promoters.

(b) Actions by statutory and regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending Proceedings by Statutory or Regulatory Authorities initiated against the Directors other than Promoters.

(c) Other pending material litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation initiated against the Directors other than Promoters.

Outstanding Litigations by the Directors other than Promoters

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Directors other than Promoters.

(b) Other pending material litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation initiated by the Directors other than Promoters.

E. LITIGATIONS INVOLVING THE GROUP COMPANY OF THE COMPANY

Outstanding Litigations against the Group Company

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Group Company.

(b) Actions by statutory and regulatory authorities

An Appeal No.0061959 of 2018 (the Appeal) has been filed by Commissioner of Customs, Customs Commissionerate, Ludhiana against Siddhartha Super Spinning Mills Ltd under the Customs Act 1962 before the Customs, Excise and Service Tax Appellate Tribunal, Chandigarh (CESTAT) on December 17, 2018. The dispute relates to imports in July 2015 described as 100 percent recycled polyester staple fibre where exemption under Notification No. 12 of 2012 CE dated March 17, 2012 at Serial No. 172A was claimed by the Company. Vide Final Order No. 31/DC/CFS/PSWC/LDH/2016 dated July 30, 2016 the Deputy Commissioner (Import Appraisalment) (the Assessment Officer) denied the exemption claimed by the Assessee under Notification No. 12 of 2012 CE dated March 17, 2012 at Serial No. 172A and directed the Appellant to pay the differential Customs duty of Rs.2,62,570.91 alongwith interest on the differential duty from the first day of the month in which the duty was provisionally assessed till the date of payment of duty. Appeal numbering 252/CUS/APPL/LDH/2016 made against this assessment by the group company which was disposed of by a common order and the second appeal, again made collectively by the Department have already been mentioned in the case against the Shreedhar Cotsyn Private Limited, which is not being repeated here for the sake of brevity. The matter is pending in the Tribunal.

(c) Other pending material litigations

1. Siddhartha Super Spinning Mills Ltd. vs State of H.P. and Ors. is a civil writ petition under Article 226 filed before the Hon'ble High Court of Himachal Pradesh at Shimla, bearing CWP No. 10410 of 2025, filed on June 11, 2025. The petition challenges Section 3B and Section 4A of the Himachal Pradesh Passenger and Goods Taxation Act 1955 and Rule 9C of the Himachal Pradesh Passenger and Goods Taxation Rules 1957 on the stated ground that the levy results in an unlawful additional burden on transportation of goods by road alongside GST. The petitioner refers to its representation dated May 10, 2023 seeking withdrawal of the levy and refund of the amount deposited towards AGT along with interest and seeks interim protection restraining collection during pendency. The matter is pending in the court.
2. Siddhartha Super Spinning Mills Ltd. vs State of HP and Anr. is a civil writ petition under Article 226 filed before the Hon'ble High Court of Himachal Pradesh at Shimla, bearing CWP No. 6616 of 2025, filed on April 16, 2025. The petition challenges the Himachal Pradesh Electricity Duty Amendment Act 2024 introducing milk cess under Section 3A and environment cess under Section 3B and the petitioner states the additional levy is charged in electricity bills for large industrial consumers at Rs 0.10 per unit each aggregating to Rs 0.20 per unit. The petitioner states it objected to the levy by letter or email dated April 13, 2025 and seeks stay of implementation of the cess provisions and restraint on coercive steps including disconnection and penalties for non payment during pendency. The matter is pending in the court.

Outstanding Litigations by the Group Company

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Group Company.

(b) Other pending material litigations

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigation initiated by the Group Company.

F. LITIGATIONS INVOLVING THE KEY MANAGERIAL PERSONNEL (KMPs EXCLUDING MANAGING DIRECTOR AND WHOLE TIME DIRECTOR) OF THE COMPANY AND SENIOR MANAGERIAL PERSONS (SMPs) OF THE COMPANY

Outstanding Litigations against the KMPs and SMPs

(a) Criminal proceedings

A FIR no. 0209 dated June 17, 2025 has been filed by Sachin Prabhakarao Kalaskar (**the Complainant**) in the Police station Nandgaon Peth, Amravati against Manoj Kshirsagar (**our SMP**). On June 13, 2025, a road traffic accident occurred on the Amravati Nagpur Road near Narayan Nagar/Swami Samarth Nagar, wherein a car allegedly driven in a rash and negligent manner by our SMP, came from the wrong side and collided with a motorcycle, resulting in injuries to the Complainant and damage to the motorcycle estimated at approximately ₹70,000. The Complainant received medical treatment and subsequently lodged the police complaint. The FIR has been registered against the SMP under Sections 281, 125(a) and 125(b) of the Bharatiya Nyaya Sanhita, 2023. The final report and the chargesheet has not been submitted by the police and the case is still under investigation.

(b) Actions by statutory and regulatory authorities

As on the date of this Draft Red Herring Prospectus, there are no pending Proceedings by Statutory or Regulatory Authorities initiated against the KMPs and SMPs.

Outstanding Litigations by the KMPs and SMPs

(a) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the KMPs and SMPs.

G. TAX PROCEEDINGS

(₹ in lakhs)

| Nature of Proceedings | Number of cases | Amount involved* (Rs. in lakhs) | Status (Description) |
|--|-----------------|---------------------------------|--|
| OF THE COMPANY | | | |
| Direct Tax (Income Tax) | Nil | Nil | Nil |
| Direct Tax (TDS) | Nil | Nil | Nil |
| Indirect Tax (GST) | Nil | Nil | Nil |
| OF THE PROMOTERS | | | |
| Direct Tax (Income Tax) | Nil | Nil | Nil |
| Direct Tax (TDS) of Shreedhar Cotsyn Private Limited | 02 | 0.07 | Total Outstanding Demand amount is Rs. 7,480 including Rs. 1,600 for F.Y. 2024-25 and Rs 5,880 for FY 2025-26. |
| Indirect Tax (GST) | NA | NA | NA |
| OF THE DIRECTORS | | | |
| Direct Tax (Income Tax) | Nil | Nil | Nil |
| Direct Tax (TDS) | NA | NA | NA |
| Indirect Tax (GST) | NA | NA | NA |
| OF THE GROUP COMPANY/s- | | | |
| SRM Spinners Limited | | | |

| Nature of Proceedings | Number of cases | Amount involved* (Rs. in lakhs) | Status (Description) |
|--|------------------------|--|---|
| Direct Tax (TDS) | 02 | 0.04 | The Outstanding Demand is for 2 financial years. |
| Indirect Tax (GST) | 01 | 13.12 | For financial year 2017-18, a demand order DRC-07 was issued on February 15, 2023, raising a demand of Rs. 13,12,217. The Company had filed an appeal against the order on January 17, 2024 |
| Ramkrupa Properties Private Limited | | | |
| Direct Tax (Income Tax) | Nil | Nil | Nil |
| Direct Tax (TDS) | NA | NA | NA |
| Indirect Tax (GST) | Nil | Nil | Nil |
| Siddhartha Super Spinning Mills Limited | | | |
| Direct Tax (Income Tax) | 2 | 44.42 | 1. Outstanding Amount for A.Y. 2024-25 is Rs. 22,15,340 with an accrued Interest of Rs. 1,10,765. 2. A recovery notice dated March 05, 2025 under sections 221 to 226 shows Outstanding Amount for A.Y. 2020-21 is Rs. 21,15,760. |
| Direct Tax (TDS) | 10 | 0.23 | Total Outstanding Demand amount is Rs. 22,910. |
| Indirect Tax (GST) | 01 | 64.69 | Group Company has received a summary order in Form DRC-07 dated December 27, 2023 for F.Y. 2017-18 for excess ITC claim of amount Rs. 64,69,418. Group Company has filed an appeal in FORM APL 01 dated February 05, 2024 against the demand. Vide Appeal Order (APL-04) dated October 17, 2024 the appeal has been rejected. |
| OF THE KMPs- | | | |
| Direct Tax (Income Tax) | Nil | Nil | Nil |
| OF THE SMPs- | | | |
| Direct Tax (Income Tax) | 01 | 0.02 | Outstanding Amount for A.Y. 2020-21 is Rs. 1,000 with an accrued Interest of Rs. 540. |

H. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 10% of our Company's total Trade payables as per Restated financial statements, to small scale undertakings and other creditors as material dues for our Company. Our Board of Directors considers dues owed by our Company to the creditors exceeding 10% of the Company's trade payables as per the last restated financial statements as material dues for the Company. The trade payables for the sub period ended on September 30, 2025 were Rs. 916.79 Lakh. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds 10%. This materiality threshold has been approved by our Board

of Directors pursuant to the resolution passed on December 11, 2025. Based on these criteria, details of outstanding dues owed as on September 30, 2025 by our Company on are set out below:

(₹ in lakhs)

| Types of creditors | Number of creditors | Amount involved |
|-------------------------------------|---------------------|-----------------|
| Micro, small and medium enterprises | 9 | 25.99 |
| Other Creditors | 37 | 890.80 |
| Total (A+B) | 46 | 916.79 |
| Material Creditors | 2 | 634.04 |

The details pertaining to net outstanding dues towards our material creditors as on September 30, 2025 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.shreedharspinners.com. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 231 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date

GOVERNMENT AND OTHER APPROVALS

Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled “Key Industrial Regulations and Policies” at page 153 of this Draft Red Herring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained in connection with the Issue:

Corporate Approvals:

- a) The Board of Directors have, pursuant to applicable provisions of the Companies Act, 2013, by a resolution passed at its meeting held on November 18, 2025 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to applicable provisions of the Companies Act, 2013, by a Special Resolution passed in the Extra Ordinary General Meeting held on December 11, 2025 authorized the Issue.
- c) Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated January 09, 2026.

Approval from the Stock Exchange:

In-principle approval dated [●] from NSE for using the name of the Exchange in the offer documents for listing of the Equity Shares on SME Platform of NSE, issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL:

- a) The company has entered into an agreement dated December 20, 2021 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Link Intime Private Limited for the dematerialization of its shares.
- b) Similarly, the Company has also entered into an agreement dated August 27, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime Private Limited for the dematerialization of its shares.
- c) The International Securities Identification Number (ISIN) of our Company is INE0K3301012. The ISIN Activation letter dated August 29, 2024 has been received from NSDL. The ISIN Activation letter dated December 16, 2021 has been received from CDSL.

Lenders’ No Objection Certificate (“NOC”):

NOC from State Bank of India, SME MIDC Branch Mumbai dated December 12, 2025 received.

II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

| Sr. No. | Nature of Registration | Certificate is in the name of | CIN | Applicable Laws | Issuing Authority | Date of Certificate | Date of December 09, 2020 Expiry |
|---------|--|------------------------------------|-----------------------|-------------------------|---|---------------------|----------------------------------|
| 1. | Certificate of Incorporation of 'Shreedhar Spinners Private Limited' | Shreedhar Spinners Private Limited | U17299MH2020PTC351591 | The Companies Act, 2013 | Registrar of Companies, Central Registration Centre | December 09, 2020 | Valid Until Cancelled |
| 2. | Certificate of Incorporation on change of name from 'Shreedhar Spinners Private Limited' to 'Shreedhar Spinners Limited' | Shreedhar Spinners Private Limited | U17299MH2020PLC351591 | The Companies Act, 2013 | Registrar of Companies, Central Processing Centre | November 17, 2025 | Valid Until Cancelled |

III. OTHER APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

A. TAX RELATED APPROVALS:

| Sr. No. | Description | Certificate is in the name of | Registration number | Applicable laws | Authority | Date of Certificate | Date of Expiry |
|---------|---|------------------------------------|---------------------|---|---|---------------------|-----------------------|
| 1. | Permanent Account Number (PAN) | Shreedhar Spinners Limited | ABFCS0669E | Income Tax Act, 1961 | Income Tax Department, Government of India | December 09, 2020 | Valid Until Cancelled |
| 2. | Tax Deduction Account Number (TAN) | Shreedhar Spinners Private Limited | MUMS15552M | Income Tax Act, 1961 | Registrar of Companies, Central Registration Centre | December 09, 2020 | Valid Until Cancelled |
| 3. | Certificate of Registration of Goods and Services Tax | Shreedhar Spinners Limited | 27ABFCS0669E1ZA | Centre Goods and Services Tax Act, 2017 | Assistant Commissioner of State Tax | March 01, 2021 | Valid Until Cancelled |

| Sr . No | Description | Certificate is in the name of | Registration number | Applicable laws | Authority | Date of Certificate | Date of Expiry |
|---------|---|------------------------------------|---------------------|--|----------------------------------|--------------------------------|-----------------------|
| | (Maharashtra) | | | | | | |
| 4. | Certificate of Registration of Profession Tax (Maharashtra) | Shreedhar Spinners Private Limited | 27831818872P | Maharashtra State Tax on Professions, Trades, Calling and Employment Act, 1975 | Maharashtra Sales Tax Department | December 09, 2020 | Valid Until Cancelled |
| 5. | Certificate of Enrolment of Profession Tax (Maharashtra) | Shreedhar Spinners Private Limited | 99173987161P | Maharashtra State Tax on Professions, Trades, Calling and Employment Act, 1975 | Maharashtra Sales Tax Department | Information taken from Challan | Valid Until Cancelled |

B. BUSINESS OPERATIONS RELATED APPROVALS:

| Sr . No | Description | Certificate is in the name of | Registration number | Applicable laws | Authority | Date of Certificate | Date of Expiry |
|---------|---|------------------------------------|----------------------|--|---|---------------------|-----------------------|
| 1. | Udyam Registration Certificate | Shreedhar Spinners Private Limited | UDYAM-MH-18-0098636 | MSME Development Act, 2006 | Ministry of Micro Small & Medium Enterprises, Government of India | September 24, 2021 | Valid Until Cancelled |
| 2. | Legal Entity Identifier Certification | Shreedhar Spinners Private Limited | 335800JFXP1LBPT5S269 | RBI Guidelines | Legal Entity Identifier India Private Limited | May 06, 2023 | May 06, 2028 |
| 3. | Certificate of Importer-Exporter Code (IEC) | Shreedhar Spinners Private Limited | ABFCS0669E | The Foreign Trade (Development and Regulation) Act, 1992 | Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India | January 25, 2021 | Valid Until Cancelled |

| Sr . No | Description | Certificate is in the name of | Registration number | Applicable laws | Authority | Date of Certificate | Date of Expiry |
|---------|---|------------------------------------|---|--|---|-------------------------------|-----------------------|
| 4. | Registration and Licence to work a Factory at T-15, Additional Amravati Industrial Area, Nandgaon Peth Midc, Textile Park, Near VHM Industries Dist Amravati 444901, Maharashtra (Unit-1) | Shreedhar Spinners Private Limited | 100017322340 | Factories Act, 1948 | Directorate Industrial Safety and Health, Labour Department | Renewed On: October 24, 2025 | December 31, 2026 |
| 5. | Consent to Operate the Factory at Amravati, Maharashtra (Unit -1) | Shreedhar Spinners Private Limited | 0000221696/CR/2502000606 | Section 25 of the Water (prevention and control of pollution) Act, 1974, Section 21 of the Air (Prevention and control of Pollution) Act, 1981, under Rule 6(2) of the Hazardous and other Wastes (Management & Trans-boundary movement) Rules, 2016 | Maharashtra Pollution Control Board | Renewed on: February 07, 2025 | October 31, 2026 |
| 6. | Certificate of Stability of Factory or Part of Factory (Unit-1) | Shreedhar Spinners Private Limited | Letter dated: May 16, 2024 from Kiran R Patel | Factories Act, 1948 read with Maharashtra Factories Rules, 1963 | Kiran R Patel, Registration No : M 132767/9 | May 16, 2024 | Valid Until Cancelled |
| 7. | Electricity Bill with sanction | Shreedhar Spinners | 202507362091912 | Electricity Act, 2003 | Maharashtra State Electricity | August 07, 2025 | Valid Until Cancelled |

| Sr . No | Description | Certificate is in the name of | Registration number | Applicable laws | Authority | Date of Certificate | Date of Expiry |
|---------|--|------------------------------------|--------------------------|--|---------------------------------------|---------------------|-----------------------|
| | load of KW 2600 (Unit-1) | Private Limited | | | Distribution Company Limited | | d |
| 8. | Final NOC from Fire Department (Unit-1) | Shreedhar Spinners Private Limited | MIDC/FIRE/IFMS/B63706 | Maharashtra Fire Prevention and Life Safety Measures Act, 2006 | Maharashtra Fire & Emergency Services | May 14, 2023 | Valid Until Cancelled |
| 9 | Consent to Establish for the expansion of Factory at T-15, Additional Amravati Industrial Area, Nandgaon Peth Midc, Maharashtra (Unit - 2) | Shreedhar Spinners Private Limited | 0000216692/CE/2408001790 | Section 25 of the Water (prevention and control of pollution) Act, 1974, Section 21 of the Air (Prevention and control of Pollution) Act, 1981, under Rule 6(2) of the Hazardous and other Wastes (Management & Trans-boundary movement) Rules, 2016 | Maharashtra Pollution Control Board | August 20, 2024 | August 19, 2029 |

C. LABOUR LAW RELATED APPROVALS:

| Sr . No | Description | Certificate is in the name of | Registration number | Applicable laws | Authority | Date of Certificate | Date of Expiry |
|---------|---|------------------------------------|---------------------|---|--|-----------------------|-----------------------|
| 1. | Registration for Employees' Provident Funds | Shreedhar Spinners Private Limited | MHBAN2256632000 | Employees (Provident Fund and Miscellaneous Provisions) Act, 1952 | Employees' Provident Fund Organisation | December 01, 2022 | Valid until Cancelled |
| 2. | Registration for Employees' | Shreedhar Spinners Private Limited | 35000518980000105 | Employees' State Insurance Act, 1948 | ESIC (Regional Office, Maharashtra) | Screenshot taken from | Valid until Cancelled |

| Sr . No | Description | Certificate is in the name of | Registration number | Applicable laws | Authority | Date of Certificate | Date of Expiry |
|---------|--|------------------------------------|---------------------------------|---|--|--|-----------------------|
| | State Insurance | | | | | ESIC Portal | |
| 3. | Shops & Establishments Registration Certificate for Office at 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai | Shreedhar Spinners Limited | 891054592/KE Ward/COOMERCIAL IT | The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 | Labour Department, Government of Maharashtra | December 31, 2025 | Valid until Cancelled |
| 4. | Labour Identification Number (LIN) Certification | Shreedhar Spinners Private Limited | 1-1686-3608-8 | Labour Laws | Ministry of Labour and Employment | Screenshot taken from Shram Suvidha Portal | Valid Until Cancelled |

D. QUALITY CERTIFICATIONS:

| Sr. No | Nature of Registration | Certificate is in the name of | Certificate No. | Issuing Authority | Date of Issue | Date of Expiry |
|--------|--|------------------------------------|--------------------------|----------------------------|------------------|------------------|
| 1. | Certificate for Environmental Management System of the Company under IS/ISO 14001:2015 with the following scope: To Protect environment and prevent pollution in all activities being carried out by Shreedhar Spinners Private Limited, Amravati, engaged in manufacturing and supply of 100% cotton carded, hosiery as well as warp compact yarn meeting the customer and all applicable legal requirements. | Shreedhar Spinners Private Limited | EMS/WRO/L-2024117163.0 | Bureau of Indian Standards | January 09, 2025 | January 08, 2028 |
| 2. | Certificate for Occupational Health & Safety Management Systems of the Company under IS/ISO 45001:2018 with the following scope: To provide safe and healthy work place by preventing work related injuries and ill health of all people including visitors, regulators, contract labours in all activities being carried out by Shreedhar Spinners Private Limited, | Shreedhar Spinners Private Limited | OHSMS/WRO/L-2024117164.0 | Bureau of Indian Standards | January 09, 2025 | January 08, 2028 |

| Sr. No | Nature of Registration | Certificate is in the name of | Certificate No. | Issuing Authority | Date of Issue | Date of Expiry |
|--------|--|------------------------------------|-----------------------------|---|------------------|------------------|
| | Amravati, engaged in manufacturing and supply of 100% cotton carded, hosiery as well as wrap compact yarn, meeting the customer and all applicable legal requirements | | | | | |
| 3. | Certificate for Quality Management Systems Certification of the Company under IS/ISO 9001:2015 with the following scope: All activities being carried out for manufacturing and supply of 100% cotton carded, hosiery as well as warp compact yarn | Shreedhar Spinners Private Limited | QMS/WRO/L-2024107137.0 | Bureau of Indian Standards | January 09, 2025 | January 08, 2028 |
| 4. | Scope Certificate for product category: Greige Yarns (PC0030) Global Organic Textile Standard (GOTS) | Shreedhar Spinners Private Limited | CU1411265GOTS-2025-00010511 | CU Inspections & Certifications India Pvt. Ltd. | January 24, 2025 | January 23, 2026 |
| 5.. | Scope Certificate for product category: Greige Yarns (PC0030) Organic Content Standard (OCS) | Shreedhar Spinners Private Limited | CU1411265OCS-2025-00010510 | CU Inspections & Certifications India Pvt. Ltd. | January 24, 2025 | January 23, 2026 |
| 6. | Certificate for OEKO-TEX STANDARD 100 for the scope of: Yarns (ring spun, carded, combed and compacted) made of 100 % cotton (provenience India) in raw white, suitable for weaving and knitting. PRODUCT CLASS: I (baby articles) - Annex 6 | Shreedhar Spinners Private Limited | OEKO-TEXÆ STANDARD 100 | Hohenstein Laboratories GmbH & Co. KG 74357 B`nnigheim Germany | March 21, 2025 | March 31, 2026 |

E. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHT (IPR)

As of filing of this DRHP there is no IPR in the name of the Company.

I. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:

| SL No. | Domain Name | Name of Registrar/ IANA ID | Creation Date | Expiry Date |
|--------|--|----------------------------|-------------------|-------------------|
| 1. | www.shreedharspinners.com | GoDaddy.com, LLC/146 | December 09, 2020 | December 09, 2026 |

*The domain name is held by the Corporate promoter company and NOC is also received from the Corporate promoter company for using domain.

IV. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

| Sr. No | Description | Application number | Applicable laws | Authority | Duration | Status of the Application |
|---------------|---|---------------------------|--|-------------------------------|---|----------------------------------|
| 1. | Registration Certificate under Contract Labour (Regulation & Abolition) Act, 1970 | 100001822610 | Contract Labour (Regulation & Abolition) Act, 1970 | Ministry of Labour Employment | 1 Year From: January 01, 2026 To: December 31, 2026 | Applied |

V. APPROVALS OR LICENSES PENDING TO BE APPLIED:

NIL

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Offer has been authorized by our Board pursuant to its resolution dated November 18, 2025, and the Fresh Issue has been authorized by our Shareholders pursuant to their special resolution dated December 11, 2025. Our Board has approved the Draft Red Herring Prospectus pursuant to its resolution dated January 09, 2026.

Our Company has received in-principle approvals from National Stock Exchange of India Limited for the listing of the Equity Shares pursuant to its letter dated [●].

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of the Promoter Group and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Promoter and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoter or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoter and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

Prohibition by RBI

Neither our Company, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 249 of the Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Issue

Our Company is eligible in terms of Regulation 228, 229 and Regulation 230(1) of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an ‘unlisted issuer’ in terms of the SEBI (ICDR) Regulations; and this Issue is an ‘Initial Public Issue’ in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229 (2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue paid up Equity Share capital is more than ₹10.00

Crores and we may hence, issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the ‘National Stock Exchange of India Limited.’)

We further confirm that:

- Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:
- Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor any of our directors are Wilful Defaulters or a fraudulent borrower.
- There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the Company

Our Company is eligible in terms of Regulations 229 of SEBI ICDR Regulations for this Issue as:

- Regulation 229(1) – Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue paid-up Equity Share capital is less than or equal to ₹10.00 Crores. – Not applicable
- Regulation 229(2) – Our Company is eligible under Regulation 229(2) where the post issue paid capital exceeds ₹ 10 Crore
- Regulation 229(3) - The Company has a track record of at least 3 years as on the date of this Offer Document and satisfies track record and other eligibility conditions of the NSE Emerge.
- Regulation 229(4) – Our Company incorporated as Private Limited Company in the year 2020 and hence in existence for at least one full financial year before the date of this Offer Document.
- Regulation 229(5) – Neither there is any change in our Promoters nor any new Promoter inducted (who have acquired more than fifty per cent of the shareholding) of our Company during the last 1 year from the date of this Draft Red Herring Prospectus.
- Regulation 229(6) – Our Company has operating profits (earnings before interest, depreciation and tax) of 1 crore from operations for at least 2 financial years out of 3 previous financial year as given below:

| Particulars | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|----------------|
| Operating Profit (earnings before interest, depreciation and tax) | 1,310.50 | 1,340.91 | 150.56 |

We further confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. *please refer to the paragraph titled ‘Underwriting Agreement’ under the section titled ‘General Information’ on Page 63 of this Draft Red Herring Prospectus*

1. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to two hundred (200), failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws. If such money is not repaid within Four (4) Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of Four (4) Days, be liable to repay such application money, with an interest at the rate of fifteen per cent per annum and within such time as disclosed in the Issue document and BRLM shall ensure the same.
2. In terms of Regulation 246 (1) and (3) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Offer Documents along with a Due Diligence Certificate to which the site visit report of the issuer prepared by the Book Running Lead Manager shall also be annexed including additional confirmations as required to SEBI at the time of filing the Offer Documents with Stock Exchange and the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the offer document.

3. Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filing in terms of sub-regulation (1) on the website of the SEBI, the Book Running Lead Manager and the NSE Emerge.
4. In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE Emerge. For further details of the arrangement of market making please refer to the paragraph titled 'Details of the Market Making Arrangements for this Issue' under the section titled General Information' on page 63 of this Draft Red Herring Prospectus.
5. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to Emerge platform of National Stock Exchange of India Limited is the Designated Stock Exchange.
6. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
7. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
8. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters, the promoter group, the directors, the key managerial personnel, the senior management, qualified institutional buyer(s), employees, shareholders holding SR equity Shares, entities regulated by Financial Sector Regulators are already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

NSE ELIGIBILITY NORMS

- ***Incorporation: The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 2013 in India.

- ***Post Issue Paid up Capital: The post issue paid up capital of our Company (face value) shall not be more than ₹ 25 crores***

The present paid up capital of our Company is ₹ 15,65,00,000 Lakhs and we are proposing IPO of 58,00,000[^] Equity shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakhs. Hence our post issue Paid up capital will be ₹ [●] Lakhs.

[^]Subject to Basis of Allotment.

- ***Track Record***

The Company should have a track record of at least 3 years.

Our Company was incorporated on December 09, 2020 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Maharashtra. Therefore, we are in compliance with criteria of having track record of 3 years.

- ***Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:***

Our Company is having operating profit, details are mentioned as below.

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|----------------|
| Total Income | 13,442.60 | 12,635.16 | 2,027.68 |
| Operating Profit (earnings before interest, depreciation and tax) | 1,310.50 | 1,340.91 | 150.56 |

- ***Net-worth: Positive Net-worth**

As per Restated Financial Statement, the net-worth of our Company is ₹ 2337.33 Lakhs as on September 30, 2025.

- **It is mandatory for a company to have a website.**

Our Company has website i.e.; www.shreedharspinners.com

- **The company/entity should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.**

| (₹ In Lakhs) | | | |
|---|--------------|--------------|---------------|
| Particulars | 2025 | 2024 | 2023 |
| Net Cash Flow from operating activities | 1039.05 | 845.35 | -1354.7 |
| Less: Purchase of Fixed Asset | 829.08 | 205.31 | 4188.82 |
| Add: Net Borrowings | 388.31 | 52.87 | 5709.15 |
| Less: Interest (Post Tax) | 568.31 | 640.17 | 201.10 |
| Free Cash Flow to Equity (FCFE) | 29.97 | 52.74 | -35.47 |

- **It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.**

Our Company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Our Company has entered into an agreement for registration with the Central Depository Services Limited dated December 20, 2021 and National Securities Depository Limited dated August 27, 2024 for establishing connectivity.

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- We confirm that no material regulatory or disciplinary action has been taken against our Company by a stock exchange or regulatory authority in the past three years.
- There have been no instances in the past 6 months, whereby any IPO draft offer document filed by the BLRM with the Exchange was returned. The merchant banker draft offer document filed with NSE have been returned.

Other Disclosures:

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoter and Group Companies.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company and Promoter during the past three years.
- There are no litigations record against our Company, Promoter except disclosed on page 249 in section "Outstanding Litigation and Other Material Developments".
- There are no criminal cases/investigation/offences filed or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 09, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company and the Book Running Lead Manager

Our Company, our Promoter, our Directors and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.ib.marwadichandaranagroup.com would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on December 11, 2025 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any

manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Disclaimer in respect of jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Mumbai, Maharashtra India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations.

Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE EMERGE. The disclaimer clause as intimated by NSE EMERGE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC.

Disclaimer Clause under Rule 144A of The U.S. Securities Act, 1933

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in

reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India

Filing

This Draft Red Herring Prospectus is being filed with the Emerge platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed. National Stock Exchange of India Limited is located at the Mumbai, Maharashtra

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Red Herring Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC Office situated at Mumbai, Maharashtra.

Listing

Application will be made to the Emerge platform of National Stock Exchange of India Limited (“NSE EMERGE”) for obtaining permission to deal in and for an official quotation of our Equity Shares. Emerge platform of National Stock Exchange of India Limited (“NSE EMERGE”) is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

Our company has received an In-principle Approval letter dated [●] from [●] for using its name in this Offer document for listing our shares on the Emerge platform of National Stock Exchange of India Limited.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the [●], our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e.; from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge platform of National Stock Exchange of India Limited mentioned above are taken within three Working Days from the Issue Closing Date.

Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Senior Managerial Personnel (SMP), Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company, Independent Chartered Engineer; (b) Book Running Lead Manager, Registrar to the Issue,

Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue, Market Maker to the Issue have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Experts

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

Our Company has received written consent dated January 09, 2026 from the Peer Reviewed Auditors M R B & Associates, Chartered Accountants to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated January 09, 2026 on our restated financial information; and (ii) its report dated January 09, 2026 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Additionally, our company has also received a written consent dated December 12, 2025 from Chartered Engineer, namely M/s Rajendra V. Khodaskar in their capacity as Chartered Engineer, in connection with manufacturing facilities to include their name as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an “Expert” as defined under section 2(38) read with Section 26(5) of the Companies Act, 2013 (and not under the U.S. Securities Act).

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who-

- 1. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- 2. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- 3. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Red Herring Prospectus, further for details in relation to right issue made by our Company during the five years preceding

the date of this Draft Red Herring Prospectus, please refer to section titled “*Capital Structure*” on page 74 of this Draft Red Herring Prospectus.

Commission or brokerage on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for the last five years by our Company.

Particulars regarding capital issues in the preceding three years

Except as disclosed in the section titled “Capital Structure” on page 74, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies. Further, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Certain debt securities of Our Company are listed. For further details, see “*Financial Indebtedness*” on page 191.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUED HANDLED BY THE BRLM:

For details regarding the track record of the Marwadi Chandarana Intermediaries Brokers Private Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of ib.marwadichandaranagroup.com

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

| Sr. No. | Financial Year | Issue Name | Issue Size (₹ in Crores) | Issue Price (₹) | Listing date | Opening Price on Listing Date (₹) | +/-% Change in Closing Price, [+/-% Change in Closing Benchmark] - 30th Calendar Days from the Listing Day | +/-% Change in Closing Price, [+/-% Change in Closing Benchmark] - 90th Calendar Days from the Listing Day | +/-% Change in Closing Price, [+/-% Change in Closing Benchmark] - 180th Calendar Days from the Listing Day |
|------------------|----------------|-------------------------------------|--------------------------|-----------------|--------------------|-----------------------------------|--|--|---|
| SME Board | | | | | | | | | |
| 1. | 2024-25 | Hamps Bio Limited | 6.22 | 51.00 | December 20, 2024 | 96.90 | -33.16 (-1.82) | -53.75 (-3.32) | -58.23 (4.54) |
| 2. | 2024-25 | Kabra Jewels Limited | 40.00 | 128.00 | January 22, 2025 | 243.20 | -44.84 (-1.05) | -45.96 (4.19) | -54.81 (7.83) |
| 3. | 2025-26 | N R Vandana Text Industries Limited | 27.89 | 45.00 | June 04, 2025 | 45.00 | -10.53 (3.19) | -3.89 (0.02) | 55.49 (6.43) |
| 4. | 2025-26 | Monica Alcobev Limited | 165.63 | 286.00 | July 23, 2025 | 288.00 | -0.35 (-0.88) | 3.09 (1.98) | - |
| 5. | 2025-26 | Sampat Aluminium | 30.53 | 120.00 | September 24, 2025 | 120.00 | -31.30 (3.48) | -38.02 (4.17) | - |

| Sr. No. | Financial Year | Issue Name | Issue Size (₹ in Crores) | Issue Price (₹) | Listing date | Opening Price on Listing Date (₹) | +/-% Change in Closing Price, +/- % Change in Closing Benchmark k]- 30th Calendar Days from the Listing Day | +/-% Change in Closing Price, +/- % Change in Closing Benchmark k]- 90th Calendar Days from the Listing Day | +/-% Change in Closing Price, +/- % Change in Closing Benchmark k]- 180th Calendar Days from the Listing Day |
|-------------------------|----------------|--------------------------------------|--------------------------|-----------------|-------------------|-----------------------------------|---|---|--|
| | | m Limited | | | | | | | |
| 6. | 2025-26 | Mother Nutri Foods Limited | 39.59 | 117.00 | December 03, 2025 | 118.40 | 38.33 (0.77) | - | - |
| 7. | 2025-26 | Ravel Care Limited | 24.10 | 130.00 | December 08, 2025 | 201.00 | -25.87 (0.05) | - | - |
| 8. | 2025-26 | Global Ocean Logistics India Limited | 30.41 | 78.00 | December 24, 2025 | 79.20 | - | - | - |
| Main Board - Nil | | | | | | | | | |

Notes:

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

Summary statement of price information of past issues handled by Marwadi Chandarana Intermediates Brokers Private Limited:

| Financial Year | Total No of IPOs | Total Funds Raised (₹ Cr) | Nos of IPOs trading at discount as on the 30 th calendar days from listing date | | | Nos of IPOs trading at premium as on the 30 th calendar days from listing date | | | Nos of IPOs trading at discount as on the 180 th calendar days from listing date | | | Nos of IPOs trading at premium as on the 180 th calendar days from listing date | | |
|------------------|------------------|---------------------------|--|------------------|----------------|---|------------------|----------------|---|------------------|----------------|--|------------------|----------------|
| | | | Over 50 % | Between 25%-50 % | Less than 25 % | Over 50 % | Between 25%-50 % | Less than 25 % | Over 50 % | Between 25%-50 % | Less than 25 % | Over 50 % | Between 25%-50 % | Less than 25 % |
| SME Board | | | | | | | | | | | | | | |
| 2025-26 | 6 | 318.15 | - | - | 1 | 2 | - | 1 | 1 | - | - | 1 | - | - |
| 2024-25 | 2 | 46.22 | - | 2 | - | - | - | - | 2 | - | - | - | - | - |
| 2023-24 | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Main Board – Nil | | | | | | | | | | | | | | |

Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the Self Certified Syndicate Banks (“SCSBs”) for addressing any clarifications or grievances of application supported by blocked amount (“ASBA”) Bidders.

Bidders can contact the Company Secretary and Compliance Officer, the BRLM and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLM, in the manner provided below.

All Offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, Unified Payments Interface Identity (“UPI ID”), Permanent Account Number (“PAN”), address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

For Offer-related grievances, investors may contact the BRLM, details of which are given in “General Information – Book Running Lead Manager” on page 64.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for,

Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (“SEBI ICDR Master Circular”) and the circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“March 2021 Circular”), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non-allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the circular March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario | Compensation amount | Compensation period |
|--|--|---|
| Delayed unblock for cancelled / deleted applications | ₹100 per day or 15% per annum of the Bid Amount, whichever is higher | From the date on which the request for cancellation / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock |
| Blocking of multiple amounts for the same Bid made through the UPI Mechanism | 1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher | From the date on which multiple amounts were blocked till the date of actual unblock |
| Blocking more amount than the Bid Amount | 1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher | From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock |
| Delayed unblock for non – Allotted/ partially Allotted applications | ₹100 per day or 15% per annum of the Bid Amount, whichever is higher | From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock |

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on December 11, 2025. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management*” beginning on page 166 of this Draft Red Herring Prospectus.

The members of the Stakeholders’ Relationship Committee are:

| Name of Director | Position in the Committee | Designation |
|---------------------------|----------------------------------|--|
| Vishal Agarwal | Chairman | Non-Executive Non-Independent Director |
| Sunita Dharmendra Goyal | Member | Non-Executive Non-Independent Director |
| Bhavsar Utsav Sumantkumar | Member | Non-Executive Independent Director |

The Company Secretary of our Company shall serve as the secretary of the Stakeholders’ Relationship Committee.

Our Company has appointed Mitesh Pravinbhai Patel, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Mitesh Pravinbhai Patel

Address: 503, Matharu Arcade, Subhash Road, Vile Parle East, Mumbai - 400057, Maharashtra, India

Telephone No.: +91 22 4515 8777

E-mail: company.sec@shreedhar.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

SECTION IX- ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act 2013, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MOA, the AOA, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Draft Red Herring Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges (NSE), the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority, as in force on the date of the Issue and to the extent applicable.

Authority for the Issue

The present Issue of upto 58,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs comprising of a fresh issue which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on November 18, 2025 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on December 11, 2025 in accordance with the applicable provisions of the Companies Act, 2013.

Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “**Main Provisions of the Articles of Association**” on page 328 of this Draft Red Herring Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable laws including guidelines or directives that may be issued by the GoI in this respect and as recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “**Dividend Policy**” on page 189 of this Draft Red Herring Prospectus.

Face Value, Issue Price, Floor Price and Price Band

The Face Value of each Equity Share is ₹ 10.00/- each and the Issue Price at the lower end of the Price Band is ₹ [●] per equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per equity Share (“**Cap Price**”). The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Marathi edition of [●], Marathi regional newspaper each with wide circulation where the registered office of the Company is situated and shall be

made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Issue price shall be determined by our company in consultation with the BRLM and is justified under the chapter titled “**Basis of Issue Price**” beginning on page **105** of this Draft Red Herring Prospectus.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Main Provisions of the Articles of Association*”, beginning on page 328 of this DRHP.

Allotment only in dematerialised form

As per the provisions of the Depositories Act, 1996 and in terms of Section 29(1) of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form, i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. As per the existing SEBI ICDR Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated August 27, 2024 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated December 20, 2021 between CDSL, our Company and Registrar to the Issue.

Furnishing the details depository account is mandatory and applications without a depository account shall be treated as incomplete and rejected.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than two lots (which shall be above ₹ 2,00,000/- (Rupees Two Lakh))

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the [●] from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allotees

In accordance with the Regulation 268 (1) of SEBI ICDR Regulations, the Minimum number of allottees in this Issue shall be 200 (Two Hundred) shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs or Sponsor Bank shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars.

Joint Holders

Subject to the provisions of the AOA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity

Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Share capital and Promoter's minimum contribution under the SEBI ICDR Regulations as provided in "**Capital Structure**", beginning on page 74 of this DRHP and except as provided under the AOA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AOA. For details, see "**Main Provisions of the Articles of Association**", beginning on page 328 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two (2) working days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) working day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. ii) the final RoC approval of the Draft Red

Herring Prospectus after it is filed with the RoC. If our Company in consultation with the BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus/ Red Herring Prospectus with the Stock Exchange.

Bid/Issue Programme

| | |
|--|-----|
| ANCHOR PORTION OPENS ON | [●] |
| ISSUE OPENS ON | [●] |
| ISSUE CLOSES ON | [●] |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | [●] |
| Initiation of Allotment/ refunds/unblocking of funds from ASBA Account or UPI ID linked bank account | [●] |
| Credit of Equity Shares to demat accounts of Allottees | [●] |
| Commencement of trading of the Equity Shares | [●] |

Note:

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

(2) Our Company shall, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

(3) UPI mandate end time and date shall be at 5.00 p.m. on the Bid / Issue Closing Date.

*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of nonallotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the March 2021 Circular, as amended pursuant to June 2021 Circular shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The above timetable is indicative and does not constitute any obligation or liability on our Company or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such period of the Bid / Offer Closing Date, as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid / Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

| Bid/ Issue Period (except the Bid/ Issue Closing Date) | |
|---|--|
| Submission and Revision in Bids | Only between 10.00 a.m. and 4.00 p.m. IST |
| Bid/ Offer Closing Date* | |
| Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For IBs other than QIBs and NIIs | Only between 10.00 a.m. and 4.00 p.m. IST |
| Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million) | Only between 10.00 a.m. and up to 4.00 p.m. IST |
| Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications) | Only between 10.00 a.m. and 3:00 p.m IST |
| Submission of Physical Applications (Bank ASBA) | Only between 10.00 a.m. and 1:00 p.m IST |
| Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹0.50 million) | Only between 10.00 a.m. and 12:00 p.m IST |
| Modification/ Revision/cancellation of Bids | |
| Upward Revision of Bids by QIBs, Non-Institutional Bidders IBs# | Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date |

**UPI mandate end time and date shall be at 5.00 pm on Bid/Offer Closing Date.*

Individual Bidders, QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

On Bid / Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled / deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. None among our Company or the Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminal of the Syndicate Member, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be 100% underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than two lots (which shall be above ₹ 2,00,000/- (Rupees Two Lakh).

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed.

The minimum number of allottees in this Issue shall be Two Hundred (200) shareholders. In case the minimum number

of prospective allottees is less than Two Hundred (200), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than 2,00,000 (Rupees Two Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board Platform of Stock Exchanges on a later date subject to the following:

| Sr. No. | Details | Unified Eligibility Criteria |
|---------|----------------------------------|---|
| 1. | Paid up capital | At least Rs. 10 Crores |
| 2. | Market Capitalisation | Average of 6 months market cap Migration: Rs.100 Crores Direct listing: Rs. 1000 Crores Note: for the purpose of calculating the average market cap., the aggregate of daily market cap on the days the scrip has traded, shall be divided by the total no. of trading days during the said 6 months period. |
| 3. | Market Liquidity | <ul style="list-style-type: none"> At least 5% of weighted average number of equity shares listed traded in 6 months Trading on at least 80% of days in 6 months Min. average daily turnover of Rs. 10 lacs and Min. daily turnover of Rs. 5 lacs during the six month period Minimum Average no. of daily trades of 50 and Minimum daily trades of 25 |
| 4. | Operating Profit (EBIDTA) | Average of Rs. 15 Crores on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, with a minimum of Rs. 10 crores in each of the said 3 years In case of name change within the last one year, at least 50% per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name. |
| 5. | Networth | Rs. 1 Crore. - in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis; |
| 6. | Net Tangible Assets | At least Rs. 3 Crores, on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets: Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project |
| 7. | Promoter holding | At least 20% at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement. |

| Sr. No. | Details | Unified Eligibility Criteria |
|---------|---|---|
| | | Not applicable to companies that have sought listing through IPO, without identifiable promoters |
| 8. | Lock-in of promoter group shares | 6 months from the date of listing on the NSE. Not applicable to SME companies migrating to main board. |
| 9. | Regulatory Action | 1. No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors 2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower. 3. Promoters or directors are not fugitive economic offender 4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP 5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months. |
| 10. | Promoter shareholding | 100% in demat form. |
| 11. | Compliance with LODR Regs | 3 years track record with no pending non-compliance at the time of making the application. |
| 12. | Track Record in terms of Listing | Listed for at least 3 years. |
| 13. | Public Shareholders | Min. 1000 as per latest shareholding pattern |
| 14. | Other Parameters | 1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies 2. Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME. 3. Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application. 2 months cooling off from the date the security has come out of T-to- T category or date of graded surveillance action/measure. |
| 15. | SCORES ID | No pending investor complaints on SCORES. |
| 16. | Business Consistency | Same line of business for 3 years with at least 50% revenue of the revenue from operations from such continued business activity. |
| 17. | Audit Qualification | No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application. |

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE Limited.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be Offered is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the extant Guidelines of the Government of India, OCBs cannot participate in this Issue

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (NSE Emerge) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on NSE Emerge. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 63 of this Draft Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Draft Red Herring Prospectus/ Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post Issue paid-up capital exceeds ten crore rupees but less than twenty-five crore rupees and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an Offer, please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page no. 277 and 291 respectively of this Draft Red Herring Prospectus.

Issue Structure:

The present initial public offer is up to *58,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on November 18, 2025 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on December 11, 2025 in accordance with the provisions of Section 23 and other applicable provisions of the Companies Act, 2013. The Issue comprises a reservation of upto [●] Equity Shares of ₹ 10.00 each for subscription by the designated Market Maker (the “Market Maker Reservation Portion”) and a Net Issue to Public of [●] Equity Shares of ₹ 10.00 each is hereinafter referred to as the Net Issue. The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Issue paid up Equity Share Capital of the Company.

**Subject to Basis of Allotment.*

In terms of Rule 19(2)(b) of the SCRR, the Issue is being made through the Book Building Process in compliance with Regulation 252 of the SEBI ICDR Regulations.

| Particulars of the Issue (2) | Market Maker Reservation Portion | QIBs | Non-Institutional Applicants | Individual Investors |
|--|----------------------------------|--|---|------------------------------------|
| Number of Equity Shares available for allocation | Up to [●] Equity shares | Not more than [●] Equity Shares. | Not less than [●] Equity Shares | Not less than [●] Equity Shares |
| Percentage of Issue size available for allocation | [●] % of the Offer size | <p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p> <p>Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and forty per cent of the anchor investor portion, shall be</p> | <p>Not less than 15% of the Net Issue.</p> <p>(a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;</p> <p>(b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size</p> | Not less than 35% of the Net Issue |

| Particulars of the Issue ⁽²⁾ | Market Maker Reservation Portion | QIBs | Non-Institutional Applicants | Individual Investors |
|---|----------------------------------|--|--|---|
| | | reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds: Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds.” | of more than ₹10 lakhs: Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.” | |
| Basis of Allotment⁽³⁾ | Firm Allotment | Proportionate as follows: (excluding the Anchor Investor Portion): a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors and forty per cent of the anchor investor portion, shall be reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds: Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds., subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price. | Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares. | Proportionate basis subject to minimum allotment of [●] Equity Shares |
| | | | | |

| Particulars of the Issue (2) | Market Maker Reservation Portion | QIBs | Non-Institutional Applicants | Individual Investors |
|--|--|--|---|---|
| Mode of Bid | Only through the ASBA Process | Only through the ASBA process. (Except for Anchor investors) | Through ASBA Process through banks or by using UPI ID for payment | Through ASBA Process through banks or by using UPI ID for payment |
| Mode of Allotment | Compulsorily in dematerialized form | | | |
| Minimum Bid Size | [●] Equity Shares | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid size exceeds two lots | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid size exceeds two lots | Two lots with minimum application size of above ₹ Two Lakhs |
| Maximum Bid Size | [●] Equity Shares | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB portion), subject to limits as applicable | Two lots with minimum application size of above ₹ Two Lakhs |
| Trading Lot | [●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations | [●] Equity Shares and in multiples thereof | [●] Equity Shares and in multiples thereof | [●] Equity Shares and in multiples thereof |
| Terms of Payment | <p>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁴⁾</p> <p>In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank(s) through the UPI Mechanism (for IBs or individual investors bidding under the Non – Institutional Portion for an amount of more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism), that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> | | | |
| Mode of Bid | Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism | | | |

- (1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the Issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager

and the Designated Stock Exchange, subject to applicable laws.

- (4) Our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. Forty per cent of the anchor investor portion, shall be reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds: Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds.*
- (5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details see "Issue Procedure" beginning on page 291 of this Draft Red Herring Prospectus.*
- (6) Anchor Investors are not permitted to use the ASBA process. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Individuals, QIB, NIB and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*
- (7) SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and allotment to Non- Institutional Investors shall be more than two lots, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For further details, see Terms of the Issue on page 277 of the Draft Red Herring Prospectus*

The Bids by FPIs with certain structures as described under **"Issue Procedure - Bids by FPIs"** on page 303 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

ISSUE PROCEDURE

All applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for IBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by IBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after

December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process.

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

Further, our Company and the members of the Syndicate are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Issue.

This section applies to all the Applicants.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the SEBI UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an II had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

This Issue will be made under UPI Phase III of the UPI Circular.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Individual Bidders using the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the Book Running Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall

also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity) a registrar to the issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

BOOK BUILDING PROCEDURE:

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Offer shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors and forty per cent of the anchor investor portion, shall be reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds: Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds., subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under- subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, the PAN and UPI ID, for IBs Bidding in the Individual Investor Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Offer, subject to applicable laws.

Availability of Draft Red Herring Prospectus DRHP/ RHP/Prospectus and Application Forms

The Memorandum containing the salient features of this Draft Red Herring Prospectus together with the Application Forms and copies of this Draft Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the Offer as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e.; www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date. Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(i) IBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

| Category | Colour of Bid cum Application Form* |
|---|-------------------------------------|
| Anchor Investor** | White |
| Resident Indians including resident QIBs, Non-Institutional Bidders, Individual Bidders and Eligible NRIs applying on a non-repatriation basis^ | White |
| Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis^ | Blue |

*Excluding electronic Bid cum Application Forms

^**Electronic Bid cum Application forms for Anchor Investor shall be made available at the office of the BRLM.

Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited (www.nseindia.com).

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by IIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”).

| Sr. No. | Designated Intermediaries |
|---------|--|
| 1 | An SCSB, with whom the bank account to be blocked, is maintained |
| 2 | A syndicate member (or sub-syndicate member) |
| 3 | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’) |
| 4 | A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) |
| 5 | A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) |

Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|---|--|
| For Applications submitted by investors to SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For applications submitted by investors to intermediaries other than SCSBs | After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |

| | |
|---|---|
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment | After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |
|---|---|

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For IBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to IIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to IIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date ("Cut- Off Time"). Accordingly, IIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate IIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

WHO CAN BID?

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- a) Indian Nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories,

our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: “Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant’s category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) hold and invest in equity shares;
- s) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Multilateral and bilateral development financial institution;
- v) Eligible QFIs;

- w) Insurance funds set up and managed by army, navy or air force of the Union of India;
- x) Insurance funds set up and managed by the Department of Posts, India;
- y) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

APPLICATIONS NOT TO BE MADE BY:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies (OCB)

As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Individual Bidders

The Application must be for a minimum application size of [●] Equity Shares and in multiples [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder exceed ₹ 2,00,000.

1. For Individual Bidders who applies for more than minimum application size (Non-Institutional Applicants and QIBs):

The Application must be more than minimum Bid Lot Size of such number of Equity Shares that the Application Amount exceeds two lots and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application size shall be more than two lots and application amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this DRHP.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or

regulations.

METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), Marathi editions of [●] (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), [●] (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Draft Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid. The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”. The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- c) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- d) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- e) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- f) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 291 of this Draft Red Herring Prospectus.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding

system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. However, bidding at the Cut-off Price is prohibited for Individual Investor, QIB and Non-Institutional Bidders and such Bids from Individual Investor, QIB and Non-Institutional Bidders shall be rejected.
- d. Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other Bidders

Participation by Associates /Affiliates of BRLM

The BRLM shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Offer

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

- 1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Draft Red Herring Prospectus which will be registered with the RoC and also publish the same in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), all editions of [●] (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Mumbai, where our Registered Office is located) with wide circulation. This advertisement shall be in prescribed format.
- 2. Our Company shall file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.

3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of this Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain this Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

BIDS BY ELIGIBLE NRIS

Eligible NRIs or Overseas Citizen of India (OCI) may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation basis shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

Investment by NRI or OCI on non-repatriation basis:

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis - will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

BIDS BY FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as

prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilize the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

For details of investment by FPIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 326. Participation of FPIs in the Issue is subject to the FEMA Rules.

AS PER THE EXTANT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However,

such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. . However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Offer, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

BIDS BY BANKING COMPANIES

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged

in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “*Key Regulations and Policies*” beginning on page 153 of this DRHP.

BIDS BY SCSBS

SCSBs participating in the Offer are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY SYSTEMICALLY IMPORTANT NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

BIDS BY ANCHOR INVESTORS

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200 lakhs
- 3) Forty per cent of the anchor investor portion, shall be reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds: Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200 lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200 lakhs but up to 2500 lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100 lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500 lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to 2500 lakhs; and (ii) an

additional 10 Anchor Investors for every additional allocation of 2500 lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100 lakhs per Anchor Investor.

- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminal of the syndicate member and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur

after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, No applicants shall either withdraw or lower the size of their applications at any stage. In the event of rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of In case of resident Anchor Investors: — “[●] – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “[●] – Anchor Account- NR”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established

as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - i. the applications accepted by them,
 - ii. the applications uploaded by them
 - iii. the applications accepted but not uploaded by them or
 - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | Details* |
|--------|-------------------|
| 1. | Symbol |
| 2. | Intermediary Code |
| 3. | Location Code |
| 4. | Application No. |
| 5. | Category |
| 6. | PAN |
| 7. | DP ID |
| 8. | Client ID |
| 9. | Quantity |
| 10. | Amount |

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated

Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:

- Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non- Individual Bidders and Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in this Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical

representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

Withdrawal of Bids

- IIIs cannot withdraw or revise downward their Bids until Bid/ Offer Closing Date.
- The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date.

Price Discovery and Allocation

- Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price.
- The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the DRHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the DRHP.
- In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ [●] to ₹ [●] per share, Offer size of [●] Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|---------------------|-----------------------|----------------------------|---------------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The Issuer, in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an IB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an IB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. IBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for IBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of IBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the

address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. IBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which IBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the IB’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
25. IBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an IB may be deemed to have verified the attachment containing the application details of the IB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (IBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don’ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not Bid at Cut-off Price (for Bids by IBs, QIBs and Non-Institutional Bidders);
5. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
6. Do not submit the Bid for an amount more than funds available in your ASBA account.
7. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
8. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
9. If you are a IB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
11. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
12. Do not submit the General Index Register (GIR) number instead of the PAN;
13. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
17. Do not submit a Bid using UPI ID, if you are not a IIB;
18. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
19. Do not Bid for Equity Shares in excess of what is specified for each category;
20. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Draft Red Herring Prospectus;
21. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder or an Individual Bidder.
22. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
23. If you are an IIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPIID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
24. Do not Bid if you are an OCB; and
25. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund

orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “**General Information**” and “**Our Management**” beginning on pages 63 and 166 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “**General Information**” beginning on page 63.

GROUND FOR TECHNICAL REJECTION

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

1. Amount blocked does not tally with the amount payable for the Equity Shares applied for;
2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
3. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Bid cum Application Form;
5. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
6. GIR number furnished instead of PAN;
7. Bid for lower number of Equity Shares than specified for that category of investors;
8. Bids at Cut-off Price by IBs, NIIs and QIBs;
9. Bids for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the DRHP;
10. The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
11. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
12. Category not ticked;
13. Multiple Bids as defined in the DRHP;
14. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
15. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
16. Signature of sole Bidder is missing;
17. Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
18. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
19. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
20. Bid by OCBs;
21. Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
22. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
23. Bids not uploaded on the terminals of the Stock Exchanges;
24. Where no confirmation is received from SCSB for blocking of funds;
25. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
26. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
27. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
28. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
29. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
30. Details of ASBA Account not provided in the Bid cum Application form.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” beginning on page 63.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section of the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the DRHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the DRHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate

basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. For Individual Bidders

Bids received from the Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Individual shall be available for allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. Allotment To Anchor Investor (If Applicable)

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- i.** not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii.** Forty per cent of the anchor investor portion, within the limits specified in sub-paragraph (b), shall be reserved as under –
 - (i) 33.33 per cent for domestic mutual funds; and
 - (ii) 6.67 per cent for life insurance companies and pension funds;

Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
- in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted,

subject to a minimum allotment of one crore rupees per such investor.

d. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
 - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
 - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
 - Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.
- iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the [●] (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this DRHP.

Individual Investor means an investor who applies minimum bid lot i.e [●] Equity Shares for and value exceeds than ₹ 2,00,000/. Investors may note that in case of oversubscription, allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Flow of Events from the closure of Bidding period (T DAY) Till Allotment:

- On T Day, RTA To validate the electronic bid details with the depository records and also reconcile the final certificates received.
- from the Sponsor Bank for U PI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these application s will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their

Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Offer Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 2 working days of the Bid/ Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e.; www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e.; www.nseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain from the Depository, the demographic details including address, Bidder's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter

foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Offer, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Offer size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the Emerge Platform of National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Offer on August 27, 2024.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Offer on December 20, 2021.
- c) The Company's Equity shares bear an ISIN No. INE0K3301012.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

- If incomplete or incorrect details are given under the heading ‘Applicants Depository Account Details’ in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

PRE-OFFER ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Draft Red Herring Prospectus with the RoC, publish a Pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), all editions of [●] (a widely circulated Regional language daily newspaper) (Marathi being the regional language of Maharashtra, where our Registered Office is located)).

In the Pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

UNDERTAKINGS BY OUR COMPANY

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

UTILIZATION OF OFFER PROCEEDS

Our Board certifies that:

- all monies received out of the Fresh Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Offer shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.
- Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Under the current FDI Policy, 100% foreign direct investment is permitted in the other financial services sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “Offer Procedure – Bids by Eligible NRIs” and “Offer Procedure – Bids by FPIs” on page 303 respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see “Offer Procedure” on page 291.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations which may occur after the date of this

Draft Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION X- MAIN PROVISIONS OF THE ARTICLE OF ASSOCIATION

THE COMPANIES ACT, 2013 ARTICLES OF ASSOCIATION OF SHREEDHAR SPINNERS LIMITED* COMPANY LIMITED BY SHARES

PRELIMINARY

1. APPLICABILITY OF TABLE “F”

Subject as hereinafter provided and in so far as these presents do not modify or exclude them, the regulations contained in Table ‘F’ of Schedule I of the Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

1.1 DEFINITIONS AND INTERPRETATION

1.2 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force. In these Articles:

1.2.1 “Act” shall mean the Companies Act, 2013 including any statutory modification or amendment thereto or re-enactment thereof, together with the rules and regulations framed thereunder;

1.2.2 “Alternate Director” shall have the meaning ascribed to it in Article 122 of these Articles;

1.2.3 “Articles” shall mean the articles of association of the Company;

1.2.4 “Authorized Share Capital” has the meaning assigned to it in Article 4 of these Articles;

1.2.5 “Beneficial Owner” means a person whose name is recorded as such with a Depository;

1.2.6 “Board” or “Board of Directors” shall mean the board of directors of the Company;

1.2.7 “Depositories Act” shall mean and include the Depositories Act, 1996 and any statutory modifications or re-enactments thereof from time to time;

- Subject to approval of ROC, the Members of the Company in Annual General meeting held on 22.09.2025, approved the conversion of Company from “Shreedhar Spinners Private Limited” to “Shreedhar Spinners Limited” by deleting the word (PRIVATE) before (LIMITED).

- 1.2.8 “Depository” shall mean a Depository as defined under clause (e) of sub-section (1) of section 2 of the Depositories Act and includes a company registered under the Act, which has been granted a Certificate of Registration under sub section 1(A) of section 12 of the Securities and Exchange Board of India Act, 1992;
- 1.2.9 “Director” means a director for the time being of the Company and includes any person appointed as a director of the Company in accordance with these Articles and the provisions of the Act, from time to time;
- 1.2.10 “General Meeting” means any duly convened meeting of the Shareholders of the Company and includes an extra-ordinary general meeting;
- 1.2.11 “Member” means a member of the Company within the meaning of sub-Section (55) of Section 2 of the Act, as amended from time to time;
- 1.2.12 “Memorandum” or “Memorandum of Association” shall mean the memorandum of association of the Company;
- 1.2.13 “Original Director” shall have the meaning ascribed to it in Article 122 of these Articles;
- 1.2.14 “Share” means a share in the Share Capital of the Company and includes stock;
- 1.2.15 “Share Capital” means the share capital of the Company comprising equity shares and the preference shares as may be issued by the Company from time to time;
- 1.2.16 “Shareholder” shall mean a Member of the Company; and
- 1.2.17 “Securities” shall mean securities as defined under Section 2 (81) of the Act.
- 1.3 The terms “*writing*” or “*written*” include printing, typewriting, lithography, photography and any other mode or modes (including electronic mode) of representing or reproducing words in a legible and non-transitory form;
- 1.4 The headings hereto shall not affect the construction hereof.
- 1.5 Notwithstanding anything contained in these Articles, any reference to a “*person*” in these Articles shall, unless the context otherwise requires, be construed to include a reference to a body corporate or an association, any individual, company, partnership, joint venture, firm, trust or body of individuals (whether incorporated or not).
- 1.6 Any reference to a particular statute or provisions of the statute shall be construed to include reference to any rules, regulations or other subordinate legislation made under the statute and shall, unless the context otherwise requires, include any statutory amendment, modification or re-enactment thereof.
- 1.7 Any reference to an agreement or other document shall be construed to mean a reference to the agreement or other document, as amended or novated from time to time.
2. General Authority
- 2.1 Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that Company cannot carry out any transaction unless the Company is so authorised by its Articles then in that case, the Articles hereby authorise and empower the Company to have such rights, privilege or authority and to carry out such transaction as have been permitted by the Act.

PUBLIC COMPANY

3. The Company is a public company within the meaning of the Act.

SHARE CAPITAL

4. The Authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association

with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the shares in the capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.

5. Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the Shares or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or subject to compliance with Section 53 of the Act, at a discount as they may, from time to time, think fit and proper, and may also issue and allot Shares in the capital of the Company in payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the conduct of its business and the Shares which may be so allotted may be issued as fully paid up Shares and if so issued shall be deemed to be fully paid up Shares, provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.

6. Where at any time, it is proposed to increase its subscribed capital by the issue/allotment of further Shares either out of the unissued capital or increased Share Capital then, such further Shares may be offered to:

(a) Subject to provisions of the Companies Act, 2013, persons who, at the date of offer, are holders of Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (i) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in (i) shall contain a statement of this right; and (iii) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

Nothing in sub-Article (a) (ii) above shall be deemed to extend the time within which the offer should be accepted; or to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(b) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable laws; or

(c) any persons, whether or not those persons include the persons referred to in (a) or (b) above, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act, if a special resolution to this effect is passed by the Company in a General Meeting.

7. Nothing in Article 6 above shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company or to subscribe for Shares in the Company; provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

8. A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act. Save as otherwise provided herein, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by law required, be bound to recognize any equitable or other claim to or interest in such Shares on the part of any

other person.

9. The Company may issue the following kinds of Shares in accordance with these Articles, the Act and other applicable laws:

(i) **Equity Share Capital:**

- (a) with voting rights; and / or
- (b) with differential rights as to dividend, voting or otherwise; and

(ii) **Preference Share Capital**

For the purposes of this Clause, equity share capital and preference share capital shall have the same meaning as ascribed to them under section 43 of the Companies Act, 2013.

10. Except as otherwise provided by the conditions of issue of the Shares or by these Articles, any capital raised by creation of new Shares shall be considered as part of the existing Share Capital and shall be subject to the provisions of these Articles and the Act with reference to payment of calls and installments, transfer, transmission, forfeiture, lien, surrender, voting rights and otherwise.
11. Subject to the provisions of the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by special resolution determine.
12. Subject to the provisions of the Act and these Articles, the Company shall have the power to issue preference share capital carrying a right of redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of such redemption or liable to be redeemed at the option of the Company, and the Board may, subject to the provisions of the Act, exercise such power in such manner as it may think fit. The period of redemption of such preference shares shall not exceed the maximum period for redemption provided under Section 55 of the Act.
13. If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate general meeting of the holders of the Shares of that class, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.
14. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.
15. Subject to the provisions of the Act, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.
16. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a special resolution and subject to the provisions of the Act.
17. Subject to the provisions of Sections 68 to 70 and other applicable provisions of the Act, the Company shall

have the power to buy- back its own Shares or other securities, as it may consider necessary.

18. Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable laws.

COMMISSION

19. The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 or the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
20. The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules.
21. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other.

SHARES AND SHARE CERTIFICATES

22. The Company shall cause to be kept a register of Members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a “foreign register” of Members or debenture holders resident in that country.
23. Every Person whose name is entered as a Member in the register of members shall be entitled to receive:
- (i) one (1) or more certificates in marketable lots for all the Shares of each class or denomination registered in his name, without payment of any charge; or
 - (ii) several certificates, if the Board so approves (upon paying such fee as the Board so determines), each for one (1) or more of such Shares, and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be.
24. Every certificate shall be under the seal, if any, and shall specify the number and distinctive numbers of the Shares to which it relates and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.
25. In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a Share to 1 (one) or several joint holders shall be sufficient delivery to all such holders. Any Member of the Company shall have the right to sub-divide, split or consolidate the total number of Shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation. Every certificate shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding Rs. 50 (Rupees fifty) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.
26. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given to the party entitled

to such lost or destroyed certificate. Notwithstanding the foregoing provisions of this Article 26, the Board shall comply with applicable law including the rules or regulations or requirements of any stock exchange, or the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

27. Subject to the provisions of the Act, the provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures of the Company.
28. If any Share stands in the names of 2 (two) or more persons, the person first named in the Register of Members of the Company shall as regards voting at Board meetings and General Meetings, service of notice and all or any matters connected with the Company, except the transfer of Shares and any other matters herein otherwise provided, be deemed to be sole holder thereof but joint holders of the Shares shall be severally as well as jointly liable for the payment of all deposits, installments and calls due in respect of such Shares and for all incidents thereof according to the Company's Articles.

CALLS ON SHARES

29. Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call.
30. Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
31. A call may be revoked or postponed at the discretion of the Board.
32. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
33. The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
34. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10 % (ten per cent) per annum or at such lower rate, if any, as the Board may determine.
35. The Board shall be at liberty to waive payment of any such interest wholly or in part.
36. Any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
37. The Board may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the member paying such sum in advance agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall *mutatis mutandis* apply to any

calls on debentures of the Company.

38. Where any calls for further Share Capital are made on the Shares of a class, such calls shall be made on a uniform basis on all Shares falling under that class. For the purposes of this Article, Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

DEMATERIALIZATION OF SECURITIES

39. Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialize its securities and offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and the regulations made thereunder.
40. Notwithstanding anything contained in the Articles, and subject to the provisions of the law for the time being in force, the Company shall on a request made by a Beneficial Owner, re-materialize the securities, which are in dematerialized form.
41. Every person subscribing to the securities offered by the Company shall have the option to receive share certificates or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificate of securities.
42. If a person opts to hold his securities with a Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.
43. All securities held by a Depository shall be dematerialized and shall be in a fungible form.
- (a) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of securities on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.
44. Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be the owner of such securities. The Beneficial Owner of the securities shall be entitled to all the liabilities in respect of his securities which are held by a Depository.
45. Notwithstanding anything in the Act or the Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.
46. Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

LIEN

47. The Company shall have a first and paramount lien on every Share or debenture (not being a fully paid-up Share or debenture) registered in the name of each Member (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of such Share or debenture and no equitable interest in any Share or debenture shall be created except upon the footing and condition

that this Article will have full effect. Fully paid-up Shares shall be free from all liens.

Provided that the Board may at any time declare any Shares or debentures wholly or in part to be exempt from the provisions of this Article.

48. The Company's lien, if any, on a Share shall extend to all dividends and bonuses declared and payable by the Company from time to time in respect of such Shares.
49. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien, provided that no sale shall be made:
- (a) unless a sum in respect of which the lien exists is presently payable;
 - (b) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.
50. Unless otherwise agreed, the registration of a transfer of Shares or debentures shall operate as a waiver of the Company's lien, if any, on such Shares or debentures.
51. The following shall apply to any sale of Shares referred to in Article 49 above:
- (a) The Board shall authorise some person to transfer the Shares sold to the purchaser thereof;
 - (b) The purchaser shall be registered as the holder of the Shares that are the subject of any such transfer;
 - (c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale;
 - (d) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable;
 - (e) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.
52. A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien.

TRANSFER OF SHARES

53. The securities or other interest of any Member shall be freely transferable, provided that any contract or arrangement between 2 (two) or more persons in respect of transfer of securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members/ register of Beneficial holder in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof.
54. Subject to the provisions of the Act, these Articles and any other applicable law for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within 1 (one) month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration or transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company

has a lien on the shares.

55. Save as otherwise provided in the Act, no transfer of a Share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or certificates of shares, and is no such certificate is in existence, then the letter of allotment of the shares. Application for the registration of the transfer of a share may be made either by the transferor or by the transferee provided that where such application is made by the transferor, no registration shall, in the case of a partly paid share be affected unless the Company gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 weeks from the date of receipt of the notice, enter in the register the name of the transferee on the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. On giving not less than 7 days previous notice in accordance with the Act or any other time period as may be specified by law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 days at any one time or for more than 45 days in the aggregate in any year.
56. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

TRANSMISSION OF SHARES

57. On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in these Articles shall release the estate of the deceased joint holder from any liability in respect of any Share, which had been jointly held by him with other persons.
58. Any person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:
- (a) to be registered as holder of the Share; or
 - (b) to make such transfer of the Share as the deceased or insolvent Member could have made.
59. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.
60. If the person so becoming entitled shall elect to be registered as holder of the Shares, such person shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
61. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares.
62. All the limitations, restrictions and provisions contained in these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
63. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days,

the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

- 64.** If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 65.** The notice issued under Article 64 shall:
- (a)** name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b)** state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.
- 66.** If the requirement of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 67.** A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- 68.** At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 69.** A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the person to the Company in respect of the Shares.
- 70.** The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.
- 71.** A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all person claiming to be entitled to the Share.
- 72.** The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or otherwise disposed of.
- 73.** The transferee shall there upon be registered as the holder of the Share.
- 74.** The transferee shall not be bound to ascertain or confirm the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
- 75.** The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified.

ALTERATION OF SHARE CAPITAL

- 76.** Subject to these Articles and the provisions of the Act, the Company may, from time to time, by ordinary

resolution, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.

- 77.** Subject to the provisions of the Act, the Company may from time to time by ordinary resolution, undertake any of the following:
- (a)** consolidate or divide, all or any of the Share Capital into Shares of larger amount than its existing Shares;
 - (b)** convert all or any of its fully paid-up Shares into stock, and re-convert that stock into fully paid-up Shares of any denomination;
 - (c)** sub-divide its existing Shares or any number of them into Shares of smaller amount than is fixed by the Memorandum of Association of the Company, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived; or
 - (d)** cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of Share Capital by the amount of the Shares so cancelled. A cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.
- 78.** Subject to the provisions of the Act, the Company may, from time to time, by special resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable law:
- (a)** the Share Capital;
 - (b)** any capital redemption reserve account; or
 - (c)** any Share premium account.

CONVERSION OF SHARES INTO STOCK

- 79.** Where Shares are converted into stock:
- (a)** the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same Article under which, the Shares from which the stock arose might before the conversion have been transferred, or as near there to as circumstances admit, *provided that* the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which the stock arose;
 - (b)** the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of the stock which would not, if existing in Shares, have conferred that privilege or advantage; and
 - (c)** such of the Articles, as are applicable to paid-up Shares shall apply to stock and the words “*share*”, “*shareholder*” and “*Member*” in those Articles shall include “*stock*” and “*stock holder*” respectively.

GENERAL MEETINGS

- 80.** An annual General Meeting shall be held each year within the period specified by the Applicable Law. Not more than 15 (fifteen) months shall elapse between the date of one annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any annual General Meeting may be held. Every annual General Meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other

place within the city in which the registered office of the Company is situate, as the Board may determine.

- 81. Any General Meeting other than an annual General Meeting shall be called extraordinary general meeting.
- 82. The Board may, whenever it thinks fit, call an extraordinary general meeting.
- 83. The Board shall on the requisition of such number of member or members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

PROCEEDINGS AT GENERAL MEETINGS

- 84. A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic mode in such manner as prescribed under the Act, *provided that* a General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety-five percent) of the Members entitled to vote at such meeting.

Notice of every meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by section 20 of the Act

- 85. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
- 86. Notwithstanding anything contained elsewhere in these Articles, the Company:
 - (a) shall, in respect of such items of business as the Central Government may, by notification, declare or which are under any other applicable law required to be transacted only by means of postal ballot; and
 - (b) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or auditors have a right to be heard at any meeting, transact by means of postal ballot,

in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Shareholders by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly.

- 87. Directors may attend and speak at General Meetings, whether or not they are Shareholders.
- 88. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act and the Articles.
- 89. The chairperson, if any, of the Board shall preside as chairperson at every General Meeting of the Company. If there is no such chairperson or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall choose one of the Directors present to be chairperson of the meeting.
- 90. If at any General Meeting no Director is willing to act as chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the general meeting, the Members present shall choose one of the Members to be chairperson of such general meeting.

No business shall be discussed at any General Meeting except the election of the Chairperson whilst the Chair is vacant. If a poll is demanded on the election of the Chairperson it shall be taken forthwith in accordance with the provisions of the Act and these Articles.

- 91. The chairperson may, with the consent of Members at any general meeting at which a quorum is present, and shall, if so directed by the General Meeting, adjourn the General Meeting from time to time and from place to

place.

92. In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned general meeting shall remain the same. The said general meeting if called by requisitionists under Article 83 herein read with Section 100 of the Act shall stand cancelled.
93. In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.
94. No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the General Meeting from which the adjournment took place.
95. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned General Meeting.
96. The required quorum at any adjourned General Meeting shall be the same as that required at the original General Meeting.
97. If at the adjourned meeting too a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called.
98. Any act or resolution which, under the provision of these Articles or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or these Articles specifically require such act to be done or such resolution passed by a special resolution or by a unanimous approval of all the Members.

VOTES OF MEMBERS

99. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
 - (a) on a show of hands, every Member present in person shall have 1 (one) vote; and
 - (b) on a poll, the voting rights of Members shall be in proportion to their share in the paid-up Share Capital.
100. The Chairman at any General Meeting shall not have a second or casting vote.
101. At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the voting on any resolution on show of hands) demanded by any Member or Members present in person or by proxy, and having not less than one-tenth of the total voting power or holding Shares on which an aggregate sum of not less than Rs. 500,000 (Rupees five lakh) or such higher amount as may be prescribed has been paid up.
102. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
103. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.
104. In case of joint holders, the vote of the senior who tenders a vote, whether in person or proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the register of Members of the Company.
105. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction,

may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

- 106. No Member shall be entitled to exercise any voting rights either personally or by proxy at any general meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid.
- 107. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting and whether given personally or by proxy or otherwise shall be deemed valid for all purpose.
- 108. Any such objection made in due time shall be referred to the chairperson of the General Meeting whose decision shall be final and conclusive.

PROXY

- 109. Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the Proxy so appointed shall have no right to speak at the meeting.
- 110. The proxy shall not be entitled to vote except on a poll.
- 111. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 112. An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.
- 113. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given; provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or the adjourned meeting at which the proxy is used.

DIRECTORS

- 114. Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution.
- 115. The Subscribers to the Memorandum of Association are the first Directors of the Company.
- 116. Subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.
- 117. Subject to Section 197 and other applicable provisions of the Act, the remuneration of Directors may be a fixed sum by way of monthly payment or a percentage of the net profits or partly by one way and partly by the other.
- 118. Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of

the Board, subject to the ceiling prescribed under the Act.

- 119.** In addition to the remuneration payable to them in pursuance of the Act, the Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meeting of the Board or any committee thereof or General Meetings of the Company and any other expenses properly incurred by them in connection with the business of the Company. If authorized by the Board, the Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the applicable provisions of the Act.
- 120.** A Director shall not be required to hold any qualification shares in the Company.
- 121.** Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint any other person as an additional director provided that the number of the Directors and additional Directors together shall not at any time exceed the maximum number fixed as above and any person so appointed as an additional Director shall retain his office only up to the date of the next annual General Meeting or last date on which the annual General Meeting should have been held, whichever is earlier, but shall then be eligible for re-appointment as Director of the Company.
- 122.** In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an “Original Director”), subject to these Articles, the Board may appoint another Director (an “Alternate Director”) for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director’s absence. No Person shall be appointed as an Alternate Director to an independent Director unless such Person is qualified to be appointed as an independent Director of the Company. Any person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India
- 123.** The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act or the rules framed thereunder. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing addressed to the Board and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following general meeting. Such Director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later.
- The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.
- 124.** At any annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the retiring Director who is eligible for re-election or some other person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act.
- 125.** If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. Provided any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.

PROCEEDINGS OF THE BOARD

- 126.** The Board may meet for the conduct of business and may adjourn and otherwise regulate its meetings, as it thinks fit.
- 127.** A Director may and the manager or Secretary on the requisition of a Director shall, at any time, summon a

meeting of the Board.

- 128.** A minimum number of 4 (four) Board meetings shall be held every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board, in accordance with the provisions of the Act.
- 129.** Subject to the provisions of the Act and the rules framed thereunder, all or any of the Directors or members of any committee of the Board may participate in a meeting of the Directors or such committee through video conferencing or other audio visual means.
- 130.** No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum under this Article, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.
- 131.** If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.
- 132.** The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
- 133.** Subject to the provisions of the Act and the rules framed thereunder allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director. Each notice of a Board meeting shall:
- (a)** specify a reasonably detailed agenda. Unless waived in writing by all Directors, any item not included in the agenda of a meeting shall not be considered or voted upon at that meeting of the Board;
 - (b)** be accompanied by any relevant supporting papers; and
 - (c)** be sent by: (i) courier if sent to an address in India; or (ii) by e-mail or facsimile transmission if sent to an address outside India.
- 134.** Save as otherwise expressly provided in the Act or these Articles, questions arising at any meeting of the Board shall be decided by a majority of votes.
- 135.** The Directors may from time to time elect a chairman who shall preside at the meetings of the Directors and determine the period for which he is to hold office. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be the chairperson of the meeting.
- 136.** The chairperson of the Board, if any, shall not have any second or casting vote.
- 137.** Subject to Act and the rules framed thereunder, the Board may transact any business, by circulating the resolution proposed in writing to all the Directors, together with the necessary explanatory papers, if any, to all Directors, and such written resolution shall be deemed to have been validly passed and shall take effect if approved by a majority

of Directors entitled to vote.

138. Subject to provisions of the Act, the Board may delegate any of its powers to committees consisting of such Director or Directors as it thinks fit.
139. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
140. A committee may elect a chairperson of its meetings.
141. If no such chairperson is elected, or if at any meeting the chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of themselves to be the chairperson of the meeting.
142. A committee may meet and adjourn as it thinks fit.
143. Questions arising at any meeting of a committee shall be determined by a majority of votes of the Directors present. The chairperson of the committee, if any, shall not have any second or casting vote.
144. Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.
145. Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established provided that every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his presence shall not count for the purposes of forming a quorum at the time of such discussion or vote.
146. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
147. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the Directors or of a committee of the Board, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
148. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book

to be kept for that purpose.

149. Minutes of each meeting of the Board shall be circulated to all Directors.

POWERS OF DIRECTORS

150. The business of the Company shall be vested in the Board of Directors and the Board shall be responsible for the overall direction and management of the Company. Subject to the provisions of the Act, the Board shall have the right to delegate any of their powers to such committee of Directors, managing director, managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.
151. Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
152. The Board of Directors shall, or shall authorize persons in their behalf, to make necessary filings with governmental authorities in accordance with the Act and other applicable law, as may be required from time to time.
153. The Directors shall have the power to open and close bank accounts and operate the same generally, to sign cheques on behalf of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

MANAGING/WHOLE-TIME DIRECTORS

154. Subject to the provisions of the Act, the Board may from time to time appoint one or more Directors to be the Managing Director/ whole-time Director of the Company on such remuneration and terms and conditions as the Board may think fit, and for a fixed term or without any limitation as to the period for which he is to hold such office and from time to time and subject to the provisions of any contract between him and the Company, remove or dismiss him from office and appoint another in his place. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may, from time to time, entrust to and confer upon the Managing Director / whole-time Director, for the time being, such of the powers exercisable hereunder by the Board, as it may think fit, and may confer such powers, for such time and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such power, either collaterally with or to the exclusion of, and in substitution for any of the powers of the Board in that behalf any may, from time to time, revoke, withdraw, alter or vary all or any of such powers.
155. Subject to the provisions of any contract between him and the Company, the Managing Director/ whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and shall *ipso facto* and immediately cease to be the Managing Director if he ceases to hold the office of Director for any cause.
156. Subject to the provisions of the Act, the Managing Director/Whole-time Director shall, in addition to the remuneration payable to him as a Director of the Company, receive such remuneration as may be sanctioned by the Board from time to time and such remuneration may be fixed by way of salary or commission or participation in profit, or perquisites and benefits or by some or all of these modes.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL

OFFICER

- 157.** Subject to the provisions of the Act, a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board.
- 158.** A Director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Subject to the provisions of the Act, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing director or chief executive officer at the same time.
- 159.** Any provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

BORROWING POWERS

- 160.** Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and securities of the Company or by other means as the Board deems expedient.
- 161.** The Board of Directors shall not except with the consent of the Company by way of a special resolution, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of paid up capital of the Company and its free reserves.
- 162.** Subject to the provisions of these Articles, any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board, who may issue them upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company.

DIVIDENDS AND RESERVES

- 163.** The Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. No dividend shall be payable except out of the profits of the Company or any other undistributed profits.
- 164.** Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.
- 165.** The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 166.** Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends

shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.

- 167.** No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of these Articles as paid on the Share.
- 168.** All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.
- 169.** The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares.
- 170.** Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such person and to such address as the holder or joint holders may in writing direct.
- 171.** Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 172.** Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other payments in respect of such Share.
- 173.** Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 174.** No dividend shall bear interest against the Company.
- 175.** Nothing herein shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company.
- 176.** The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the 30 (thirty) day period, transfer the total amount of dividend which remains so unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend of Shreedhar Spinners Limited". Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act. No unclaimed or unpaid dividend shall be forfeited by the Board.

CAPITALISATION OF PROFITS

- 177.** The Company in a General Meeting may, upon the recommendation of the Board, resolve:
 - (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in Article 178 amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same

proportions.

- 178.** The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 179, either in or towards:
- (a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
 - (b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
 - (c) Partly in the way specified in sub-Article (a) and partly in that specified in sub-Article (b) above.
 - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.
 - (e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
- 179.** Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and
 - (b) generally do all acts and things required to give effect thereto.
- 180.** The Board shall have power to:
- (a) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or debentures becoming distributable in fractions; and
 - (b) authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares.
- 181.** Any agreement made under such authority shall be effective and binding on such Members.

INDEMNITY

- 182.** Subject to the provisions of the Act, the Directors, secretary and the other officers for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs, executors and administrators, respectively, shall be indemnified out of the assets of the Company from and against all suits, proceedings, cost, charges, losses, damage and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duty in their respective office or trust except such suits, proceedings, cost, charges, losses, damage and expenses, if any that they shall incur or sustain, by or through their own willful neglect or default respectively and no such officer or trustees shall be answerable for the acts, receipts, neglects or defaults, of any other officer or trustees or joining in any receipts for the sake of confirming or for the solvency or honesty of any bankers or other persons with whom any money or effects belonging to the Company may be lodged or deposited for safe custody or for any insufficiency or deficiency of any securities upon which any money of the Company shall be invested or for any other loss or damage due to any such cause as aforesaid or which may happen in or about the execution of his office or trust unless the same shall happen by the willful, neglect or default of such officer or trustee.
- 183.** The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

ACCOUNTS

- 184.** Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain

the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, *provided that* all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the Registrar a notice in writing giving the full address of that other place, *provided further that* the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

- 185.** The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts or books or documents of the Company, or any of them, shall be open to inspection by the Members not being Directors subject to provisions of the Act and these Articles.
- 186.** No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in General Meeting.
- 187.** All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions.
- 188.** The books of accounts of the Company relating to a period of not less than 8 (eight) years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

AUDIT

- 189.** The statutory auditors of the company shall be appointed, their remuneration shall be fixed, rights, duties and liabilities shall be regulated and their qualifications and disqualifications shall be in accordance with the provisions of Sections 139 to 148 (both inclusive) of the Act.
- 190.** The Company shall at annual General Meeting appoint/reappoint the appointment of the statutory auditor to hold office, in the manner and for such period as prescribed under Section 139 of the Act.
- 191.** The Directors may fill up any casual vacancy in the office of the auditors within 30 (thirty) days subject to the provisions of Section 139 and 140 of the Act and the rules framed thereunder.
- 192.** The remuneration of the auditors shall be fixed by the Company in the annual General Meeting or in such a manner as the Company in the annual General Meeting may determine except that, subject to the applicable provisions of the Act, remuneration of the first or any auditor appointed by the Directors may be fixed by the Directors.
- 193.** The Company shall also appoint a reputed accounting firm as the internal auditor to conduct internal audit of the functions and activities of the Company in accordance with the provisions of the Act.

SECRECY

- 194.** Subject to the provisions of the Act, no Member shall be entitled to visit or inspect any work of the Company without the permission of the Directors, Managing Directors or Secretary or to require inspection of any books of accounts or documents of the Company or any discovery of any information or any detail of the Company's business or any other matter, which is or may be in the nature of a trade secret, mystery of secret process or which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the Managing Director will be inexpedient in the collective interests of the Members of the Company to communicate to the public or any Member.
- 195.** Every Director, manager, secretary, auditor, trustee, member of committee, officer, servant, agent, accountant or other person employed in the business of the Company will be upon entering his duties pledging himself

to observe strict secrecy in respect of all matters of the Company including all transaction with customers, state of accounts with individual and other matters relating thereto and to not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

WINDING UP

- 196.** Subject to the provisions of the Act, in the event of winding up of the Company whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, all or any of the assets of the Company whether they shall consist of property of the same kind or not.
- 197.** For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
- 198.** The liquidator may, with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any Shares or other securities whereon there is any liability.

DOCUMENTS AND SERVICE OF DOCUMENTS

- 199.** A document (which expression of this purpose shall be deemed to include and shall include any summon, notice, requisition, to or in the winding up of the Company) may be served or sent by the Company on or to any Member in the manner prescribed by Section 20 of the Act.
- 200.** Every person, who by operation of law, transfer or by other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such shares which, previously to his/her name and address being entered on the register shall have been duly served on or sent to the person from whom he/she derives his/her title to share.
- 201.** Any notice to be given by the Company shall be signed by such director or secretary or officer as the Board may appoint. The signature on any notice to be given by the Company may be written or printed or lithographed or be affixed by any other mechanical means.

SECTION XI: OTHER INFORMATION
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts (not being contracts entered into in the ordinary course of business carried on by our Company), which have been entered or are to be entered into by our Company, which are, or may be, deemed material, will be attached to the copy of the Draft Red Herring Prospectus, which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Red Herring Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Issue

- (a) Issue Agreement dated December 11, 2025 entered between our Company and the Book Running Lead Manager.
- (b) Registrar Agreement dated December 11, 2025 entered into amongst our Company and the Registrar to the Issue.
- (c) Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (d) Tripartite Agreement dated August 27, 2024 between our Company, NSDL and the Registrar to the Issue.
- (e) Tripartite Agreement dated December 20, 2021 between our Company, CDSL and the Registrar to the Issue.
- (f) Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
- (g) Underwriting Agreement dated [●] between our Company and the Underwriters.
- (h) Syndicate Agreement dated [●] between our Company and the Syndicate Members.

B. Material Documents

- (a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended from time to time;
- (b) Certificate of incorporation dated December 09, 2020 issued by the RoC, Central Registration Centre.
- (c) Fresh certificate of incorporation dated November 17, 2025 issued by RoC at the time of conversion from a private company into a public company;
- (d) Resolutions of our Board of Directors dated November 18, 2025 in relation to the Issue and other related matters;
- (e) Shareholders' resolution dated December 11, 2025 in relation to this Issue and other related matters;
- (f) Resolution of the Board of Directors of the Company dated January 09, 2026 taking on record and approving this Draft Red Herring Prospectus.

- (g) The examination report dated January 09, 2026 of Peer Reviewed Auditors on our Restated Financial Statements, included in this Draft Red Herring Prospectus;
- (h) Copies of Restated Financial Statements of our Company for the period ended September 30, 2025 and for the financial years March 31, 2025, March 31, 2024 and March 31, 2023;
- (i) Copies of Audited Financial Statements of our Company for the period ended September 30, 2025;
- (j) Copies of the annual reports of the Company for the Fiscals 2025, 2024, 2023, 2022 & 2021;
- (k) Statement of Tax Benefits dated January 09, 2026 from the Peer Reviewed Auditors included in this Draft Red Herring Prospectus;
- (l) Consent of the Promoters, Directors, Senior Managerial Personnel, the Book Running Lead Manager, the Syndicate Members, the Legal Counsel to our Issue, the Registrar to the Issue, the Peer Reviewed Statutory Auditor, the Banker to the Company, the Banker to the Issue, the Market Maker, the Underwriter, the Company Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;
- (m) Consent of the Statutory Auditors & Peer Reviewed Auditors, M/s. M R B & Associates, Chartered Accountants to include their name in this Draft Red Herring Prospectus and as an “*Expert*” defined under Section 2(38) of the Companies Act, 2013, read with Section 26 of the Companies Act, 2013, in respect of the reports on the Restated Financial Statements dated January 09, 2026 and the statement of possible special tax benefits dated January 09, 2026 included in this Draft Red Herring Prospectus;
- (n) Resolution of the Audit Committee dated January 09, 2026 approving our key performance indicators;
- (o) Certificate on KPI’s issued by our Statutory Auditor M/s. M R B & Associates, Chartered Accountants dated January 09, 2026;
- (p) Certificate on Working Capital issued by our Statutory Auditor M/s. M R B & Associates, Chartered Accountants dated January 09, 2026;
- (q) Chartered Engineer certificate dated December 12, 2025 from Rajendra V Khodsakar, Independent Chartered Engineer as an expert defined under Section 2(38) of the Companies Act, 2013 for existing capacity and capacity installation;
- (r) Industry Report issued by Wazir Advisors Private Limited dated December 26, 2025;
- (s) Site Visit Report of the Issuer Company dated December 10, 2025, issued by the BRLM;
- (t) Due diligence certificate dated January 09, 2026 issued by Book Running Lead Manager BRLM;
- (u) In principle listing approval dated [●] issued by National Stock Exchange of India Limited;

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Dharmendra Mohandas Goyal
Chairman & Managing Director
DIN: 00163777
Place: Mumbai
Date: January 09, 2026

DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Vishal Agarwal

Non – Executive Non - Independent Director

DIN: 00376242

Place: Mumbai

Date: January 09, 2026

DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Sunita Dharmendra Goyal

Non – Executive Non - Independent Director

DIN: 11325609

Place: Mumbai

Date: January 09, 2026

DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Bhavsar Utsav Sumantkumar

Non – Executive Independent Director

DIN: 10121169

Place: Mumbai

Date: January 09, 2026

DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Atri Maheshvariben Nileshkumar
Non – Executive Independent Director
DIN: 11091124
Place: Mumbai
Date: January 09, 2026

DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

Varesh Goyal
Chief Financial Officer
Place: Mumbai
Date: January 09, 2026

DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

Mitesh Pravinbhai Patel
Company Secretary and Compliance Officer
Place: Mumbai
Date: January 09, 2026