



(Please scan the QR code to view the Prospectus)

SANATHAN TEXTILES LIMITED

Our Company was incorporated as 'Sanathan Textiles Private Limited', at Kolkata, West Bengal as a private limited company under the Companies Act, 1956 and received a certificate of incorporation issued by the RoC, on October 10, 2005. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by the shareholders of our Company passed in their meeting on November 12, 2021, and the name of our Company was changed to its present name 'Sanathan Textiles Limited', pursuant to a fresh certificate of incorporation issued by the RoC on November 18, 2021. For details of changes in the name and registered office of our Company, see 'History and Certain Corporate Matters' on page 269 of the Prospectus dated December 23, 2024 ("Prospectus") filed with the RoC.

Corporate Identification Number: U17299DN2005PLC005690
Registered Office: SRV NO. 187/4/1/2, Near Surangi Bridge, Surangi, Dadra & Nagar Haveli, Silvassa - 396230, India. Corporate Office: D-15, Trade World Building Kamala Mills Compound, Senapati Bapat Marg Lower Parel, Mumbai - 400013, Maharashtra, India
Contact Person: Dsouza Jude Patrick, Company Secretary and Compliance Officer; Tel: + 91 22 6634 3312/3/4/5/6; E-mail: investors@sanathan.com; Website: https://www.sanathan.com

OUR PROMOTERS: PARESH VRAJLAL DATTANI, AJAY VALLABHDAS DATTANI, ANILKUMAR VRAJIDAS DATTANI, DINESH VRAJIDAS DATTANI, NIMBUS TRUST, D&G FAMILY TRUST, A&J FAMILY TRUST AND P&B FAMILY TRUST

Our Company has filed the Prospectus dated December 23, 2024 with the RoC, and the Equity Shares are proposed to be listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") and trading is expected to commence on December 27, 2024.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF 17,133,956 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (EQUITY SHARES) OF SANATHAN TEXTILES LIMITED ('COMPANY' OR 'ISSUER') FOR CASH AT A PRICE OF ₹321.00 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 311.00 PER EQUITY SHARE) (OFFER PRICE) AGGREGATING ₹ 5,500.00 MILLION (OFFER) COMPRISING A FRESH ISSUE OF 12,461,059 EQUITY SHARES AGGREGATING ₹ 4,000.00 MILLION BY OUR COMPANY (FRESH ISSUE) AND AN OFFER FOR SALE OF 46,72,897 EQUITY SHARES AGGREGATING ₹ 1,500.00 MILLION BY THE SELLING SHAREHOLDERS (OFFER FOR SALE) COMPRISING 963,769 EQUITY SHARES AGGREGATING ₹ 309.37 MILLION BY PARESH VRAJLAL DATTANI, 1,080,218 EQUITY SHARES AGGREGATING ₹ 346.75 MILLION BY AJAY VALLABHDAS DATTANI, 1,107,850 EQUITY SHARES AGGREGATING ₹ 355.62 MILLION BY ANILKUMAR VRAJIDAS DATTANI, 1,158,505 EQUITY SHARES AGGREGATING ₹ 371.88 MILLION BY DINESH VRAJIDAS DATTANI (THE 'PROMOTER SELLING SHAREHOLDERS'), 7,788 EQUITY SHARES AGGREGATING ₹ 2.50 MILLION BY VAJUBHAI INVESTMENTS PRIVATE LIMITED, 7,788 EQUITY SHARES AGGREGATING ₹ 2.50 MILLION BY VALLABHDAS DATTANI HUF, 70,093 EQUITY SHARES AGGREGATING ₹ 22.50 MILLION BY SONALI AJAYKUMAR DATTANI, 7,788 EQUITY SHARES AGGREGATING ₹ 2.50 MILLION BY DATTANI DINESHKUMAR VRAJIDAS HUF AND 109,034 EQUITY SHARES AGGREGATING ₹ 35.00 MILLION BY BEENA PARESH DATTANI, 54,519 EQUITY SHARES AGGREGATING ₹ 17.50 MILLION BY ANILKUMAR VRAJIDAS DATTANI HUF, 93,458 EQUITY SHARES AGGREGATING ₹ 30.00 MILLION BY PARESH KUMAR V DATTANI HUF, 3,894 EQUITY SHARES AGGREGATING ₹ 1.25 MILLION BY JAYSHREE ANILKUMAR DATTANI, 7,786 EQUITY SHARES AGGREGATING ₹ 2.50 MILLION BY VALLABHDAS DATTANI AND 405 EQUITY SHARES AGGREGATING ₹ 0.13 MILLION BY AJAY KUMAR DATTANI HUF (THE 'PROMOTER GROUP SELLING SHAREHOLDERS' AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS, COLLECTIVELY REFERRED AS 'SELLING SHAREHOLDERS' AND SUCH OFFER FOR SALE BY THE SELLING SHAREHOLDERS, THE 'OFFER FOR SALE').

ANCHOR INVESTOR OFFER PRICE: ₹ 321 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
OFFER PRICE: ₹ 321 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
THE OFFER PRICE IS 32.10 TIMES OF THE FACE VALUE

RISKS TO INVESTORS:

For details, refer to "Risk Factors" on page 34 of the Prospectus.

- No long term raw material supply agreements.** We do not have long term agreements for supply of our raw materials. If we are unable to procure raw materials of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected. Majority of our raw materials are sourced from few key suppliers. Discontinuation of operations of such suppliers may adversely affect our ability to source raw materials at a competitive price. For quarter ended June 30, 2024, Fiscals 2024, 2023 and 2022, our total cost of material consumed was ₹ 5,476.21 million, ₹ 21,317.15 million, ₹ 23,349.10 million and ₹ 20,632.70 million representing 75.95%, 76.18%, 74.46% and 75.79% respectively, of our total expenses.
- Risk regarding inability to gauge demand and maintain optimal inventory.** If we are unable to gauge the demand of our products accurately and are unable to maintain an optimal level of inventory, our business, results of operations and financial condition may be adversely affected. As of June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, our inventory as a percentage of our current assets was 42.86%, 44.59%, 50.11% and 51.60%, respectively and our inventory turnover ratio (i.e., cost of goods sold divided by average inventory) during these period was 5.51 times, 5.28 times, 5.69 times and 5.45 times. Our inventory cycle (i.e., inventory turnover days) was 66 days, 69 days, 61 days and 80 days, during quarter ended June 30, 2024, Fiscals 2024, 2023 and 2022, respectively.
- Dependence on distributors.** Our relationship with our distributors is critical to our business. During quarter ended June 30, 2024, Fiscals 2024, 2023 and 2022, 96.55%, 94.48%, 93.01% and 93.31%, respectively, of our total revenue from operations was attributable to our distributors. If we are unable to maintain successful relationships with our distributors, our business, results of operations and financial condition may be adversely affected. As on June 30, 2024, we had more than 925 distributors in 7 countries comprising 916 distributors in India, 2 distributors each in Argentina, Canada and Singapore, and 1 distributor each in Germany, Greece and Israel.
- Risk related to high working capital requirement.** Our Company has a high working capital requirement and if our Company is unable to raise sufficient working capital the operations of our Company will be adversely affected. We are in the advanced stages of commissioning a manufacturing facility in Wazirabad, Punjab through our Subsidiary, Sanathan Polycot Private Limited. Once this Subsidiary is operational, then it will also have to arrange for further funding for additional working capital requirement.

Details of our working capital during Fiscals 2024, 2023 and 2022 are set out below:

Particulars	As at and for quarter ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Working capital requirements (i.e., sum of trade receivables and inventory, as reduced by trade payables) (in ₹ million)	1,291.24	942.29 ^A	1,660.27	2,424.87
Details of financing of working capital requirements				
- Cash credit and Packing Facilities (in ₹ million)	-	-	14.96	13.20
- Internal accruals (in ₹ million)	1,291.24	942.29	1,645.31	2,411.67
Working capital days	55 days	49 days	46 days	67 days

^AOur working capital requirements reduced from ₹ 1,660.27 million to ₹ 942.29 million in Fiscal 2024 primarily due to an increase in our trade payables from ₹ 3,773.16 million in Fiscal 2023 to ₹ 4,369.46 million in Fiscal 2024.

- Reduction in operating revenue and PAT Margin in Fiscal 2024 as compared to previous Fiscal.** Our revenue from operations and our PAT Margin has reduced in Fiscal 2024 as compared to Fiscal 2023. Our revenue from operations decreased by 11.17% from ₹ 33,292.13 million in Fiscal 2023 to ₹ 29,575.04 million in Fiscal 2024 and profit after tax of the Company decreased by 12.37% from ₹ 1,527.41 million in Fiscal 2023 to ₹ 1,338.48 million in Fiscal 2024. If we are unable to maintain or increase our revenue from operations, our profit and our profit margin, then it may have an adverse effect on our business operations and our growth strategies.

Set out below is our revenue from operations, our profit after tax and our PAT Margin during quarter ended June 30, 2024, Fiscals 2024, 2023 and 2022:

Particulars	Quarter ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations (in ₹ million)	7,811.28	29,575.04	33,292.13	31,853.20
Profit after tax (in ₹ million)	500.73	1,338.48	1,527.41	3,554.42
PAT Margin ⁽¹⁾	6.41%	4.53%	4.59%	11.16%

PAT Margin = Profit after tax / Revenue from operations.

- Risk related to dependence on limited geographies.** During quarter ended June 30, 2024, Fiscals 2024, 2023 and 2022, we derived 62.51%, 65.10%, 60.88% and 55.63% our revenue from operations from domestic sales from our customers in Gujarat, Maharashtra and Punjab, which exposes us to risks specific to these Indian geographies and market.
- Risk relating to dependency on import of raw material and forex rate fluctuation.** We import a large portion of our raw materials from international suppliers and any adverse foreign exchange fluctuation could increase our cost of operations and affect our profitability. A large portion of our raw materials is imported from international suppliers. During quarter ended June 30, 2024, Fiscals 2024,

- 2023 and 2022, our total raw material consumed which was imported was ₹ 2,100.61 million, ₹ 8,699.89 million, ₹ 8,697.32 million and ₹ 4,445.89 million representing 39.95%, 41.94%, 46.93% and 27.11%, respectively, of our total raw material consumed. Further, any restriction or embargo on the sourcing of raw materials from certain countries could adversely affect our business and financial condition.
- Certain ratios may not be indicative of market price of Equity shares on listing.** The Offer Price, market capitalization to total income multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing
- Risk in relation to upcoming Punjab Manufacturing Facility being set up by our wholly owned subsidiary Sanathan Polycot Private Limited.** A portion of the Net Proceeds from the IPO are proposed to be utilized for repayment and, or, pre-payment of a portion, of certain outstanding borrowings availed by our subsidiary which will not result in creation of any tangible assets. This Subsidiary has incurred losses incurred losses of ₹ 22.31 million, ₹ 75.70 million, ₹ 34.45 million and ₹ 0.95 million during quarter ended June 30, 2024, Fiscals 2024, 2023 and 2022, respectively. The Punjab Manufacturing Facility, being set up by our Subsidiary is in the advanced stages of commissioning and our business and its growth will depend on this facility. Any loss of or shutdown of operations of this facility, once operational, could adversely affect our business or results of operations.
- The weighted average cost of acquisition of all shares transacted by our Promoters, the Promoter Group, the Selling Shareholders or Shareholder(s) with rights to nominate Director(s) or other special rights, in the last eighteen months, one year and three years preceding the date of the Prospectus

Period	Weighted average cost of acquisition (in ₹) ^A	Cap Price is 'x' times the weighted average cost of acquisition ^A	Range of acquisition price: Lowest price - Highest price (in ₹) ^A
Last 1 year preceding the date of this Prospectus	321.00	1	321.00
Last 18 months preceding the date of this Prospectus	321.00	1	321.00
Last three years preceding the date of this Prospectus	321.00	1	321.00

^AAs certified by Jain Tripathi & Co, Independent Chartered Accountant, pursuant to a certificate dated December 17, 2024.

Note: There has been no acquisition of shares transacted by our Promoters, the Promoter Group, the Selling Shareholders or Shareholders with rights to nominate Director(s) or other special rights, in the last eighteen months, one year and three years preceding the date of the Prospectus.

- Risk relating to various in utilization of Net Proceeds.** Any variation in the utilization of the Net Proceeds as disclosed in the Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.
- Risk relating to inability to implement growth strategies.** We may not be able to successfully manage the growth of our business if we are not able to effectively implement our strategies. In particular, the proposed increase in our manufacturing capacities may not be successful or we may not have demand for our products which may be commensurate to the proposed increase of our manufacturing capacities.
- The BRLMs associated with the Offer have handled 66 public issues in the past three financial years, out of which 20 issues have closed below the offer price on the listing date

Name of BRLMs	Total Public Issues	Issues closed below the Offer Price on listing date
DAM Capital Advisors Limited [*]	9	5
ICICI Securities Limited [*]	50	13
Common issue handled by the above BRLMs	7	2
Total	66	20

^{*}Issues handled where there were no common BRLMs

- Risk in relation to significant indebtedness.** As of September 30, 2024, our total sanctioned and outstanding indebtedness was ₹ 27,215.86 million and ₹ 13,930.13 million, respectively. The level of our indebtedness could have several important consequences. A significant portion of our cash flow may be used towards repayment of our existing debt, which will reduce the available cash flow to fund our capital expenditures. Defaults of payment and other obligations under our financing arrangements may result in acceleration of our repayment obligations and enforcement of related security interests over our assets. Substantial portion of our long term indebtedness is subject to floating rates of interest and fluctuations in market interest rates may require us to pay higher rates of interest and will also affect the cost of our borrowings.

- No long term agreements with customer.** We do not have long-term agreements with a majority of our customers. Any changes or cancellations to our orders or our inability to forecast demand for our products may adversely affect our business, results of operations and financial condition.
- Our Company will not receive any proceeds from the Offer for Sale.** The Net Proceeds from the Offer for Sale comprises 27.27% of the total Offer size, it will be transferred to each of the Selling Shareholders, in proportion to its respective portion of the Offered Shares transferred by each of them in the Offer for Sale. This will not result in any creation of value for us or in respect of your investment in our Company.

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE OPENED AND CLOSED ON WEDNESDAY, DECEMBER 18, 2024
BID/ OFFER OPENED ON THURSDAY, DECEMBER 19, 2024 | BID/ OFFER CLOSED ON MONDAY, DECEMBER 23, 2024

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The Offer was made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 (SCRR), read with Regulation 31 of the SEBI ICDR Regulations. The Offer was made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Offer was made available for allocation on a proportionate basis to Qualified Institutional Buyers (QIBs) (such portion referred to as QIB Portion). Our Company, in consultation with the BRLMs allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (Anchor Investor Portion), out of which one-third was reserved for domestic Mutual Funds only, subject to valid Bids having been received from domestic Mutual Funds at or above the price at which allocation was made to Anchor Investors (Anchor Investor Allocation Price), in accordance with the SEBI ICDR Regulations Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion was reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 1.00 million, and not less than 35% of the Offer was made available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. All potential Bidders (except Anchor Investors) were required to mandatorily use the Application Supported by Blocked Amount (ASBA) process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts would have been blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For further details, see 'Offer Procedure' on page 506 of the Prospectus.

The bidding for Anchor Investor opened and closed on December 18, 2024. The Company received 20 applications from 15 Anchor Investors for 6,308,716 Equity Shares. The Anchor Investor Issue Price was finalized at ₹321 per Equity Share. A total of 5,140,186 Equity Shares were allocated under the Anchor Investor Portion aggregating to ₹ 1,649,999,706.00. The Offer received 1,196,856 applications for 450,872,358 Equity Shares resulting in 26.31455 times subscription. The details of the applications received in the Offer from Retail Individual Bidders, Non-Institutional Bidders and QIBs are as under (before technical rejections):

Table with 6 columns: Sl. No., Category, No. of Applications Applied, No. of Equity Shares, Shares Reserved as per Prospectus, No. of Times Subscribed, Amount (₹). Rows include Retail Individual Bidders, Non-Institutional Bidders, Qualified Institutional Bidders, and Anchor Investors.

*This excludes 9,304 applications for 470,396 Equity Shares aggregating to ₹ 150,979,820/- from Retail Individual which were not in bid book but which were banked.

Final Demand

A summary of the final demand as per NSE and BSE as on the Bid/Offer Closing Date at different Bid prices is as under:

Table with 6 columns: Sr. No, Bid Price, No. of Equity Shares, % to Total, Cumulative Total, Cumulative % of Total. Shows bid price progression from 305 to 321 and a CUTOFF at 321.

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being NSE on December 24, 2024.

A. Allotment to Retail Individual Bidders (After Technical Rejections) (including ASBA Applications)

The Basis of Allotment to the Retail Individual Bidders, who have bid at cut-off or at the Offer Price of ₹321 per Equity, was finalized in consultation with NSE. This category has been subscribed to the extent of 9.30013 times. The total number of Equity Shares Allotted in Retail Individual Bidders category is 5,996,885 Equity Shares to 130,367 successful applicants. The category-wise details of the Basis of Allotment are as under:

Table with 8 columns: Sl. No, Category, No. of Applications Received, % of Total, Total No. of Equity Shares applied, % to Total, No. of Equity Shares allotted per Bidder, Ratio, Total No. of Equity Shares allotted. Includes a TOTAL row.

Please Note: 1 additional Share shall be allotted to 3 Applicants from amongst 4970 Successful Allottees from the categories 92- 598 (i.e. excluding successful Allottees from Category 46) in the ratio of 3 : 4970

B. Allotment to Non-Institutional Bidders (more than ₹0.20 million and upto ₹1 million) (After Technical Rejections) (including ASBA Applications)

The Basis of Allotment to the Non-Institutional Bidders (more than ₹ 0.20 million and upto ₹ 1 million), who have bid at the Offer Price of ₹ 321 per Equity Share or above, was finalized in consultation with NSE. This category has been subscribed to the extent of 36.23280 times. The total number of Equity Shares allotted in this category is 856,698 Equity Shares to 1,330 successful applicants. The category-wise details of the Basis of Allotment are as under:

Table with 8 columns: Sr. No, Category, No. of Applications Received, % of Total, Total No. of Equity Shares applied, % to Total, No. of Equity Shares allotted per applicant, Ratio, Total No. of Equity Shares allotted. Includes a TOTAL row.

Please Note: 1 (One) lot of 644 shares have been allotted 3 Applicants from amongst all the Applicants from Serial No. 15 to 46 in the ratio of 3 : 141 (All these categories have been moved at the end for easy reference)

Please Note: 4 additional Shares shall be allotted to 40 successful allottees from Sino 2 to Sino 46 (except Sr No. 1) in the ratio of 1 : 1

Please Note: 1 additional Share shall be allotted to 18 successful allottees from Sino 2 to Sino 46 (except Sr No. 1) in the ratio of 9 : 20

C. Allotment to Non-Institutional Bidders (more than ₹1 million) (After Technical Rejections) (including ASBA Applications)

The Basis of Allotment to the Non-Institutional Bidders (more than ₹1 million), who have bid at the Offer Price of ₹321 per Equity Share or above, was finalized in consultation with NSE. This category has been subscribed to the extent of 48.27316 times. The total number of Equity Shares allotted in this category is 1,713,396 Equity Shares to 2,660 successful applicants. The category-wise details of the Basis of Allotment are as under: (Sample)

Table with 7 columns: Category, No. of Applications Received, % of Total, Total No. of Equity Shares applied, % to Total, No. of Equity Shares allotted per applicant, Ratio, Total No. of Equity Shares allotted. Includes a TOTAL row.

Please Note: 1 (One) lot of 644 shares have been allotted 62 Applicants from amongst all the Applicants from Serial No. 22 to 71 in the ratio of 3 : 62 (All these categories have been moved at the end for easy reference)

Please Note: 1 additional Share shall be allotted to 356 Allottees from amongst 2660 Successful Applicants from all the categories in the ratio of 89 : 665

D. Allotment to QIBs (After Technical Rejections)

Allotment to QIBs, who have bid at the Offer Price of ₹321 per Equity Share or above, has been done on a proportionate basis in consultation with NSE. This category has been subscribed to the extent of 79.44564 times of Net QIB portion. As per the SEBI Regulations, Mutual Funds were allotted 5% of the Equity Shares of Net QIB portion available i.e. 171,340 Equity Shares and other QIBs and unsatisfied demand of Mutual Funds were allotted the remaining available Equity Shares i.e. 3,255,451 Equity Shares on a proportionate basis. The total number of Equity Shares allotted in the QIB category is 3,426,791 Equity Shares, which were allotted to 59 successful Applicants.

Table with 8 columns: Category, FIs/BANK'S, MFS, IC'S, NBFC'S, AIF, FPC/FII, Others, Total. Includes a TOTAL row.

E. Allotment to Anchor Investors (After Technical Rejections)

The Company, in consultation with the BRLMs, have allocated 5,140,186 Equity Shares to 15 Anchor Investors (through 20 Anchor Investor Application Forms) (including 9 domestic Mutual Funds through 14 schemes) at an Anchor Offer Price at ₹321 per Equity Share in accordance with SEBI ICDR Regulations. This represents 60% of the QIB portion.

Table with 8 columns: Category, FIs/BANK'S, MFS, IC'S, NBFC'S, AIF, FPC/FII, OTHERS, Total. Includes a TOTAL row.

The Board of Directors of our Company at its meeting held on December 24, 2024 has taken on record the basis of allotment of Equity Shares approved by the Designated Stock Exchange, being NSE and has allotted the Equity Shares to various successful applicants. The Allotment Advice Cum Refund Intimation and/or notices have been dispatched to the address of the investors as registered with the depositories. Further, instructions to the SCSBs have been issued for unblocking of funds and transfer to the Public Offer Account on December 24, 2024 and the payments to non-syndicate brokers have been issued on December 26, 2024. In case the same is not received within ten days, investors may contact the Registrar to the Offer at the address given below. The Equity Shares allotted to the successful allottees have been uploaded on December 26, 2024 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company has filed the Listing application with BSE and NSE on December 26, 2024. The Company has received the listing and trading approval from BSE & NSE, and trading will commence on December 27, 2024.

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus.

CORRIGENDUM NOTICE TO INVESTORS

This corrigendum notice to investors is in relation to the Prospectus. Potential Bidders may note the following:

- Point no. 6 in 'Material Contracts and Documents for Inspection - Material Contracts' on page 539 of the Prospectus, stands amended as follows:
'. . . 6 Syndicate Agreement dated December 13, 2024 entered amongst our Company, the Selling Shareholders, the Registrar to the Offer, and the Syndicate Members . . .'
Point no. 20 in 'Material Contracts and Documents for Inspection - Material Documents' on page 540 of the Prospectus stands amended as follows:
'. . . 20. Bank of Baroda - Principal Term Loan Agreement dated January 10, 2013, Supplemental Joint Term Loan Agreement dated April 27, 2017, Second Supplemental Joint Term Loan Agreement dated October 17, 2018, Fourth Supplemental Joint Term Loan Agreement dated September 23, 2019, Fifth Supplemental Joint Term Loan Agreement dated July 13, 2021, Joint Term Loan Agreement dated March 26, 2014, Sanction Letter dated August 5, 2022, Principal Vehicle Loan Agreement dated August 2, 2023, Principal Vehicle Loan Agreement dated September 7, 2023, Principal Vehicle Loan Agreement dated August 28, 2023, Principal Vehicle Loan Agreement dated November 17, 2023, Sixth Supplemental Joint Term Loan Agreement, Sixth Supplemental Working Capital Loan Agreement, Sixth Supplemental Inter-se Loan Agreement, Joint Deed of Hypothecation, Counter Indemnity of Guarantees dated June 3, 2023 and Reviewed Sanction Letter dated January 1, 2024 . . .'

In the chapter 'Capital Structure - Secondary Transactions of Equity Shares of our Company' beginning on page 117 of the Prospectus, and as stated in the Advertisement dated December 17, 2024 issued by our Company, the following transfer of Equity Shares, aggregating 57,300 Equity Shares, initiated on December 16, 2024, have not been credited to the demat account of the transferees and are held by the transferors: (i) 31,000 Equity Shares from Anilkumar Dattani to Raj Kumar Jain; (ii) 15,500 Equity Shares from Anilkumar Dattani to Vedansh Surendra Jwarajka; (iii) 6,200 Equity Shares from Vallabhdas Dattani to Kareena Kanani; and (iv) 4,600 Equity Shares from Beena Dattani to Kishorinani Ramdas Mirani. Accordingly, the details in the Prospectus particularly the number of Equity Shares held by Anilkumar Dattani, Vallabhdas Dattani, and Beena Dattani and their shareholding percentage, and the number of shareholders should not take into account these transfers of Equity Shares and the Prospectus to this effect stands amended. Further, the quantum of Offered Shares by Vallabhdas Dattani shall read as 7,786 Equity Shares instead of 7,788 Equity Shares on the front cover page and section titled 'Capital Structure - 16. Details of Shareholding of our Promoters and members of the Promoter Group in our Company' on page 132 of the Prospectus.

In light of the above, the details appearing on page 22 in the section titled 'Summary of Offer Document - Aggregate Pre-Offer shareholding of Promoters, the Selling Shareholders and the members of our Promoter Group as a percentage of the pre-Offer and post-Offer paid-up Equity Share capital of our Company' and on page 133 in the section titled 'Capital Structure - Details of shareholding of the Selling Shareholders' shall stand amended as: (i) Anilkumar Vrajdass Dattani pre-Offer Equity Share capital as 6,689,900 Equity Shares constituting 9.30% and post-Offer Equity Share capital as 55,82,050 Equity Shares constituting 6.61%; (ii) Beena Pares Dattani pre-Offer Equity Share capital as 1,33,000 Equity Shares constituting 0.18% and post-Offer Equity Share capital as 23,966 Equity Shares constituting 0.03%; and (iii) Vallabhdas Dattani pre-Offer Equity Share capital as 1,39,650 Equity Shares constituting 0.19% and post-Offer Equity Share capital as 1,31,864 Equity Shares constituting 0.16%. Further, the shareholding of the Promoters shall read as 69,801,850 Equity Shares, the shareholding of the members of the Promoter Group shall read as 11,96,880 Equity Shares, and the shareholding of the Public shareholders shall read as 944,270 Equity Shares on page 124 in the section titled 'Capital Structure - Shareholding Pattern of our Company' of the Prospectus. Accordingly, the changes in relation to the shareholding of the Promoters and the Promoter Group shall also stand amended in Risk Factor No. 31 on page 55 of the Prospectus, 'Capital Structure - Other details of Shareholding of our Company' on page 125 of the Prospectus, 'Our Management - Shareholding of Directors of our Company' and 'Our Management - Shareholding of Key Managerial Personnel and Senior Management' on pages 293 and 306, respectively, of the Prospectus, and 'Our Promoters and Promoter Group' on page 309 of the Prospectus.

The above Notice should be read in conjunction with the Prospectus and accordingly references in the Prospectus stand updated pursuant to this Notice. The information in this Notice supplements the Prospectus and updates the information in the Prospectus as applicable. This Notice does not reflect all the changes that have occurred between the date of filing of the Prospectus and the date hereof.

INVESTORS PLEASE NOTE

These details of the Allotment made was hosted on the website of Registrar to the Offer, Kfin Technologies Limited at www.kfintech.com.

All future correspondence in this regard may kindly be addressed to the Registrar to the Offer quoting full name of the First/ Sole applicant, Serial number of the Bid cum Application form number, Bidders DP ID, Client ID, PAN, date of submission of Bid cum Application Form, address of the Bidder, number of Equity Shares bid for, name of the Member of the Syndicate, place where the bid was submitted and payment details at the address given below:



KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Selenium, Tower B, Plot No. 31 and 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India Tel: +91 40 6716 2222; E-mail: st.ipo@kfintech.com; Investor Grievance E-mail: einward.ris@kfintech.com; Website: www.kfintech.com; Contact person: M. Murali Krishna; SEBI registration number: INR000000221

For SANATHAN TEXTILES LIMITED

Place : Dadra & Nagar Haveli, Silvassa Date : December 26, 2024

Sd/- Dsouza Jude Patrick Company Secretary & Compliance Officer

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF SANATHAN TEXTILES LIMITED.

SANATHAN TEXTILES LIMITED has filed a Prospectus dated December 23, 2024 with the RoC. The Prospectus is made available on the website of the SEBI at www.sebi.gov.in as well as on the website of the BRLMs i.e., DAM Capital Advisors Limited at www.damcapital.in and ICICI Securities Limited at www.icicisecurities.com, the website of the NSE at www.nseindia.com and the website of the BSE at www.bseindia.com and the website of the Company at https://www.sanathan.com. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risks, please see the section 'Risk Factors' beginning on page 34 of the Prospectus. Potential investors should not rely on the DRHP for making any investment decision but should only rely on the information included in the RHP filed by the Company with the RoC.

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made. There will be no public offering of securities in the United States.