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Red Herring Prospectus
Dated: August 24, 2026
Please read Sections 26 and 32 of the Companies Act, 2013
100% Book Built Issue

ASHUTOSH FIBRE LIMITED

(Formerly known as Ashutosh Fibre Private Limited)

(Corporate Identity Number: U24299GJ1985PLC007831)

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
111-New Cloth Market Raipur, Ahmedabad-380002, Gujarat, India	Sonal Bankim Bhansali, Company Secretary and Compliance Officer	**Email:** info@ashutoshfibre.com **Telephone No.**: + 91 9727 559 799	https://www.ashutoshfibre.com/

THE PROMOTERS OF OUR COMPANY ARE SIDDHARTH PRAKASH PATEL, ABHISHEK RAJENDRAKUMAR AGARWAL AND PRAHASH FIN-STOCK PRIVATE LIMITED

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE	OFS SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 61,24,800 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs	Nil	Up to 61,24,800 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs	The Issue is being made with compliance to Regulation 229(2), 253(1) and 253(2) of the SEBI ICDR Regulations, 2018 as amended. For further details refer to chapter titled ***"Other Regulatory and Statutory Disclosures – Eligibility for the Issue"*** on page 271 of this Red Herring Prospectus. For details pertaining to reservation among Qualified Institutional Buyers, Non-Institutional Buyers and Individual Bidders, please refer to chapter titled ***"The Issue"*** and ***"Issue Structure"*** on page 52 and 293 of this Red Herring Prospectus.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price, Floor Price or Price Band as determined by our Company in consultation with the Book Running Lead Manager and on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as stated under "***Basis for Issue Price***" on page 101 of this Red Herring Prospectus, 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 the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 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 contents of this Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 20 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 the Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("**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 December 23, 2025, from NSE for using its name in the Issue Document for listing of our Equity shares on NSE Emerge. For the purpose of the Issue, the Designated Stock Exchange shall be NSE.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

LOGO AND NAME	CONTACT PERSON	EMAIL & TELEPHONE
MEFCOM **Mefcom Capital Markets Limited**	Rupesh Khant / Padmavathi S	**Email:** afl.ipo@mefcomcap.in **Tel. No** +91 (022) 3522 7026

REGISTRAR TO THE ISSUE

LOGO AND NAME	CONTACT PERSON	EMAIL & TELEPHONE
KFINTECH EXPERIENCE TRANSFORMATION **KFin Technologies Limited**	M Murali Krishna	**Email**: ashutosh.ipo@kfintech.com **Tel. No**: +91 40 6716 2222

BID/ISSUE PROGRAMME

ANCHOR INVESTOR BID/ISSUE PERIOD: August 28, 2026*	**BID/ISSUE OPENS ON: August 31, 2026***	**BID/ISSUE CLOSES ON: September 02, 2026^**

* *Our Company, in consultation with the BRLM, has considered participation by Anchor investors, in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/Issue date is one Working Day prior to the Bid/Issue Opening Date.*

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

ASHUTOSH FIBRE LIMITED

(Formerly known as Ashutosh Fibre Private Limited)

(Corporate Identity Number: U24299GJ1985PLC007831)

Our Company was originally incorporated on May 21, 1985 under the name **"Ashutosh Fibre Private Limited"** at Ahmedabad, Gujarat, under the provisions of the Companies Act, 1956 and the Certificate of Incorporation was issued at Ahmedabad by Registrar of Companies, Gujarat bearing Registration Number 007831 of 1985. Pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on July 29, 2024, our Company was converted from a private limited company to public limited company and consequently, the name of our Company was changed to **"Ashutosh Fibre Limited"** and a fresh certificate of incorporation dated April 21, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The present CIN of our Company is U24299GJ1985PLC007831. For details in relation to the incorporation, Change in Registered Office and other details, please refer to the chapter titled "***History and Certain Corporate Matters***" beginning on page 209 of Red Herring Prospectus.

Registered Office: 111-New Cloth Market Raipur, Ahmedabad-380002, Gujarat, India.

Website: https://www.ashutoshfibre.com/ **E-Mail**: info@ashutoshfibre.com; **Telephone No:** + 91 9727 559 799; **Company Secretary and Compliance Officer:** Sonal Bankim Bhansali

THE PROMOTERS OF OUR COMPANY ARE SIDDHARTH PRAKASH PATEL, ABHISHEK RAJENDRAKUMAR AGARWAL AND PRAHASH FIN-STOCK PRIVATE LIMITED

DETAIL OF THE ISSUE

INITIAL PUBLIC OFFER OF UP TO 61,24,800 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF ASHUTOSH FIBRE LIMITED ("OUR COMPANY" OR "COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS COMPRISING OF FRESH ISSUE OF UP TO 61,24,800 EQUITY SHARES AGGREGATING TO ₹ [●] ("THE ISSUE") OF WHICH UP TO 3,07,200 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION").

THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 58,17,600 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS ("NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % OF THE POST-ISSUE PAID- UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 284.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ONE ENGLISH NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION, ONE HINDI NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION AND ONE REGIONAL LANGUAGE NEWSPAPER WITH WIDE CIRCULATION AT THE PLACE WHERE THE REGISTERED OFFICE OF OUR COMPANY IS SITUATED AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NSE FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

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 ten (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 Day, 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.

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 229(2) of the SEBI ICDR Regulations, and in compliance with Regulation 253(1) and 253(2) 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"). 40% of the Anchor Investor portion shall be reserved as: (i) 33.33% for domestic mutual funds; and (ii) 6.67% for life insurance companies and pension fund subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 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 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 Investors, out of which (a) one third of such portion shall be reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10 lakhs and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 10 lakhs 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 298 of this Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to the section titled "***Issue Procedure***" beginning on page 298 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price, Floor Price or Price Band as determined by our Company in consultation with the Book Running Lead Manager and on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 101 of this Red Herring Prospectus, 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 the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 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 contents of this Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 20 of this Red Herring Prospectus**.**

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 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 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 Red Herring Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited **("NSE Emerge")** in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an "In-Principle" Approval letter dated December 23, 2025 from NSE for using its name in this Issue document for listing our equity shares on the NSE Emerge. For the purpose of this Issue, the designated Stock Exchange is the NSE.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	**REGISTRAR TO THE ISSUE**
MEFCOM	KFINTECH EXPERIENCE TRANSFORMATION
Mefcom Capital Markets Limited **Address:** G-III, Ground Floor, Dalamal House, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400021, Maharashtra, India. **Telephone:** +91 (022) 3522 7026 **E-mail:** afl.ipo@mefcomcap.in; **Website:** https://www.mefcomcap.in **Investor Grievance E-mail:** investor.grievance@mefcom.in **Contact Person:** Rupesh Khant/Padmavathi S **SEBI Registration Number:** INM000000016	**KFin Technologies Limited** **Address:** Selenium Tower -B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telangana, India. **Telephone:** +91 40 6716 2222 **E-mail:** ashutosh.ipo@kfintech.com; **Website:** www.kfintech.com **Investor Grievance E-mail:** investorsupport.mfs@kfintech.com **Contact Person:** M Murali Krishna **SEBI Registration No.:** INR000000221

BID/ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE: August 28, 2026*	**ISSUE OPENS ON: August 31, 2026***	**ISSUE CLOSES ON: September 02, 2026^**

* *Our Company, in consultation with the BRLM, has considered participation by Anchor investors, in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/Issue date is one Working Day prior to the Bid/Issue Opening Date.*

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, directions, notifications, circulars, clarifications or policy shall be to such legislation, act, regulation, rule, guideline directions, notifications, circulars, clarifications or policy, as amended, updated, 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. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 ("SCRA"), the Depositories Act or the rules and regulations made there under.

*Notwithstanding the foregoing, terms used in the chapters titled "**Industry Overview**", "**Key Industrial Regulations and Policies**", **"Statement of Possible Tax Benefits", "Restated Financial Statements", "Basis for Issue Price", "History and Certain Corporate Matters", "Other Regulatory and Statutory Disclosures", "Outstanding Litigation and Material Developments", "Description of Equity Shares and Terms of the Articles of Association"** on pages 113, 191, 110, 242, 101, 101,271, 263 and 331 respectively, shall have the meaning ascribed to such terms in such sections.*

General Terms

Terms	Description
"Ashutosh Fibre Limited", "the Company" "our Company", "Issuer", "we", "us" and "our"	Ashutosh Fibre Limited, a public limited company incorporated in India under the Companies Act, 1956, having its Registered office at 111 – New Cloth Market Raipur, Ahmedabad-380002, Gujarat, India.
"Our Promoter(s)"	Siddharth Prakash Patel and Abhishek Rajendrakumar Agarwal are the individual promoters and Prahash Fin-Stock Private Limited is the corporate promoter of the Issuer Company.
"Promoters' Group"	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled "***Our Promoters and Promoters Group***" beginning on page 231.
"you", "your" or "yours"	Prospective investors in this Issue.

Company related and Conventional terms

Terms	Description
AOA/ Articles/ Articles of Association	Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Board constituted in accordance with Section 177 of the Companies Act, 2013 and as described in the chapter titled "***Our Management-Constitution of Committees-Audit Committee***" beginning on page 219.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s Shah & Patel, Chartered Accountants. Holding a valid peer review certificate as mentioned in the section titled "***General Information***" beginning on page 57.
Bankers to the Company	Citi Bank N.A., Punjab National Bank and Bank of Baroda.
Bankers to the Issue	Collectively, Escrow Collection Bank(s), Public Issue Account Bank(s), Sponsor Bank(s) and Refund Bank(s), as the case may be.
Board of Directors/ the Board/ our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled ***"Our Management"*** beginning on page 212.
Central Processing Centre (CPC)	It's an initiative of the Ministry of Corporate Affairs (MCA) for centralized processing of regulatory compliance forms filed under Companies Act, 2013 and Limited Liability Partnership Act, 2008.
Chairman or Chairperson	The Chairman of Board of Directors of our Company being Siddharth Prakash Patel.
Chartered Engineer	The Independent Chartered Engineer appointed by our Company, being B.P. Oza & Associates.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Alpesh Rameshchandra Bhavsar. For

	further details, please refer to the Section titled "***Our Management***" beginning on page 212.
CIN	Corporate Identity Number of our Company i.e. U24299GJ1985PLC007831.
Committee(s)	Duly constituted committee(s) of our Board of Directors, as described in *"**Our Management – Constitution of Committees**"* on page 219.
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013 / Companies Act	The Companies Act, 2013 as amended from time to time along with the relevant rules, regulations, clarifications and modifications made thereunder.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Sonal Bankim Bhansali.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996.
DIN	Director Identification Number
Director(s)/ our Directors	The Director(s) of our Company, unless otherwise specified. For details of our directors, see "***Our Management***" on page 212.
Equity Shares	Equity Shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Executive Director(s)	Executive Director means a Whole Time Director as defined in clause (94) of section 2 of the Act".
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).
GIR Number	General Index Registry Number
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, Group companies shall include such companies (other than our Promoter and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and as disclosed under section titled *"**Group Companies**"* beginning on page 237.
HNI	High Net worth Individual
IBC	The Insolvency and Bankruptcy Code, 2016.
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details, see section titled "***Our Management***" beginning on page 212.
Ind AS or Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being INE19FR01012.
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Managerial Personnel/ KMP	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled "***Our Management***" beginning on page 212.
Key Performance Indicators or KPIs	Key financial and operational performance indicators of our Company, as included in ***"Basis for Issue Price"*** beginning on page 101.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Managing Director	Managing Director of our company, namely Siddharth Prakash Patel. For details refer chapter titled "***Our Management***" beginning on page 212.
Materiality Resolution	Resolution of Board of Directors dated September 16, 2025 for identification of group companies, material creditors and material litigation, in accordance with the requirements of the SEBI ICDR Regulations.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled "***Our Management***" beginning on page 212.
Non-Executive Director	The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, 2013 and the rules thereunder. For details, see section titled "***Our Management***" on page 212.
NRIs/ Non-Resident Indians	A person resident outside India, as defined under FEMA.
Person or 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.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	The registered office of our Company situated at 111-New Cloth Market Raipur, Ahmedabad-380002, Gujarat, India.
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act, 1934.
Restated Financial Statements	The restated financial statements 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 financial years ended on March 31, 2026, March 31, 2025 and March 31, 2024 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, 2013, 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	Unless specified otherwise refers to Registrar of Companies, Ahmedabad.
Senior Management (SM)	The Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in chapter titled "***Our Management***" beginning on page 212.
Shareholders	Shareholders of our Company from time to time.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and regulation 20 of SEBI (Listing obligations and disclosure requirements) regulations 2015 as described in the chapter titled "***Our Management***" beginning on 212.
Subscriber to MOA	Initial Subscribers to MOA being Khimraj Balar and Jagdishchandra Agrawal.
Whole Time Director	Whole-time director includes a director in the whole-time employment of our Company.
You or Your or Yours	Prospective Investors in this Issue.

Issue Related Terms

Terms	Description
Abridged Prospectus	The memorandum containing such salient features of prospectus as may be specified by SEBI in this regard.
Addendum/ Addendum to Draft Red Herring Prospectus	The addendum dated December 17, 2025, to the Draft Red Herring Prospectus dated September 29, 2025.
Allotment or Allot or Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted or to be allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLM
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with

Terms	Description
	BRLM, to Anchor Investors on a discretionary basis, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations. 40% of the Anchor Investor portion shall be reserved as: (i) 33.33 % for domestic mutual funds; and (ii) 6.67 %for life insurance companies and pension fund subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 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 within the Issue price band.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Red Herring Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
ASBA or Application Supported by Blocked Amount	An application, whether physical or electronic, is used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by UPI Bidders using the UPI Mechanism.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder(s)	Al Bidder(s) except Anchor Investors
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled 'Basis of allotment' under chapter titled "***Issue Procedure***" starting from page 298.
Bid(s)	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the 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 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 Red Herring Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids, which is to be published in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office of our Company is situated. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be published in one English

Terms	Description
	national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office of our Company is situated.
Bid/Issue Period	Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders. 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 / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM or Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Mefcom Capital Markets Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker, provided that Individual Investors may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com
Business Day	Monday to Friday (except public holidays) as applicable in Ahmedabad, Gujarat.
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Registrar to the Issue, the BRLM, Syndicate Member(s), the Escrow Collection Bank(s), the Public Issue Account Bank(s), the Sponsor Banks and the Refund Bank(s) for, among other things, collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof in accordance with the UPI Circulars .
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDP’s	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI as per the lists available on the websites of BSE and NSE, as updated from time to time.
Cut-Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non – Institutional Investors are not entitled to Bid at the Cutoff Price.
D&B or Industry Report Provider	Dun & Bradstreet Information Services India Private Limited.
D&B Report or Industry Report	Industry Report on Indian Technical Textile Yarns, dated July 28, 2026, prepared by Dun & Bradstreet Information Services India Private Limited.
Demographic Details	The details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation, bank account details and UPI ID, as 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 as updated from time to time.

Terms	Description
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated Intermediary(ies)	Collectively, SCSBs, Syndicate, sub-Syndicate, Registered Brokers, CDPs and RTAs who are authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Issue.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchanges as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 & https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited (**"NSE"**).
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated September 29, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including the addendum dated December 17, 2025 submitted to the NSE.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible FPI	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 Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered thereby
Eligible NRI	A non-resident Indian from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFI	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity shares issued thereby and accounts with SEBI registered qualified depositary participants.
Escrow Account(s)	'No-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid.
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being Axis Bank Limited.
First or Sole bidder	The bidder whose name appears first in the Bid cum Application Form or 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
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 Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors Regulations, 1995, as amended) registered with SEBI under applicable laws in India
Foreign Portfolio Investors	Foreign Portfolio Investor as defined under SEBI FPI Regulations.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations, 2018
Fresh Issue	The Fresh Issue of up to 61,24,800 Equity Shares.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March

Terms	Description
	17, 2020 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the BRLM.
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company, for further details please refer chapter titled "***Objects of the Issue***" beginning on page 90.
Individual Investors /Individual Bidders	Minimum application size shall be two lots per application, such that the minimum application size shall be above ₹ 2 lakhs. (including HUFs applying through their Karta) and Eligible NRI.
Individual Investor Portion	The portion of the Net Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares, who applies for minimum application size, minimum application size shall be two lots per application, such that the application value shall be exceeding ₹ 2 lakhs. (Including HUFs applying through their Karta) and Eligible NRIs.
IPO or Issue or Issue Size/Public Issue	The initial public issue of up to 61,24,800 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs comprising the Fresh Issue.
Issue Agreement	The agreement dated September 29, 2025, executed amongst our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Issue Price	The final price at which Equity Shares will be Allotted to successful Bidders other than Anchor Investors in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled "***Objects of the Issue***" beginning on page 90.
Listing Agreement(s)	The SME Equity Listing Agreement(s) to be signed between our Company and the Designated Stock Exchange.
Lot Size	Lot Size for the Issue being [•].
Mandate Request	Mandate Request means a request initiated on the Individual Investor by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	The Market Maker to the Issue, in this case being ASNANI Stock Broker Private Limited
Market Maker Reservation Portion	The reserved portion of upto 3,07,200 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated August 18, 2026 between our Company, Book Running Lead Manager and Market Maker.
Monitoring Agency	Brickwork Ratings India Private Limited, being a credit rating agency registered with SEBI
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency dated July 27, 2026.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	The portion of the Issue being 5% of the Net QIB Portion consisting of [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
NCLT	National Company Law Tribunal
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of upto 58,17,600 Equity Shares of Face Value of ₹ 10/- each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue, for further details please refer chapter titled "***Objects of the Issue***" page 90.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non- Institutional Bidders / Non-Institutional Investors	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI, that are not QIBs (including Anchor Investors) or Individual Bidders, who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue, being not less than 15% of the Net Issue or [●] Equity Shares of face value of ₹10 each , which will be made available for allocation to Non – Institutional Bidders of which one-third of the Non-Institutional Portion shall be available for allocation

Terms	Description
	to Bidders with a Bid size of more than ₹ 200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with a Bid size of more than ₹1,000,000, provided that under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
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).
NSE Emerge	EMERGE Platform of National Stock Exchange of India Limited
Issue Document	Includes Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus filed with Registrar of Companies including any addendum and corrigendum thereto.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
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.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price. The Price Band and the minimum Bid Lot for the Issue to be decided by our Company, in consultation with the BRLM, which to be published in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office of our Company is situated, at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchange(s) for the purpose of uploading on their respective websites.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto
Public Announcement	The Draft Red Herring Prospectus filed with Emerge Platform of National Stock Exchange India Limited was made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company's website, the NSE website and Book Running Lead Manager's website. Our Company had, within two working days of filing the Draft Red Herring Prospectus with NSE Emerge, made a public announcement dated October 01, 2025 in English all editions of Financial Express, and in Hindi all editions of Jansatta and Ahmedabad edition of Financial Express (Gujarati), a regional language newspaper, where our Registered Office is located, disclosing the fact of filing of the Draft Red Herring Prospectus with NSE Emerge and inviting the public to provide their comments to the NSE, our Company or the Book Running Lead Manager in respect of the disclosures made in the Draft Red Herring Prospectus.
Public Issue Account	The 'no-lien' and 'non-interest bearing' bank account opened in accordance with Section 40(3) of the Companies Act, 2013 with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
QIB Bidders	QIBs who Bid in the Issue.
QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of up to 29,06,400 Equity Shares aggregating to ₹[●] lakhs which was allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers	The qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR

Terms	Description
or QIBs	Regulations.
Red Herring Prospectus (RHP)	The Red Herring Prospectus, dated August 24, 2026 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 Issued and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid / Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund Bank(s) or Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Registered Broker	The stock brokers registered with the stock exchange(s) having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of UPI Circulars, issued by SEBI.
Registrar Agreement	The agreement dated September 18, 2025 entered into between 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 or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar or Registrar to the Issue	Registrar to the Issue being KFin Technologies Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIB Applicant and Non-Institutional Applicant are not allowed to withdraw or lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Individual Bidders can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
Self-Certified Syndicate Bank(s) / SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and issues the facility of: (a) ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 & https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Issue 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 available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as updated from time to time.
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time.
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect

Terms	Description
	requests and / or payment instructions of the Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Systemically Important Non-Banking Financial Company	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.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Underwriters	Mefcom Capital Markets Limited & Seren Capital Private Limited, who have underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated August 18, 2026.
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI RTA Master Circular (to the extent it pertains to UPI), SEBI ICDR Master Circular, along with circular issued by the NSE having reference no. 25/2022 dated August 3,2022 and the circular issued by BSE having reference no. 20220803-40 dated August 3,2022 and any subsequent circulars or notifications issued by SEBI and the Stock Exchanges in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Individual Bidder to such Mobile App) to the Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by an UPI Bidders to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1) (lll) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in Mumbai as specified in the Red Herring Prospectus are open for business: - However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in Mumbai are open for business. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

Key Performance Indicators

KPI	Explanation
Total Income	Total Income Generated by the company from revenue from operations and other income
Revenue from Operation	Revenue from operations represents the total turnover of the business and helps management track business income and assess Company's overall financial performance and scale.
Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	EBITDA provides information regarding the operational efficiency of the business and is considered by the management as an important element to monitor business growth in absolute term irrespective of the sales mix.
EBITDA Margin (In %)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business. Tracking EBITDA Margin assists in tracking the margin profile of our business and in understanding areas of our business operations which have scope for improvement.
Profit After Tax (PAT)	Profit After Tax for the Year/period provides information regarding the overall profitability of the business
PAT Margin (in %)	Profit After Tax Margin is an indicator of the overall profitability and financial performance of the business with reference to the turnover
Return on Net Worth (RoNW) (in %)	RoNW provides how efficiently our Company generates profits from shareholders' funds.

KPI	Explanation
ROCE (in %)	Return on Capital Employed measures how efficiently our Company generates earnings before finance costs and taxes from the capital employed in the business.
Debt to Equity	Debt to Equity ratio compares total liabilities (Debts) to shareholder's equity as an indicator of how much of a company's operations are financed by debt versus owner's investment.

Technical/Industry Related Terms/Abbreviations

Term	Description
AFFOA	Advanced Functional Fabrics of America
ASEAN	Association of Southeast Nations
ASTM	American Society for Testing and Materials
ATIRA	Ahmedabad Textile Industry Research Association
BCD	Basic Customs Duty
BIS	Bureau of Indian Standards
BOD	Biochemical Oxygen Demand
BRICS Nations	Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Indonesia, Iran and the United Arab Emirates
BTRA	Bombay Textile Research Association
CAGR	Compound Annual Growth Rate
CDSCO	Central Drugs Standard Control Organisation
CEPA	Comprehensive Economic Partnership Agreement
COD	Chemical Oxygen Demand
CoE	Centre of Excellence
CPCB	Central Pollution Control Board
CPI	Consumer Price Index
CSP	Count Strength Product
CVm%	Coefficient of Variation of Mass
DGFT	Directorate General of Foreign Trade
DREF -spun	Dr. Ernst Fehrer spun
ECG	Electrocardiogram
EPCG Scheme	Export Promotion Capital Goods Scheme
ESG Practices	Environment, Social and Governance Practices
Est., Adv. Est	Estimated, Advance Estimates
ETP	Effluent Treatment Plant
FDA	Food and Drug Administration
FDI	Foreign Direct Investment
FIBC	Flexible Intermediate Bulk Container
FR	Flame Retardant
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GFCF	Gross fixed capital formation
GRS	Global Recycled Standard
GVA	Gross Value Added
GVC	Global Value Chain
HDPE	High Density Polyethylene
HS code	Harmonised System Code
HT	High Tenacity
ICEGATE	Indian Customs Electronic Data Interchange Gateway
IGST	Integrated Goods & Service Tax
IIP	Index of Industrial Production
IIT	Indian Institute of Technology
IMF	International Monetary Fund
INR	Indian Rupee
IS	Indian Standard
ISO	International Standards Organization
Mn, Bn, Tn, Cr	Million, Billion, Trillion, Crore
MoEFCC	Ministry of Environment, Forest and Climate Change

m-o-m	Month on Month
MOSPI	The Ministry of Statistics and Programme Implementation
NCAP	National Clean Air Programme
Ne	Yarn count system that measures the fineness or thickness of yarn in the metric system.
NIP	National Infrastructure Pipeline
NITRA	Northern India Textile Research Association
NTTM	National Technical Textiles Mission
OEM	Original Equipment Manufacturer
PAN Yarn	Polyacrylonitrile Yarn
PE	Polyethylene
PET	Polyethylene terephthalate
PFCE	Private Final Consumption Expenditure
PIB	Press Information Bureau
PLA	Polylactic Acid
PP	Polypropylene
PPE	Personal Protection Equipment
QCO	Quality Control Orders
RBI	Reserve Bank of India
RKM	Resistance per Kilometer
RoDTEP	Remission of Duties and Taxes on Exported Products scheme,
SASMIRA	Synthetic & Art Silk Mills' Research Association
TDS	Total Dissolved Solids
TFO Machine	Two-for-one Twister Machine
TRA	Textile Research Associations
U%	Unevenness across the sliver length
UHMWPE	Ultra-High Molecular Weight Polyethylene
USD	US Dollar
USMCA	United States-Mexico-Canada Agreement
UV	Ultraviolet
WPI	Wholesale Price Index
y-o-y	Year on Year

Conventional and General Terms/ Abbreviations

Term	Description
"₹" or "Rs." Or "Rupees" or "INR"	Indian Rupees
A/c	Account
"AS" or Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
ASBA	Application Supported by Blocked Amount
AY	Assessment Year
BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as "Category I 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 AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CGST	Central Goods & Services Tax

Term	Description
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
DIN	Director Identification Number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EOGM/EGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
etc.	et cetera
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIPB	Foreign Investment Promotion Board
FIs	Financial Institutions
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
FY	Financial Year
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IGST	Integrated GST
IFRS	International Financial Reporting Standard
Indian GAAP	Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
IPO	Initial Public Offering
ITAT	Income Tax Appellate Tribunal
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
No.	Number
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited

Term	Description
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PPE	Property, Plant and Equipment
PLR	Prime Lending Rate
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI LODR Regulations /SEBI (Listing Obligations and Disclosure Requirement) Regulations/ Listing Regulations/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
SEZ	Special Economic Zones
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCFs	Venture capital funds as defined in and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
WEO	World Economic Outlook
W.E.F	with effect from

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references in the Red Herring Prospectus to "India" are to the Republic of India and its territories and possession and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable All references in the Red Herring Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Red Herring Prospectus, the terms "we", "us", "our", the "Company", "our Company", unless the context otherwise indicates or implies, refers to Ashutosh Fibre Limited.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac/ Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lacs/ Lakhs", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred Crores". In this Red Herring Prospectus, any discrepancies in any table between total and the sum 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. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, any time mentioned in this Red Herring Prospectus is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

Use of Financial Data

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Red Herring Prospectus to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the twelve (12) month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Red Herring Prospectus are to a calendar year and references to a Fiscal/ Fiscal Year/ Financial Year are to the year ended on March 31, of that calendar year.

Unless stated otherwise, throughout this Red Herring Prospectus, all figures are expressed in Rupees and in Lakhs. Unless otherwise specified, the financial data presented herein is derived from our Restated Financial Statements for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, in accordance with Indian GAAP, the Companies Act, 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, included under section title **"*Restated Financial Statements*"** beginning on page 242 of this Red Herring Prospectus along with the significant accounting policies and other explanatory information annexed thereto, as approved by our Board of Directors on July 29, 2026 and have been prepared in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013; Paragraph (A) of Clause 11(I) of Part A of Schedule VI of the SEBI ICDR Regulations, 2018; and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by the Institute of Chartered Accountants of India, as amended from time to time.

There are significant differences between Indian GAAP, Ind AS, Generally Accepted Accounting Principles in the United States of America (the "U.S. GAAP") and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see *"Risk Factors –We have not prepared and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards ("IFRS"). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition"* in the chapter titled **"*Risk Factors*"** beginning on page 20 of this Red Herring Prospectus.

Any percentage amounts, as set forth in **"*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*"** and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of our Company's Restated Financial Statements prepared in accordance with the applicable provisions of the Companies Act, 2013, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Peer Reviewed Statutory Auditor, set out in section titled "***Restated Financial Statements*"** beginning on page 242 of this Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this Red Herring Prospectus, see the section **"*Definitions and Abbreviations*"** on page 1 of this Red Herring Prospectus. In the section titled **"*Description of Equity Shares and Terms of the Articles of Association*",** on page 331 defined terms have the meaning given to such terms in the Articles of Association of our Company.

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, PAT Margin and others, have been included in this Red Herring Prospectus. We compute and disclose such non-GAAP measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non- GAAP measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by the accounting standards and may not be comparable to similarly titled measures presented by other companies.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout in this Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business, methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled ***"Basis for Issue Price"*** on page 101 of this 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. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors***" beginning on page 20. Accordingly, investment decisions should not be based solely on such information.

Currency of Financial Presentation

All references to:

- "Rupees" or "INR" or "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India.
- "USD" or "US$" are to United States Dollar, the official currency of the United States;

Except where specified, including in the section titled "Industry Overview" throughout the Red Herring Prospectus all figures have been expressed in Lakhs.

In this 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. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Any percentage amounts, as set forth in ***"Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations"*** beginning on page 20, 157 and 331 respectively, unless otherwise indicated, have been calculated based on our Restated Financial Statements prepared in accordance with Indian GAAP.

The Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) 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.

Disclaimer

The Equity Shares offered in the Issue 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' 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. 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.

Exchange Rates

This Red Herring Prospectus contains conversion of U.S. Dollar into Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be considered as a representation that such U.S. Dollar amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated below or at all. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of U.S. Dollar amounts into Rupee amounts, are as follows:

Currency[(1)]	**Exchange rate as on**		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
USD	94.65	85.58	83.38

Source: https://www.rbi.org.in/scripts/referenceratearchive.aspx
(1) If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

FORWARD LOOKING STATEMENTS

This Red Herring Prospectus contains certain ***"forward-looking statements"***. These forward-looking statements generally can be identified by words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions. Similarly, statements that describe business strategy, objective, plans or goals, revenue and profitability, projects are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, incidence of any natural calamities and/ or violence, regulations and taxes and changes in competition in the industries in which we operate. 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. Certain 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;
- Inability to promptly identify and respond to changing technologies;
- We may not be able to sustain our historical growth rates and our historical performance may not be indicative of our future growth or financial results;
- Failure to successfully upgrade our fleet of equipment, from time to time;
- Any change in government policies resulting in increases in taxes payable by us;
- Our ability to retain our managements personnel and other employees;
- We are dependent on certain customers for a portion of our revenues. Loss of relationship with any of these customers or a reduction in their demand for our services may have a material adverse effect on our profitability and results of operations;
- Foreign exchange fluctuations may adversely affect our earnings and profitability;
- Delay in expansion into new territories;
- Changes in laws and regulations that apply to the industries in which we operate;
- Our ability to grow our business;
- The occurrence of natural disasters or calamities;
- General economic, political and other risks that are out of our control;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Company's inability to successfully implement its growth strategy and expansion plans;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Occurrence of Environmental Problems & Uninsured Losses;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- Any adverse outcome in the legal proceedings in which we are involved;
- Concentration of ownership among our Promoter;
- Our ability to retain Key Customers impacting our major business and performances;
- The COVID-19 pandemic or any future pandemic or widespread public health emergency could adversely affect our business, results of operations, financial condition and cash flows; and
- any adverse outcome in the legal proceedings in which we and our promoters are involved.

For further discussion of factors that could cause our actual results to differ, see the Section titled "***Risk Factors", "Our Business" and "Management Discussion and Analysis of Financial Position and Results of Operations"*** beginning on pages 20, 157 and 249 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. There can be no assurance to 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 our future performance.

Neither our Company or our Directors or our Officers or Book Running Lead Manager or Underwriters nor any of their respective affiliates have any obligation to update or 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 SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II– RISK FACTORS

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Red Herring Prospectus, particularly the **"Financial Information"** and the related notes, **"Our Business"** and **"Management Discussion and Analysis of Financial Position and Results of Operations"** on page 242, 157 and 249 respectively of this Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report entitled "Industry Report on Indian Technical Textile Yarns", dated July 28,2026 (the "**Industry Report**"), prepared and released by Dun & Bradstreet ("**D&B**"), which has been commissioned and paid for by our Company exclusively in connection with this Issue and for the purposes of confirming our understanding of the industry in which we operate. The Industry report has been prepared pursuant to an engagement letter dated entered into between our Company and D&B. A copy of the Industry Report is available for inspection on the website of our Company at https://www.ashutoshfibre.com/investor.html from the date of the Red Herring Prospectus until the Bid/Issue Closing Date. The data included herein contains excerpts from the Industry Report, which may have been re-ordered or reformatted by us for presentation purposes.*

Materiality

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

1. *Some events may have material impact quantitatively;*
2. *Some events may have material impact qualitatively instead of quantitatively.*
3. *Some events may not be material individually but may be found material collectively.*
4. *Some events may not be material at present but may be having material impact in future.*

Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

*In this Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in **"Risk Factors"** on page 20 and **"Management Discussion and Analysis of Financial Position and Results of Operations"** on page 249 of this Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the **"Restated Financial Statements"** on page 242.*

Unless otherwise stated, references in this section to the "Company" or "our Company" means "Ashutosh Fibre Limited" and "we", "our" or "us" (including in the context of any financial information) is a reference to our Company.

1. ***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.***

Our Company is dependent on third-party suppliers for the procurement of key raw materials, including polypropylene fibre, high-tenacity polyester, modacrylic fibre, para-aramid fibre, flame retardant (FR) viscose fibre and specialised blends such as melamine and peroxidised PAN. These are the primary inputs used in the manufacture of our technical yarns across the Indutech, Protech, Mobiltech and Hometech products. We source majority of our raw materials from our top 10 suppliers. A significant portion of our raw materials is procured from a limited number of key suppliers and any disruption in the supply of raw materials from such suppliers could adversely impact our operations if we are unable to replace them or have alternative in a timely and cost-effective manner.

We cannot assure you that we will be able to continue sourcing raw materials from our existing suppliers or enter into new arrangements on terms acceptable to us. Our inability to secure sufficient raw materials could adversely affect our production schedules, sales volumes and profitability. Our Company, our Promoters, Directors and Promoter Group do not have any direct or indirect relationship with our suppliers.

Particulars	**For the Financial Year ended on**					
	March 31, 2026		**March 31, 2025**		**March 31, 2024**	
	Amt (₹ in lakhs)	**% of Total Raw Material Purchases**	**Amt (₹ in lakhs)**	**% of Total Raw Material Purchases**	**Amt (₹ in lakhs)**	**% of Total Raw Material Purchases**
Purchases from Top Supplier	1,038.41	15.81%	962.32	13.19%	1,061.88	14.69%
Purchases from Top 5 Suppliers	2,933.13	44.66%	3,813.84	52.26%	4,162.71	57.60%
Purchases from Top 10 Suppliers	4,251.66	64.73%	5,131.24	70.31%	5,644.87	78.10%

Our Company has long-standing relationships with its suppliers; however, in the ordinary course of business, we do not enter into long-term supply agreements. Purchases are generally made through local suppliers on the basis of purchase orders, which may be discontinued, modified, or cancelled without significant prior notice. The absence of long-term agreements which exposes us to volatility in procurement costs. Additionally, any failure by suppliers to deliver raw materials in the required quality or timelines may disrupt our production schedules. While our Company has not experienced supply disruptions during the last three financial years, there can be no assurance that such relationships will continue uninterrupted in the future.

A large proportion of our specialty fibres, such as para-aramid, meta-aramid, modacrylic and flame retardant (FR) viscose, are imported, creating a dependency on global suppliers and exposing us to risks relating to foreign exchange fluctuations, supply chain delays, freight cost volatility and changes in international trade policies. In contrast, polypropylene and polyester are sourced domestically; however, their pricing is directly linked to crude oil and petrochemical markets, which are inherently volatile.

Particulars	**For the Financial Year ended on**		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Total Raw Material and Traded Goods Purchase (₹ in lakhs)	6,568.07	7,295.41	7,227.68
As % of Total Expenses	**68.51%**	**70.23%**	**72.20%**
Domestic as % of Total Purchase	63.71%	*63.08%*	*58.82%*
Imports as % of Total Purchase	36.29%	*36.92%*	*41.18%*

The Company is dependent on a limited number of suppliers for the procurement of certain key raw materials. Any disruption in the supply arrangements with these suppliers, whether due to pricing changes, quality issues, delays in delivery, geo-political factors, regulatory changes, or any inability of such suppliers to meet our requirements, may adversely impact our production schedules, cost structure, and overall business operations. Hence, there can be no assurance that alternative sources will be available on timely or favorable terms. Any such disruptions could materially and adversely affect our business, financial condition, and results of operations.

Any significant disruption in availability or increase in the pricing of these raw materials could materially raise our input costs. Since our ability to pass on cost increases to customers is limited by competitive pressures, such volatility could materially reduce our operating margins.

Although our Company has not experienced raw material shortages in the last three financial years, there is no assurance that this will continue in the future. Any inability to secure consistent and cost-efficient supply of critical raw materials may lead to lower production, reduced sales volumes, compressed profit margins and could materially and adversely affect our Company's business, results of operations, cash flows and financial condition.

2. ***A significant portion of our revenue comes from key customers and losing one or more of them, experiencing a decline in their financial health or business outlook, or facing a reduction in their demand for our products could negatively impact our business, results of operations, financial condition and cash flows.***

We rely on a limited number of high-volume customers for a substantial portion of our revenues. For the Fiscals 2026, 2025 and 2024, our top ten customers contributed approximately 68.85%, 67.40% and 72.11% of our Revenue from operations, respectively. This dependence on a few key customers exposes us to several risks, including the potential reduction, delay, or cancellation of orders, as well as challenges in negotiating favourable terms. Any loss of these customers or failure to renew orders on similar terms could materially affect our business, financial condition, cash flows and future prospects.

Particulars	For the Financial Year ended on					
	March 31, 2026		March 31, 2025		March 31, 2024	
	Amount (in ₹ Lakhs)	% of Revenue from Operations	Amount (in ₹ Lakhs)	% of Revenue from Operations	Amount (in ₹ Lakhs)	% of Revenue from Operations
From Top 1 Customer	2,558.93	21.80%	2,252.65	19.75%	2,804.77	25.53%
From Top 5 Customers	6,083.42	51.83%	5,881.71	51.57%	6,362.56	57.91%
From Top 10 Customers	8,080.70	68.85%	7,685.55	67.40%	7,922.44	72.11%

There is no assurance that these key customers will continue placing orders at similar levels in the future, especially if they face operational or financial issues. While we continue to add new customers as part of our normal business operations, we cannot guarantee the maintenance of long-term relationships or the ability to replace lost business in a timely manner. Our reliance on a concentrated customer base may also limit our bargaining power, potentially affecting our profit margins and overall financial performance.

Any decline in our product quality standards, growing competition, or changes in customer demand may adversely affect our ability to retain these customers. We cannot assure you that we will continue to generate the same level of business, or any business at all, from these customers. Any loss of business from one or more key customers could materially and adversely affect our revenues, profitability and financial condition.

Further, if any of our key customers experience financial difficulties, alter their procurement strategies, or source products from competitors, their demand for our products may decline. The absence of long-term agreements with these customers increases this risk, as maintaining strong relationships is critical to our business. Failure to retain these customers or maintain the current volume of business may have a detrimental impact on our results of operations, financial condition and cash flows. Furthermore, we cannot assure you that we will be able to maintain historic levels of business from our top 10 clients, or that we will be able to significantly reduce customer concentration in the future.

3. ***Our Company is subject to export obligations under duty exemption schemes, and any inability to comply with such obligations, adverse movements in foreign trade policy, or unfavourable external factors may adversely affect our business, financial condition, results of operations, and cash flows.***

Our Company avails fiscal incentives under the Advance Authorisation Scheme and the Export Promotion Capital Goods ("EPCG") Scheme administered under the Foreign Trade Policy of India. Under the Advance Authorisation Scheme, we are permitted to import certain textile raw materials duty free, subject to an obligation to export finished products manufactured using such inputs within prescribed timelines. Similarly, under the EPCG Scheme, our Company has imported specified capital goods at concessional rates of customs duty, subject to fulfilment of a prescribed export obligation equivalent to a multiple of the duty saved, within a stipulated period. For further reference on the export and export obligation, please refer to chapter "***Business – Export & Export Obligation***" on page 181.

If our Company is unable to achieve the required level of exports within the prescribed time frame, or if there are procedural lapses in documentation, filing, or compliance, the benefits availed under these schemes may be withdrawn. This may lead to significant financial exposure, including liability to pay differential customs duty, along with applicable interest and penalties, which could increase our costs substantially and impact our profitability. Further, non-fulfilment of such obligations could also restrict our ability to access such schemes in the future, thereby reducing our competitiveness vis-à-vis other industry participants who continue to avail of such benefits.

In addition to regulatory compliance risks, our ability to meet export obligations depends on several external factors outside our control, including global demand for our products, volatility in international commodity and yarn prices, foreign exchange rate fluctuations, changes in trade tariffs, imposition of non-tariff barriers and geo-political developments in key markets. Any slowdown in global demand, reduction in export orders, or adverse movement in foreign exchange rates may hinder our ability to generate sufficient export revenues to discharge our obligations. Moreover, the Government of India may withdraw or amend these schemes or alter the quantum of benefits available under the Foreign Trade Policy, which may adversely impact our cost structure and export strategy.

Accordingly, any inability on our part to comply with export obligations, or any adverse developments in foreign trade policy or international market conditions, could materially and adversely affect our business, results of operations, financial condition and cash flows.

4. ***If the technical textile yarn industry faces slowdown in growth, supply disruptions, regulatory changes, decline in demand, Commodity Price Volatility and Impact on Cost Structure, our production costs, operating margin and overall financial condition may be materially and adversely affected.***

Our business is closely tied to the performance of the technical textile yarn industry, which is exposed to a range of risks and uncertainties. We operate across the Indutech, Protech, Mobiltech and Hometech products, deriving significant revenues from the manufacture of polypropylene spun yarn, aramid-based yarns, modacrylic blends and flame-retardant viscose-based yarns. A slowdown in demand from end-use industries such as industrial filtration, protective clothing, or home textiles could materially and adversely impact our operations.

A large portion of our raw materials, particularly para-aramid, meta-aramid, modacrylic and FR viscose fibres, are imported. This reliance exposes us to foreign exchange volatility, global supply chain disruptions and import duties. Any delays in procurement or supply chain disruption may affect our ability to meet customer demand on time. The proportion of imported raw materials in our total purchases has remained high over the last three financial years, as shown below:

Particulars	For the Financial Year ended on		
	March 31, 2026	March 31, 2025	March 31, 2024
Raw Materials Consumed (₹ in lakhs)	6,467.57	6,973.59	6,799.63
% of Revenue from Operations	55.10%	61.15%	61.89%

Any disruption in availability or significant increase in the pricing of these raw materials could materially raise our input costs and limit our ability to deliver products competitively.

Our exposure is further heightened by the volatility in raw material prices. Petrochemical-based raw materials, including polypropylene and aramid, are linked to global crude oil markets, which are inherently unstable. For the Financial Years 2026, 2025 and 2024, raw material consumption represented approximately 55.10%, %, 61.15% and 61.89% of our revenue from operations, respectively. Any sharp increase in input costs without a corresponding ability to pass them on to customers may materially reduce our operating margins.

With increasing global demand for high-performance yarns that meet international standards of flame resistance, tensile strength and thermal stability, failure to innovate or upgrade our manufacturing systems could erode our competitive position.

Our operations are additionally subject to evolving domestic and international regulatory frameworks, including environmental compliance, quality certifications and import-export restrictions. Stricter regulations, delays in obtaining statutory approvals, or failure to maintain compliance may result in penalties, cancellation of orders, or reputational harm.

We also face customer concentration and competition risks. Our revenues are concentrated among a limited number of customers in niche industrial and protective textile applications. For the Financial Years 2026, 2025 and 2024, our top ten customers contributed approximately 68.85 %, 67.40% and 72.11% of our revenue from operations, respectively. As we do not have long-term agreements with these customers, any reduction, delay, or cancellation of orders could significantly affect our performance. Moreover, competition from international manufacturers may exert downward pressure on pricing and margins.

Given our substantial dependence on the performance of the technical textile yarn industry, any prolonged weakness in demand, raw material supply disruptions, regulatory hurdles, or customer concentration issues could materially and adversely affect our business, results of operations, financial condition and cash flows.

5. ***Dependence on exports, particularly to China and other foreign countries, exposes us to international market risks, regulatory changes, and trade-related uncertainties that could adversely affect our business and financial performance.***

We derive a portion of our revenue from exports. During the Fiscal 2026, Fiscal 2025 and Fiscal 2024, export sales accounted for 38.99%, 38.05% and 43.59% of our revenue from operations, respectively. During the same periods, our revenue from China amounted to ₹ 2,558.93 lakhs (21.80%), ₹2,252.65 lakhs (19.75%) and ₹2,804.77 lakhs (25.53%), respectively. For further details on our country wise revenue bifurcation, refer to the section titled "***Our Business***" on page 157 of this RHP. We also export to other countries including Germany, Hungary, Brazil, Russia and Italy. Our dependence on export markets exposes us to risks associated with international trade and cross-border business, including foreign exchange rate fluctuations, variations in demand, import and export regulations, customs and documentation processes, international logistics and freight availability.

Changes in trade policies, duties, tariffs or restrictions on the import or export of raw materials or finished goods by India or by the countries to which we export may affect our ability to supply products or collect receivables. Any delays in customs clearances, increased documentary requirements, restrictions on remittances, or delays in receipt of export proceeds may impact our working capital and cash flows. Further, any change in bilateral trade or regulatory conditions between India and China, including imposition of duties, sanctions or limitations on trade, may disrupt our ability to supply products to that market or could affect demand for our products.

In addition, factors such as geopolitical developments, supply-chain disruptions, availability of shipping capacity, changes in freight costs, or economic slowdowns in key export markets may affect export order volumes, pricing and delivery schedules. If any of these events occur, our export revenues, margins, collections and production planning may be affected, which could have an adverse impact on our business, financial condition and cash flows.

6. ***Our business is heavily dependent on the sale of para-aramid based spun yarn and 100% polypropylene spun yarn. Any reduction in the sale of these yarns, or any inability on our part to produce and sell such yarns, or any adverse movement in the price at which we are able to sell these yarns, may have an adverse effect on our business, results of operations, cash flows and financial condition.***

A significant portion of our revenues is derived from the sale of para-aramid based spun yarn and 100% polypropylene yarn. Our revenue from operations was ₹ 11,737.14 lakhs, ₹11,403.40 lakhs and ₹10,987.18 lakhs in the financial years ended March 31, 2026, 2025 and 2024, respectively. The revenue contribution from para-aramid based spun yarn was ₹ 3,246.12 lakhs (27.66 %), ₹2,722.31 lakhs (23.87%) and ₹3,526.73 lakhs (32.10%) during the same periods. The revenue contribution from 100% polypropylene yarn was ₹ 2,693.38 lakhs (22.95%), ₹2,581.87 lakhs (22.64%) and ₹2,337.29 lakhs (21.27%) during the same periods.

The demand and pricing of these yarns are influenced by multiple factors beyond our control, including changes in raw material costs, competition from domestic and international manufacturers, customer preferences and overall market conditions. Any unfavourable movement in these factors may materially and adversely impact our revenues and profitability.

Further, since we do not have long-term agreements with most of our customers, there is no assurance that they will continue to place orders for para-aramid based spun yarn and 100% polypropylene yarn at the same level, or at all, in the future. If our customers reduce their demand, switch to other suppliers, or if we are unable to maintain consistent quality standards, our ability to generate revenues from these products may be significantly affected.

Given our dependence on these product lines, any adverse development relating to the production, demand, or pricing of para-aramid based spun yarn and 100% polypropylene yarn could materially and adversely affect our business, financial condition, results of operations and cash flows.

7. ***We operate in a single business segment i.e. spinning of technical textile yarn and any adverse developments in this segment could have a material adverse effect on our business, financial condition and results of operations***

Our revenues are entirely derived from the spinning of technical textile yarns, including para-aramid based yarns, polypropylene yarns, meta-aramid/viscose blends and other specialty fibres. Unlike companies with diversified operations across multiple business segments, we do not have alternate lines of business to mitigate the impact of downturns in this segment. Any reduction in demand for technical textile yarn, adverse changes in industry trends, increasing competition, regulatory developments, changes in customer preference, or pricing pressures could directly impact our revenues and profitability.

Further, our dependence on a single segment makes us more vulnerable to risks such as volatility in raw material costs, disruptions in supply of speciality fibres, technological obsolescence, or the entry of competing substitute materials. In the past, industry participants in technical textiles have faced challenges due to fluctuations in crude-linked fibre pricing, changes in international trade policies and evolving performance standards. Similar adverse developments could significantly affect our operations, margins and cash flows, given our concentrated business model.

8. *If we are unable to make adequate investments in manufacturing technologies and our capital-intensive production facilities at optimal efficiency, our competitiveness, business, results of operations and financial condition may be adversely affected.*

Our business is both capital and technology intensive. The manufacture of high-performance technical yarns such as aramid-based yarns, flame-retardant viscose blends, modacrylic yarns and polypropylene yarns requires significant investment in specialized spinning technologies (including ring spun, open-end and DREF friction spun systems), twisting and splicing machinery and advanced electronic yarn clearing and testing equipment. These facilities also require continuous maintenance and periodic upgrades to meet customer specifications and international performance standards.

Further, advanced yarn technologies such as melt spinning, microfilament yarn production and hybrid yarn processing often involve patented know-how or licensing costs from global technology providers. Any inability to secure access to such technologies on commercially viable terms may constrain our ability to diversify into newer product categories and reduce our competitiveness.

During the Fiscal 2026, 2025 and 2024, our total capital expenditure was as follows:

Particulars	For the Financial Year ended on		
	March 31, 2026	March 31, 2025	March 31, 2024
Capital Expenditure (₹ in lakhs)	1,803.59	2,822.64	906.93
% of Revenue from Operations	15.37%	24.75%	8.25%

These investments, while critical to sustaining our production capabilities, increase our fixed cost base. Underutilization of our production facilities due to raw material supply disruptions, demand fluctuations, or machinery downtime may adversely impact our operating margins. Additionally, our operations require highly skilled technical personnel to manage advanced production technologies, quality assurance and R&D. Any shortage of such talent, attrition, or delays in skill development could impact our operational efficiency.

If we are unable to sustain our investment requirements, adopt newer technologies in line with industry trends, or operate our facilities at optimal utilization levels, our ability to remain competitive and profitable may be significantly impaired.

9. *Our Company is dependent on a limited number of customer-approved suppliers for raw material for para-aramid fibres, viscose fibres and acrylic fibres and this dependency may adversely affect our production, revenues and financial condition.*

For raw materials for para-aramid fibres, viscose fibres and acrylic fibres, which are critical inputs in the manufacture of our high-performance technical yarns, our customers mandate that procurement be made only from their pre-approved suppliers. This means our Company does not have complete discretion to source from alternative suppliers, even if such suppliers may offer more competitive prices, better terms, or more reliable supply. This reliance on a narrow supplier base exposes us to concentration risk and reduces our bargaining power in price negotiations.

Any operational disruption, financial difficulty, regulatory issue, or quality failure at these customer-approved suppliers may directly impact our supply of the raw material for para-aramid fibres, viscose fibres and acrylic fibres. Since we cannot substitute such raw materials without customer approval, our ability to meet production schedules and deliver orders on time could be adversely affected. Furthermore, procurement from a restricted supplier base could expose us to cost pressures, as we may have limited flexibility in managing price fluctuations or sourcing alternatives.

During the Fiscals 2026, 2025 and 2024, a significant portion of our Company's raw material purchases are comprised of raw material for para-aramid fibres, viscose fibres and acrylic fibres sourced from a limited set of such customer-approved suppliers. The details are set out below:

Particulars	For the Financial Year ended on		
	March 31, 2026	March 31, 2025	March 31, 2024
Purchases from Outside India (₹ in lakhs)	2,383.26	2,693.31	2,976.15
% of Total Raw Material Purchases	36.29%	36.92%	41.18%

10. *There have been certain discrepancies/errors in filings with the Registrar of Companies (RoC) and other non-compliances under the Companies Act, which may result in penalties. Further certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. We cannot assure you that such forms or records will be available at all or any time in the future.*

There have been certain discrepancies and delays in filings made by our Company with the Registrar of Companies under the Companies Act, including delays in annual filings, errors in director appointment/resignation forms, charge filings, and other inadvertent lapses. In such cases, the Company has undertaken corrective measures such as filing of additional fees, cancellation and re-filing of forms, filing of adjudication applications, and making necessary rectifications. However, we cannot assure you that penalties or other regulatory actions will not be initiated in respect of such past or future non-compliances.

Any such future lapses could result in monetary penalties, diversion of management time, increased compliance costs, and reputational impact, which may adversely affect our business, financial condition, and results of operations.

Category	Nature of Non-compliance / Discrepancy	Illustrative Delay	Corrective Action Taken
Annual Filings	Delays in AOC-4, MGT-7, 23AC/23ACA filings; some filings pre-FY 1993 not traceable.	Up to 128 days (FY 2021-22, 2023-24)	Filed with additional fees; pending records acknowledged.
Director Filings	Delay / non-traceability in Form-32 / DIR-12 for appointment, resignation, and change in designation of directors.	Delays ranging from 7 to 264 days	Fresh filings / additional fees paid; rectifications made where possible.
Related Party Disclosure	Incorrect disclosure in AOC-4 for FY 2022-23.	Not applicable	Adjudication application filed with RoC.
Other Discrepancies	Errors in share transfer records, auditor appointment filings, MSME-1 mismatches, incomplete annexures.	Various	Rectifications / revised forms filed, or explanations submitted to RoC.

Our Company has not filed Form CHG-1 for creation of charge in respect of car loans availed from BMW India Financial Services Private Limited and ICICI Bank. This constitutes non-compliance of Section 77 of the Companies Act, 2013 and may attract penalties under Section 86 or other applicable provisions. While ICICI Bank loans have been repaid. Further, form for increase in authorized share capital from ₹10.00 Lakhs to ₹30.00 Lakhs on September 27, 1985 and form for allotment under further issue of 2,398 equity shares on September 28, 1985 are not traceable and we have relied on the minutes of the Company.

While no legal proceedings or regulatory action has been initiated against our Company in relation to these matters as of the date of this Red Herring Prospectus, we cannot assure you that such actions will not be initiated in the future or that our Company and its Directors will not be subject to penalties by the concerned regulatory authorities. However, the Company has undertaken corrective measures such as filing of additional fees, cancellation and re-filing of forms, filing of adjudication applications, and making necessary rectifications. Further, we have appointed a qualified Company Secretary and Compliance Officer with more than 20 years of experience to enhance the compliance framework and ensure timely regulatory adherence, thereby mitigating the risk of future penalties.

11. ***If we are unable to secure reliable access to specialized raw materials at competitive prices, our margins, business operations and financial condition may be adversely affected.***

Our operations are critically dependent on the availability and cost efficiency of specialized raw materials such as para-aramid, meta-aramid, modacrylic, FR viscose, polypropylene and high-tenacity polyester, along with advanced blends including melamine, peroxidised PAN and antistatic/functional yarns. Many of these raw materials, particularly aramids, modacrylic and FR viscose, are largely imported, creating a dependency on global suppliers and exposing us to foreign exchange fluctuations, supply chain risks and changes in international trade policies.

While polypropylene and polyester are available domestically, their prices are linked to crude oil and petrochemical markets, which are inherently volatile. This may cause sharp fluctuations in procurement costs. Players with backward integration or long-term sourcing contracts may be better positioned to withstand such volatility, whereas our ability to manage input costs depends on maintaining supplier relationships and timely procurement.

During the Fiscals 2026, 2025 and 2024, our raw material consumption was ₹ 6,467.57 lakhs, ₹ 6,973.59 lakhs and ₹ 6,799.63 lakhs, respectively, accounting for 67.47 %, 67.13% and 67.92% of our total expenses.

Any inability to secure consistent supply of these raw materials at competitive prices, or any sharp increase in procurement costs without a corresponding increase in selling prices, may materially and adversely affect our profitability, production schedules and financial condition.

12. ***If our Company is unable to effectively manage our working capital cycle and inventory levels, our business, results of operations and financial condition may be adversely affected.***

Our Company's operations require maintaining substantial levels of working capital to procure raw materials, support production and ensure timely supply to customers. We manufacture a diversified range of technical yarns across the Indutech, Protech, Mobiltech and Hometech products including polypropylene yarns, aramid-based yarns, modacrylic blends, FR viscose yarns and high-tenacity polyester yarns. Since a significant portion of our raw materials, such as para-aramid, meta-aramid, modacrylic and FR viscose, are imported with longer procurement lead times, our working capital cycle is highly dependent on maintaining adequate inventory of both raw materials and finished goods.

The success of our business depends upon our ability to anticipate and forecast customer demand accurately. Any mismatch between actual demand and our forecast may lead to inventory imbalances. Under-stocking could delay production, impair our ability to meet customer requirements and cause loss of revenue. Over-stocking, on the other hand, may result in blocked funds, increased financing costs and potential deterioration or obsolescence of products. Unsold inventory may need to be discounted or written down, which could adversely affect profitability.

As of March 31, 2026, March 31, 2025 and March 31, 2024, our inventory as a percentage of current assets was 37.25%, 30.66% and 33.04%, respectively. During the same periods, our inventory turnover ratio was 7.18 times, 8.41 times and 10.21 times. A substantial portion of our working capital is therefore tied up in inventory and the associated amounts are realised only after the completion of the inventory cycle.

Further, since we extend credit to certain customers, our receivables also form a significant part of working capital. Any delays in collection of receivables could further elongate our working capital cycle and necessitate additional short-term borrowings. Increased reliance on borrowings to finance working capital would raise our finance costs and reduce our profitability.

The details of our Company's working capital position for the last three financial years are set out below:

Particulars	**For the Financial Year ended on**		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Net Working Capital (₹ in lakhs)*	4,185.40	3,659.60	3,112.84
Net Working Capital as % of revenue from operations	35.66%	32.09%	28.33%
Working Capital Turnover Ratio (times)#	**2.80**	**3.12**	**3.53**

* Excluding cash & cash equivalent and short-term derivatives.
# Revenue from Operations/Net Working Capital.

While our Company has been able to manage its working capital and inventory requirements historically, there is no assurance that this will continue in the future. Any inefficiency in managing the working capital cycle or maintaining optimal inventory levels may materially and adversely affect our Company's operations, results of operations, cash flows and financial condition.

13. ***Our Company operates on a business-to-business ("B2B") model and any reduction in demand from our institutional clients, delays in repeat orders, or adverse developments in the industries we cater to could adversely affect our business, results of operations and financial condition.***

We primarily operate on a B2B model, supplying yarns and fabrics to industrial manufacturers, processors and institutional buyers rather than to retail consumers. Our products are used as raw material inputs across diverse industries such as filtration and pollution control (filter media, filter cartridges and filter cloths), construction and infrastructure (geotextiles, ropes, webbings), automotive (friction materials, thermal insulation and seat fabrics), packaging (antistatic FIBC), safety and protective equipment (flame-retardant clothing, industrial protective wear, PPE kits) and home furnishing (carpets, upholstery, curtains and home filtration media).

Our revenues are therefore dependent on the procurement cycles, production schedules and growth trends of our institutional customers. Since we do not have long-term purchase commitments with most of our customers, orders are typically placed based on their immediate requirements. Any reduction, delay, or cancellation of orders, change in customer preference, or substitution of our yarns with alternative materials may directly impact our revenues.

Further, as our sales are concentrated among industrial buyers, our performance is linked to the demand patterns and growth of the industries we serve. A slowdown in end-user sectors such as construction, automotive, or protective textiles could reduce the demand for our products. In addition, competitive pressures in the B2B space may lead to pricing constraints and tighter margins. Unlike companies with direct-to-consumer models, we do not have the benefit of a diversified retail customer base to mitigate adverse developments in institutional demand.

Accordingly, our dependence on the B2B model exposes us to risks relating to client concentration, variability in demand and sensitivity to the economic and regulatory environment of end-user industries. Any significant adverse development in these areas could materially and adversely affect our business, financial condition, results of operations and cash flows.

14. ***There have been instances of delayed filings in the past with certain Regulatory Authorities. If the Regulatory Authorities impose any monitory penalties on us or take any punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.***

There have been instances of delayed filings in the past with certain regulatory authorities in relation to GST returns, TDS, Professional Tax and ESIC payments. Additionally, our Company has not deducted Provident Fund contributions in respect of salary paid to Promoter(s), Directors and Key Managerial Personnel in the past, which constitutes a non-compliance with applicable PF regulations.

As on the date of this Red Herring Prospectus, no penalties have been levied on our Company in respect of such delays or non-compliances. However, there can be no assurance that regulatory authorities will not impose monetary penalties, initiate audits, or take punitive actions against us in the future.

Fiscal Year	**Summary of Late Filing Instances and Impact**							
	GST – No. of Instances	**GST – Late Fees & Interest (₹ in Lakhs)**	**TDS – No. of Instances**	**TDS – Late Fees & Interest (₹ in Lakhs)**	**Professional Tax – No. of Instances**	**Professional Tax – Late Fees & Interest (₹ in Lakhs)**	**EPF – No. of Instances**	**EPF – Late Fees & Interest (₹ in Lakhs)**
Fiscal 2026	-	-	2	0.01	1	-	-	-
Fiscal 2025	-	-	2	0.27	2	-	-	-
Fiscal 2024	-	-	1	-	-	-	-	-

In these instances, the Company was required to pay applicable late fees and interest, although the quantum remained minimal. The delays were primarily due to account reconciliation issues with customers, delayed bill settlements and technical challenges encountered on statutory portals.

Non-compliance with regulatory requirements, even if inadvertent, can lead to financial penalties, late fees and interest charges, thereby increasing compliance costs and impacting cash flows. Such instances may also invite heightened scrutiny from authorities, resulting in audits, investigations, or legal proceedings, which could divert management attention and strain resources. In addition, reputational damage arising from regulatory defaults could adversely affect relationships with stakeholders, including customers, suppliers and business partners.

While corrective steps have been taken, we cannot assure that similar delays or defaults will not occur in the future or that our internal compliance systems will be fully sufficient to prevent them. Any adverse regulatory consequences could materially and adversely affect our business, financial condition, results of operations and reputation.

15. ***Our business operations, expansion plans and renewable energy projects are dependent on leased premises and any adverse development relating to such lease arrangements may affect our operations.***

Our Company conducts its administrative operations from its registered office located at 111, New Cloth Market, Raipur, Ahmedabad – 380002, Gujarat, India, which is held on lease for a period of 5 years commencing in 2022. Since this property is not owned, we are dependent on the lease agreement for our continued use of the premises. Any early termination, refusal of renewal, or modification of terms on renewal could require us to vacate or relocate, leading to disruption of administrative activities, additional expenditure for alternative premises and time required for shifting operations.

Our manufacturing activities are carried out at Building Nos. 27, 28 and 29, City Survey No. 156, Station Road, Village Petlad, Ahmedabad – 388450, Gujarat, India, which is held on lease for a period of 10 years commencing in 2023. As this manufacturing facility is critical for our production activities, any interruption to our leasehold rights may affect continuity of operations. Relocation of manufacturing operations would involve time, cost and administrative effort and there can be no assurance that suitable alternative premises would be available in a timely manner or at acceptable commercial terms.

One of the Objects of the Issue is to fund the installation of equipment and machinery at this leased manufacturing facility. The Company has incurred costs for setting up and upgrading this facility, including installation of equipment and related infrastructure. Since these investments are made on leased premises, continuity of benefits from such investments is dependent on our ability to continue occupying the premises under the lease terms. Any inability to continue operations at this facility may limit the benefits intended from the new equipment and machinery.

In addition to the above, the Company has invested in renewable energy projects for captive consumption. A 380 KW rooftop solar power system has been installed on the Petlad manufacturing facility, which became operational on January 19, 2022, under an agreement dated January 3, 2022. Further, the Company has commissioned a 4 MW solar power plant for captive consumption on leased land located at Survey Nos. 843/72/01, 843/73/01 and 843/74/01, Village Kankanpur, Taluka Godhra, District Panchmahal, Gujarat. Expenditure has been incurred for installation and commissioning of these solar projects on leasehold properties. Any termination or non-renewal of lease, or any adverse development relating to ownership or usage rights of such land, may affect the continuity of these projects and the cost benefits expected from them.

Accordingly, our registered office, manufacturing unit, installation of equipment and machinery, rooftop solar facility and ground-mounted solar power project are all located on leased premises. Our ability to continue operations, implement expansion plans and derive expected benefits from our investments is dependent on uninterrupted access to these leased properties. Any adverse development affecting leasehold rights, renewal terms, or usage rights in respect of these premises may have an effect on our business operations, financial condition and results of operations. For further details of our properties, please refer to the chapter titled "***Our Business – Immovable Property***" on page 184.

16. ***Our business is dependent on our registered office and manufacturing unit, which are both operated on leased premises and we are subject to risks relating to lease arrangements, operational disruptions, capacity utilization and concentration of operations in a single geography.***

Our Company conducts its administrative operations from its registered office held on lease for 5 years starting in 2022, which is situated at 111, New Cloth Market, Raipur Ahmedabad – 380002, Gujarat, India and our manufacturing operations are carried out at Building Nos. 27, 28 and 29, City Survey No. 156, Station Road, Village Petlad, Ahmedabad – 388450, Gujarat, India which is held on lease for a period of 10 years commencing in 2023. As we do not own these premises, we are exposed to the inherent risks of leased properties, including early termination, non-renewal on expiry, or the possibility of continued occupation only on terms less favourable than our current arrangement. Any requirement to vacate or relocate our registered office may result in disruption of our administrative and support functions, additional capital expenditure, logistical challenges and potential downtime. Further, there is no assurance that suitable alternative premises would be available to us in a timely manner or at commercially acceptable terms.

In addition, any adverse developments relating to the ownership, title, or usage rights of the lessor of these properties may impact our continued access to the premises. Since these premises are critical to our day-to-day operations, any disruption may adversely affect our business continuity, financial condition and results of operations. For further details of our registered office, please refer to the chapter titled ***"Our Business"*** starting on page 157.

17. ***Any under-utilization of capacity of our manufacturing facilities, delays in commissioning of proposed equipment and machinery, or concentration of operations at a single location may affect our business, revenues and financial performance.***

Our Company operates its manufacturing activities from a single facility located at Petlad, Gujarat, which is held on lease. As disclosed in the chapter titled "***Our Business – Immovable Property***" on page 184, this facility forms the backbone of our manufacturing operations. Our dependence on a single manufacturing facility exposes us to risks associated with unplanned slowdowns, unscheduled shutdowns, power outages, labour unrest, mechanical breakdowns, fire accidents, natural disasters, or other disruptive events. Any such event could interrupt production and affect our ability to supply products to customers in a timely manner.

Further, one of the Objects of the Issue, as detailed in the chapter titled "***Objects of the Issue***" on page 90, is to fund the installation of equipment and machinery at the above facility to enhance our manufacturing capacity. While investments are being made to upgrade production capabilities, there can be no assurance that the new equipment will be commissioned as scheduled or that it will operate at the expected efficiency levels. Any delay in commissioning or inability to achieve optimal utilization may restrict our ability to derive the intended benefits from these investments and may adversely affect our expansion plans.

Our ability to maintain or improve operating margins is linked to the level of capacity utilization. Higher utilization enables fixed costs to be spread over a larger output, whereas lower utilization results in increased per-unit costs. Capacity utilization depends on multiple factors, including customer demand, the product mix, industry dynamics and internal production planning. If demand falls below estimates, if customers alter procurement practices, or if our production planning does not align with market requirements, the facilities may remain under-utilized, leading to inefficiencies and lower profitability. For further details of our installed capacity and production levels, please refer to the section titled "***Our Business - Capacity and Capacity Utilization***" on page 182.

Particulars	**For the Financial Year ended on**		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose			

Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (up to 50 NE)			
Installed Capacity (In MT)	3,750	3,750	3,500
Actual Production (In MT)	3,619	3,247	2,809
Capacity Utilization (in %)	96.51%	*86.58%*	*80.24%*
100% Polypropylene Yarn (Up to 2 NE)			
Installed Capacity (In MT)	1,025	1,025	1,025
Actual Production (In MT)	656	653	680
Capacity Utilization (in %)	63.95%	*63.75%*	*66.38%*

#Annualised

***Note**: The installed capacity and utilized capacity have been certified by B.P. Oza & Associates (Chartered Engineer Registration No: M131433-5), Independent Chartered Engineer vide their certificate dated July 28, 2026.*

Additionally, our entire manufacturing operations are concentrated at the Petlad, Gujarat facility. Geographic concentration of operations exposes us to location-specific risks such as labour unrest, regulatory changes at the state or local level, industrial accidents and natural calamities. Any event affecting this facility could materially disrupt production, supply capabilities and business continuity.

Accordingly, risks relating to under-utilization of our existing and proposed capacity, delays in commissioning or utilization of equipment and machinery funded through the Issue and concentration of our operations in a single leased facility may adversely affect our production volumes, revenues, cash flows and overall financial performance.

18. ***We have experienced negative cash flows in the past. Any negative cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

We have experienced negative cash flows in the recent past. The following table sets forth our cash flows for the period and fiscal years indicated as per our Restated Financial Statements:

(₹ in Lakhs unless stated otherwise)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net cash flow from operating activities	2,144.35	1,122.22	563.54
Net cash flow from investing activities	(1,031.93)	(2,629.91)	(760.62)
Net cash flow from financing activities	(1,414.70)	1,828.50	87.75
Net increase / (decrease) in cash and cash equivalents	**(302.28)**	**320.81**	**(109.33)**

We had net cash inflow due to addition from the operating activities in the Fiscal 2026, 2025 and 2024 of ₹ 2,144.35 lakhs, ₹1,122.22 lakhs and ₹563.54 lakhs respectively. The cash inflows from operating activities were primarily driven by our operating profits, as adjusted for non-cash items such as depreciation and changes in working capital. The movement in working capital mainly reflects changes in trade receivables, inventories and trade payables during the respective fiscals.

We had net cash outflow from the investing activities in the fiscal 2026, 2025 and 2024 amounting to ₹ (1,031.93) lakhs, ₹(2,629.91) lakhs and ₹(760.62) lakhs respectively. These outflows were primarily on account of capital expenditure incurred towards purchase of property, plant and equipment during the respective fiscals, aggregating to ₹1,036.96 lakhs, ₹2,645.94 lakhs and ₹762.36 lakhs, respectively. The impact of proceeds from sale of assets, if any, during these periods was not material.

We had a net cash outflow from financing activities amounting to ₹(1,414.70) lakhs in Fiscal 2026, primarily on account of repayment of long-term borrowings aggregating to ₹1,058.57 lakhs.

In contrast, we had net cash inflows from financing activities amounting to ₹1,828.50 lakhs and ₹87.75 lakhs in Fiscal 2025 and 2024, respectively, primarily due to proceeds from long-term borrowings (net) of ₹2,099.99 lakhs and ₹279.13 lakhs, respectively.

The above activities resulted in the net Decrease in cash and cash equivalents in fiscal 2026 and net increase in cash and cash equivalents in fiscal 2025.

Any negative cash flows in the future could adversely affect our business, results of operations and financial condition. For further details, see "***Management's Discussion and Analysis of our Financial Condition and Results of Operations – Cash Flows***" on page 249. Negative cash flows over extended periods or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. We cannot assure you that our net cash flows will be positive in the future. In the event we witness negative cash flows in the future, our results of operations, cash flows and financial condition may be adversely affected.

19. ***Failure to adequately use, maintain, protect or enforce our intellectual property rights, including our registered trademark for our logo, may expose us to infringement, imitation and legal disputes, which may adversely affect our brand recognition, goodwill and business.***

Our Company's logo is registered as a trademark under the Trade Marks Act, 1999. While such registration provides statutory protection in respect of the registered mark, the protection of our intellectual property rights depends, among other things, on our continued use of the mark, timely renewal of its registration and our ability to identify and take appropriate action against any unauthorized use, infringement, passing off or imitation by third parties.

Third parties may use, copy, imitate or seek to register trademarks, logos or other branding elements that are identical or deceptively similar to our registered trademark. Any such use may cause confusion among customers, dilute the distinctiveness of our brand and adversely affect our reputation and goodwill. Although we may initiate legal proceedings to protect and enforce our intellectual property rights, such proceedings may be costly and time-consuming, may divert management attention and may not result in a favourable outcome. Further, any delay or failure by us to detect or take timely action against unauthorized use may make enforcement of our rights more difficult.

Our registered trademark may also be subject to rectification, cancellation or removal proceedings, including on account of non-use, or may not provide effective protection in all circumstances or against all forms of unauthorized use. Any failure to continuously use, renew, maintain or adequately protect our trademark may result in the weakening or loss of our rights in the mark.

There is also a risk that our use of the logo or other intellectual property may be alleged to infringe the intellectual property rights of third parties. Any such claim, whether or not meritorious, may result in legal proceedings, injunctions, damages, settlement costs or restrictions on our use of the relevant intellectual property and may require us to modify our branding or marketing materials.

Any failure to adequately use, maintain, protect or enforce our intellectual property rights, or any successful third-party claim relating to such rights, may adversely affect our brand identity, reputation, market position, business, revenues and results of operations. For further details, please refer to the section titled "***Government and Other Approvals***" on page 267.

20. ***We may be subject to industrial unrest and increased employee costs, which may adversely affect our business and results of operations.***

As of June 30, 2026, our workforce comprised 169 permanent employees, including labor staff. Our employee benefits expense comprise payments made to all the personnel on our payroll and engaged in our operations.

The table below sets forth our employee benefits expense and such as a percentage of total revenue from operations for the period and fiscal years indicated:

(₹ in Lakhs unless stated otherwise)

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Employee Benefit Expenses	733.28	6.25%	562.20	4.93%	528.46	4.81%

Our processing operations are significantly dependent on the cooperation and continued support of our workforce, particularly our employees and personnel. Strikes or work stoppages by our workforce at our processing facilities could halt our production activities which could impact our ability to deliver customer orders in a timely manner or at all, which could adversely affect the results of our operations and reputation. We do not have any registered labour unions at our processing facilities and there have been no disruptions to our processing operations during the Fiscal 2026, Fiscal 2025 or Fiscal 2024 on account of labour-related disputes including strikes, lockouts, or collective bargaining arrangements. However, there can be no assurance that we will not experience work disruptions in the future due to disputes or other problems with our workforce. Any such event, at our current facilities or at any new facilities that we may commission in the future, may adversely affect our ability to operate our business and serve our customers and impair our relationships with certain key customers, which may adversely impact our business, results of operations, cash flows and financial condition.

21. ***Our insurance coverage could prove inadequate to satisfy potential claims or protect us from potential operational hazards and losses which may have a material adverse effect on our business, results of operations and financial condition.***

We maintain certain insurance policies, including Burglary Insurance, Standard Fire & Special Perils Insurance, Marine Export Import Insurance (Open Policy), Marine Inland Declaration Policy, Industry Protector Insurance and Saral Bharat Sookshma Udyam Suraksha Policy, covering risks such as fire, burglary, allied perils, machinery and stock at third-party job-work locations for our manufacturing facility located at Petlad, Gujarat and any inventory held therein.

We have obtained various insurance policies to support our business operations. For further details, see *"**Our Business – Insurance**"* on page 186. However, if our arrangements for insurance or indemnification are not adequate to cover claims, we may be required to make substantial payments which could negatively impact on our financial condition, cash flows and results of operations. Additionally, our insurance may not adequately cover all losses or liabilities that may arise from our operations, including, but not limited to, when the loss suffered is not easily quantifiable.

The details of the Insured Amount and the percentage of Assets for March 31, 2026, March 31, 2025 and March 31, 2024 as certified by M/s Shah & Patel, Chartered Accountants vide certificate dated August 24, 2026 are given in the table below:

(₹ in Lakhs unless stated otherwise, unless otherwise stated)

Particulars	**Amount of Assets as at**		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Insurance of Property Plant and Equipment Except Land			
Insured Assets	8,538.77	5,942.17	4,860.34
Insured Assets as % of PPE Except Land	96.47%	73.40%	90.82%
Past instance of an Insurance claim exceeding liability insurance cover	No	No	No
Insurance of Inventories			
Insured Assets	1,650.00	1,443.08	1,270.01
Insured Assets as % of total inventory	90.26%	100.00%	100.00%
Past instance of an Insurance claim exceeding liability insurance cover	No	No	No

There can be no assurance that any claims under the aforesaid insurance policies will be fully honored, partially honored, or paid in a timely manner, nor can we assure that we have sufficient insurance coverage (either in terms of amount or risks covered) to address all material losses. Our insurance policies are subject to annual renewal and may include exclusions or limitations in coverage and we cannot guarantee that we will be able to renew them on similar or acceptable terms.

In the event of a significant uninsured loss or if we face large claims exceeding our insurance coverage, changes in our insurance terms, changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, financial condition, cash flows and results of operations. Even if our insurance coverage is adequate to cover direct losses, we may not be able to take timely or effective remedial or other appropriate actions in timely manner or at all.

Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future. While we have not faced any instances of our insurance policies failing to adequately protect us against losses or claims exceeding our insurance coverage or insurance policies not being honored in full or on time that led to an adverse effect on our business or operations for the financial year ended March 31, 2026, March 31, 2025, March 31, 2024. If our losses significantly exceed or differ from our insurance coverage or cannot be recovered through insurance in the future, our business, results of operations, cash flows and financial condition could be adversely affected.

22. ***Our Company is party to certain legal proceedings. Any adverse decision in such proceedings may have an adverse effect on our business, results of operations and financial condition.***

Our Company, Promoter and Director are party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and forums. Mentioned below are the details of the proceedings involving our Company as on the date of this Red Herring Prospectus along with the amount involved.

Name of Entity	Criminal Proceedings	Material Civil Litigations	Statutory or Regulatory Proceedings	Tax Proceedings	Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges during the last 5 Financial Years	Aggregate amount involved ₹ (in Lakhs)
Company:						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	9	-	0.77
Promoters*:						
By the Promoters	-	-	-	-	-	-
Against the Promoters	-	-	-	3	-	2.72
Directors:						
By the Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
Group Company:						
By the Group Company	-	-	-	-	-	-
Against the Group Company	-	-	-	11	-	184.54
KMPs/SMs:						
By the KMPs/SMs	-	-	-	-	-	-
Against the KMPs/SMs	-	-	-	-	-	-

** Promoters who are also Directors shall be included in the Promoter category only.*

The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Red Herring Prospectus. For further details, please refer to the chapter titled **"*Outstanding Litigation and Material Developments*"** on page 263 of this Red Herring Prospectus.

23. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use bank balance or other assets. Any defaults may adversely affect our cash flows, business, results of operations and financial condition. Further, our dependency on borrowings is reflected in the fact that one of the Objects of the Issue is repayment/prepayment of certain borrowings of our Company.***

Our ability to meet our obligations under our debt financing arrangements and repayment of our outstanding borrowings will depend primarily on the cash generated by our business. The table below sets out details of our total borrowings for the financial year ended on March 31, 2026, 2025 and 2024:

(₹ in Lakhs unless stated otherwise)

Particulars	As of March 31,		
	2026	**2025**	**2024**
Total Borrowings*	4,792.45	5,743.50	3,486.32

** Total Borrowings includes the non-current borrowings and current borrowings of our Company.*

Our financing agreements generally include several conditions and covenants that require us to obtain lender consents or intimate the respective lenders prior to carrying out certain activities and entering into certain transactions such as:

- effecting any change in our Company's capital structure where the shareholding of the existing promoter(s) either gets diluted below current level or which leads to dilution in controlling stake for any reason;
- intention to create or issue of share capital; and
- change in the directors, auditors or the management set up of our Company.

These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document and may restrict or delay certain actions or initiatives that we may propose to take from time to time. As of date, the Company has not faced any instances of non-compliance with the conditions and covenants set forth in its financing agreements. Any future inability to comply with the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such facilities and the enforcement of any security provided. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Defaults, if any, under any of our debt obligations may also trigger cross-defaults under certain of our financing arrangements. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness and/or any credit rating we may hold, which could harm our ability to incur additional indebtedness on acceptable terms.

In addition, repayment/prepayment of certain borrowings forms one of the Objects of the Issue, as disclosed in the section titled "***Objects of the Issue***" on page 90.

Any failure to make timely repayments of principal or interest may adversely affect our creditworthiness and limit our ability to raise additional financing on acceptable terms in the future.

24. ***Our financing agreements impose certain restrictions on our operations and our failure to comply with operational and financial covenants may adversely affect our business and financial condition.***

As per the Restated Financial Statements, we have total borrowings (long-term and short-term including current maturity) outstanding amounting to ₹4,792.45 lakhs, ₹ 5,743.50 lakhs and ₹ 3,486.32 lakhs for the Fiscals 2026, 2025 and 2024 respectively. Some of our financing arrangements impose restrictions on the utilization of the loan for certain specified purposes only, such as for the purposes of meeting specific capital expenditure, working capital use and related activities.

We are required to obtain prior consent from the lender prior to undertaking certain matters including any change in the capital structure, promoter shareholding, promoter directorship resulting in change in management control, opening a new current account with any other bank, change in name or trade name of the Company, effect any dividend payout in case of delay in debt servicing or breach of any financial covenants, change in accounting standards and accounting year, amendments in our Company's constitutional documents and enter into any scheme of merger, amalgamation, compromise or reconstruction or do a buy back. Further, in terms of security, we are typically required to create a charge over our movable fixed assets (present and future) and/ or our immovable properties. Our financing agreements also generally contain certain financial covenants including the requirement to maintain, among others, specified debt-to equity ratios. In addition, lenders under our credit facility could foreclose on and sell our assets if we default under our credit facilities. The required NOCs for the disclosures made in this Red Herring Prospectus have been obtained from our respective lenders. For further details, see "***Financial Indebtedness***" and "***Objects of the Issue***" beginning on page 245 and 90 respectively of this Red Herring Prospectus.

If we are unable to comply with the covenants and conditions set forth in our financing agreements, or if we fail to obtain the necessary consents from our lenders, this could result in an event of default under such agreements. This may give our lenders the right to enforce their security, accelerate repayment, or impose additional restrictions on our operations, which could adversely impact our business, financial condition and cash flows. Additionally, failure to comply with these covenants may restrict our ability to raise further financing, which could limit our growth prospects and operational flexibility.

25. ***Few of our Promoter/Directors have provided personal guarantees for loan facilities obtained by our Company and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters/Directors and thereby, impact our business and operations.***

According to the terms and conditions of Bank sanction letter, our Promoters/Directors have provided personal guarantees to our Company to secure our existing borrowings and may, post listing of our Equity Shares, continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the guarantees provided by our Promoter and Director may be invoked, which could negatively impact the reputation of our Company. We may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation.

Furthermore, in the event that our Promoters and Directors withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. In addition, our Promoter and Directors may be required to liquidate his shareholding in our Company to settle the claims of the lenders, thereby diluting his shareholding in our Company. We may also not be successful in procuring alternate guarantees satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer "***Financial Indebtedness***" on page 245.

26. ***We are required to fulfil export obligations under the Advance Authorisation and EPCG schemes, and any delay or shortfall in meeting such obligations may result in withdrawal of benefits and imposition of duties, interest and penalties.***

Our Company imports raw materials under the Advance Authorisation scheme and certain capital goods under the Export Promotion Capital Goods (“EPCG”) scheme in accordance with the Indian foreign trade policy. These schemes allow duty-free import of specified goods subject to the condition that prescribed export obligations are fulfilled within stipulated timelines. The export obligations under these schemes are linked to the quantity of inputs imported and/or the duty saved on capital goods, and require timely execution of exports, submission of prescribed documentation and compliance with procedural requirements.

Any delay, shortfall or procedural non-compliance in meeting these export obligations may result in cancellation of the benefits and require us to pay the applicable duties along with interest and penalties, as determined by the relevant authorities. In addition, failure to comply may also restrict our ability to avail such benefits in the future and may result in regulatory scrutiny or proceedings, including delays in release of authorisation closure or redemption certificates.

If such circumstances arise, we may incur additional financial outflows, our cost of procurement may increase and our working capital may be adversely affected. Any such outcome may have an adverse impact on our business, results of operations, financial condition and cash flows.

27. ***Our high debt-equity ratio and dependence on working capital financing may adversely impact our financial flexibility and growth.***

As on March 31, 2026, our Company has a total debt-equity ratio decreased from 1.60 times to 0.92 times. As of March 31, 2026, we had availed term loans and working capital facilities amounting to approximately ₹ 4,792.45lakhs. Our operations require substantial working capital, and we may continue to depend on external borrowings to meet our working capital requirements.

We are undertaking a proposed expansion to purchase a new equipment and machinery to increase our production capacity, which we intend to fund from the proceeds of the Initial Public Offering (IPO).

Our ability to meet repayment obligations and manage our debt effectively is dependent on maintaining consistent profitability and sufficient liquidity. If our business growth does not align with expectations whether due to internal operational challenges or external market conditions it may impair our ability to service existing debt, which could have a negative impact on our profitability, financial condition and future growth.

28. ***Our operations are concentrated in a single manufacturing facility located in Petlad, Gujarat and any disruption, slowdown, or regulatory challenge affecting this facility may materially and adversely impact our business, results of operations, financial condition and cash flows.***

We currently carry out all of our manufacturing activities at one facility situated in Petlad, Gujarat. This concentration increases our exposure to risks associated with that region, including disruptions in local infrastructure, adverse weather, natural disasters, workforce interruptions, civil unrest and changes in local government policies or regulations. Like companies having multiple facilities, we do not have alternate manufacturing sites to mitigate the impact of such events, which could directly disrupt our production and supply chain.

Our operations are also subject to compliance with applicable labour, environmental, health and safety regulations of the State of Gujarat, in addition to central regulations. Any tightening of such norms, changes in compliance requirements, or delays in obtaining or renewing approvals may increase our costs, restrict operational flexibility, or require us to make significant changes to our processes. Failure to comply with applicable regulations may expose us to fines, penalties, or other sanctions.

In addition, our facility is exposed to operating risks beyond our control, such as equipment failure, industrial accidents, fires, power outages, or severe weather events. Past disruptions, such as those experienced by manufacturing units during the COVID-19 pandemic, highlight the risks of reliance on a single facility. While our Company has not faced any such major disruption in the last three financial years, there can be no assurance that such events will not occur in the future. Any prolonged or repeated interruption in operations, or delays in repairing or replacing critical equipment, could force us to suspend or curtail production, impair our ability to meet delivery schedules and adversely affect relationships with customers and suppliers.

We may also be required to undertake planned shutdowns for maintenance or face shutdowns due to events beyond our control, such as pandemics, regulatory actions, social or political developments, power shortages, or delays in raw material supplies. Any such slowdown, disruption, or shutdown of our Petlad facility could materially adversely affect our production capacity, customer commitments, revenues and cash flows.

29. ***Excessive attrition or loss of skilled personnel, including those engaged in our specialised manufacturing processes and Key Managerial Personnel, may adversely impact our operations, financial condition and results of operations.***

Our business is significantly dependent on our ability to attract, train and retain qualified personnel, including skilled shop-floor employees, technical experts and Key Managerial Personnel ("KMPs"). Our manufacturing operations involve advanced processes such as insert company-specific specialised processes, e.g., blending, pelletising, pulverisation, flame-retardant treatment, etc.], which require technical know-how and practical expertise. The efficiency, quality and safety of our production, as well as our ability to meet customer specifications, depend heavily on employees with specialised skills who are trained to operate sophisticated equipment and adhere to stringent quality control protocols.

The training period for new recruits to become proficient in our specialised processes is relatively long and resource-intensive, thereby increasing our dependency on retaining skilled personnel. High attrition rates, or movement of trained employees to competitors, may lead to operational inefficiencies, production delays, higher rejection rates and disruption in fulfilling customer orders. Replacing such employees is costly and time-consuming, as newly recruited employees must undergo rigorous training before achieving optimal productivity.

At the corporate and managerial level, our strategy and growth initiatives rely on the continued services of our Key Managerial Personnel and Senior Management team. If one or more members of our Senior Management or KMPs are unable or unwilling to continue in their present positions, we may face challenges in replacing them in a timely and cost-effective manner, which could restrict our ability to grow, raise funding, execute our strategies, or manage our operations effectively.

As set out below are the details of our attrition for our permanent employees for the period indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total Number Employees	165	131	110
Average attrition rate of our permanent employees (%)*	6.08%	2.49%	1.89%

**Attrition rate has been calculated by dividing the total number of permanent employees who resigned during the year/ period with the average of opening and closing total head count of the permanent employees during the respective year/ period.*

Any significant increase in attrition, inability to retain critical employees, or prolonged hiring and training cycles may increase our recruitment and training costs, constrain our ability to maintain consistent quality standards and disrupt our business continuity. This could have a material adverse effect on our Company's operations, financial condition, cash flows and results of operations. For further details of our human resources, see "***Our Business – Human Resources***" on page 181 and for details of our management and KMPs, see "***Our Management***" on page 212.

30. ***Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.***

Our Company has entered into various transactions with certain related parties. The table below sets forth the total amount of our related party transactions in the ordinary course of business for the Fiscal stated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in Lakhs)	% of revenue from Operations	Amount (₹ in Lakhs)	% of revenue from operations	Amount (₹ in Lakhs)	% of revenue from operations
Total related party transactions	1,588.65	13.54%	2,365.12	20.74%	2,105.44	19.16%

For information on all our related party transactions, see "***Restated Financial Statements - Annexure - XXXIV: Restated Statement of Related Party Disclosures***" on page 242 of this Red Herring Prospectus.

While we trust that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms than the transactions entered into with related parties and are not prejudicial to the interest of our Company. It is likely that we will continue to enter into related party transactions in the future. Some of these transactions may require significant capital outlay and there can be no assurance that we will be able to make a return on these investments. Although all related party transactions that we may enter into will be subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations, as applicable, we cannot assure you that such transactions, individually or in the aggregate, will perform as expected/ result in the benefit envisaged therein, or that we could not have undertaken such transactions on more favorable terms with any unrelated parties. There can be no assurance that conflicts of interest will not arise which could negatively impact our business and prospects. Further, there can be no guarantee that we will be able to address any such conflicts of interest, that may arise in the future, in our favour.

31. ***Any non-compliance by our Company with changes in, safety, health and environmental legislations and other applicable laws, may adversely affect our business, results of operations and financial condition.***

Our Company's manufacturing operations are subject to a broad range of laws and regulations relating to workplace safety, environmental protection, labour welfare and other applicable matters. These include controls on air emissions and water discharges, the storage and disposal of waste, workplace conditions, minimum wages, overtime, contract labour and related compliances. Failure to comply with such requirements may result in fines, penalties, or operational shutdowns imposed by regulatory authorities.

As per applicable Indian laws, our Company has obtained the necessary statutory registrations, licenses and approvals for carrying on its business operations. While we endeavour to maintain valid approvals at all times, there can be no assurance that renewals will always be received in a timely manner or that no new requirements will be introduced in the future.

In addition, our Company has obtained ISO 9001:2015 (Quality Management System), ISO 14001: 2015 (Environment Management System), ISO 45001:2018 (Occupational Health & Safety Management System), Oeko-Tax Standard 100 Certification for Textile Safety and 5S workplace certification, which demonstrate compliance with quality and sustainability practices. However, certain customers, particularly in sectors such as healthcare, defence and protective equipment, may require additional international certifications. Failure to obtain or maintain such certifications could restrict our ability to cater to regulated industries, limit access to export markets, and adversely affect our competitiveness.

Accidents at our facility, including fire, mechanical breakdowns, or chemical hazards, may result in injury or loss of life of employees, damage to property and equipment and suspension of operations. Any such events could expose us to litigation, third-party claims and significant financial liabilities, in addition to reputational harm and adverse publicity.

Although, as of the date of this Red Herring Prospectus, our Company has not faced any significant non-compliance, litigation, or penalties in relation to safety, health, environmental, or labour matters, there can be no assurance that such instances will not arise in the future. Any future non-compliance, adverse orders, or reputational damage in this regard could have a material adverse effect on our Company's operations, cash flows and financial condition.

32. ***Our ability to recruit and retain key management personnel, employees with technical knowledge and plant operating staff is critical to the success and stability of our business. Any inability to attract or retain such individuals could materially and adversely affect our operations, strategy and financial performance.***

Our Company's performance is closely linked to the expertise and continuity of its Key Managerial Personnel, senior executives, employees with specialized technical knowledge and skilled plant operators. Technical yarn manufacturing requires advanced know-how in handling processes such as ring spinning, DREF friction spinning, open-end spinning and fibre blending (including para-aramid, FR viscose and modacrylic). Plant operators with experience in managing these processes and operating specialized machinery are essential for ensuring product quality, minimizing downtime and optimizing production efficiency.

Given the competitive nature of the textile and technical yarn industry, demand for qualified managerial, technical and operational staff is high. Competitors and companies in related industries may offer more attractive remuneration packages, career prospects, or working conditions, which could make it difficult for us to retain or recruit such personnel. If we are unable to offer competitive compensation or career advancement opportunities, we risk losing such employees, which may disrupt our business continuity.

The departure of senior management could also create a leadership vacuum, leading to loss of institutional knowledge, lower employee morale and delays in strategic decision-making. Similarly, the loss of experienced plant operators or technical staff may result in operational inefficiencies, longer training cycles for replacements and possible delays in fulfilling customer orders. Recruiting new personnel with equivalent expertise is often difficult and even when possible, it involves significant time and cost in training before they can match the productivity and skillset of existing staff.

Certain technical roles may also require specific qualifications, certifications, or compliance with statutory and industry standards. If our current employees fail to maintain these qualifications, or if we are unable to recruit individuals who meet the regulatory or industry requirements, our operations may be disrupted. Such non-compliance may also expose us to regulatory scrutiny or penalties.

While we endeavour to mitigate these risks by providing training, career development opportunities and a safe workplace environment, there can be no assurance that we will be able to retain our Key Managerial Personnel, technical and operational employees in the future. Any inability to do so may adversely affect our business operations, customer relationships, strategic growth and overall financial condition.

33. ***We may face potential risks if any of our Group Companies expand into business areas similar to ours in the future.***

Our Group Companies, namely Shree Prakash Textiles (Gujarat) Private Limited, Shyamprakash Spinning Mills Limited and Shri Bajrangbali Intermediate and Dyechem Pvt. Ltd., currently operate in business segments such as cloth processing, trading of dyed and printed fabrics, and trading of dyes and intermediates. These activities are distinct from our operations, which relate to the manufacturing of technical textile products. Accordingly, there are no existing common pursuits between our Company and our Group Companies.

As an additional safeguard, we have entered into non-compete agreements with our Group Companies, which restrict them from undertaking business activities that are similar to or competitive with our current line of business. However, such arrangements may not fully eliminate the possibility of such entities diversifying, changing their business focus, or undertaking activities in the future that may overlap with or compete with ours.

If any such development occurs, it could lead to potential conflicts of interest, competition for customers or suppliers, diversion of business opportunities, or dilution of management focus. This may adversely affect our business, financial condition and results of operations.

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

The funding requirements and the deployment (including the schedule of deployment) of the Net Proceeds are based on the current business plan and strategy of our Company. Our Company may have to revise these from time to time as a result of variations including changes in estimates and other external factors, which may not be within the control of the management of our Company. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the deployment for a particular purpose from its planned expenditure or changing the schedule of deployment of the Net Proceeds at the discretion of the Board of Directors of our Company, in compliance with applicable law. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or the schedule of deployment of the Net Proceeds as disclosed in this Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the Objects of the Issue as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, 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, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations. For further details of the proposed Objects of the Issue, see **"*Objects of the Issue*"** on page 90.

35. ***Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.***

We intend to utilize the Net Proceeds of the Issue as set forth in ***"Objects of the Issue"*** beginning on page 90. The funding requirements mentioned as a part of the Objects of the Issue are based on internal management estimates and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. However, the deployment of Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations, if the issue size is more than ₹ 5,000 lakhs. We intend to deploy the Net Proceeds by the end of Financial Year 2026-2027 but 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. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and results of operations.

Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Accordingly, use of the Net Proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

36. ***We may not be able to successfully manage the growth of our business if we are unable to effectively implement our strategies, including our proposed increase in manufacturing capacities.***

Our growth strategy includes expanding our manufacturing capabilities by installing new equipment and machinery to enhance production of technical yarns across our Indutech, Protech, Mobiltech and Hometech products. Successful implementation of this expansion depends on timely execution of projects, effective utilization of new machinery, availability of skilled personnel, uninterrupted supply of raw materials and sustained demand for our products.

There can be no assurance that our proposed increase in capacities will translate into proportional increases in revenue or profitability. If demand for our products does not grow commensurate with the expanded capacities, we may face under-utilization of our facilities, which could adversely impact our margins and return on capital employed. Conversely, delays or cost overruns in implementing the expansion could strain our resources and affect cash flows.

Furthermore, managing growth requires strengthening internal systems, recruiting and retaining technically skilled employees, maintaining product quality and ensuring strict compliance with regulatory requirements. Any inability to align our operations, infrastructure and workforce with the demands of a growing business may lead to inefficiencies, increased costs and reduced competitiveness.

While our strategies are aimed at capturing opportunities in the growing technical textile industry, there can be no assurance that we will be able to successfully implement these strategies or achieve the intended benefits. Any failure in this regard may adversely affect our business growth, operational performance and financial condition.

37. ***Due to a significant concentration of our revenues and raw material procurement in Gujarat, we are highly exposed to regional risks and any disruption in this state may adversely affect our business, operations and financial condition.***

A large portion of our revenues is generated from Gujarat and we also procure a significant portion of our raw materials including polypropylene fibre, polyester, modacrylic fibre and other specialty fibres from suppliers located in this region. This concentration exposes us to risks specific to Gujarat, such as civil unrest, natural disasters, adverse weather conditions, labour unrest, transportation bottlenecks, regulatory changes and other unforeseen social, political, or economic events. Any downturn or disruption in Gujarat may adversely affect both our sales and supply chain.

During the Fiscals 2026, 2025 and 2024, our raw material purchases from Gujarat amounted to ₹ 3,162.21 lakhs, ₹ 2,921.51 lakhs and ₹3,103.09 lakhs, respectively, representing 48.15%, 40.05% and 42.93% of our total raw material purchases and approximately 26.94%, 25.62% and 28.24% of our revenue from operations in those years,

Any prolonged disruption in Gujarat may lead to higher procurement costs, production delays, or supply chain interruptions, which may in turn affect our ability to meet customer demand. At the same time, a slowdown in regional demand could materially reduce our revenues. Together, these factors could materially and adversely impact our profitability, cash flows and financial condition.

38. ***The Company is exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact business, financial condition, cash flows and results of operations.***

Our Company extends credit to customers in the ordinary course of business and is therefore exposed to counterparty credit risk arising from delays in collection or non-receipt of receivables. Any significant delay in realizing dues, or write-offs on account of customer defaults, disputes or insolvency, may adversely affect our revenues, liquidity position, working capital requirements and results of operations.

Our ability to collect receivables depends on multiple factors, including the creditworthiness of our customers, accuracy and timeliness of invoicing and documentation, adherence to delivery specifications and overall conditions in the industries we serve. Although we undertake credit assessments and monitor outstanding balances, there is no assurance that such measures will be sufficient in all circumstances or that we will be able to identify deterioration in a customer's financial condition in a timely manner.

We recognize expected credit loss provisions in accordance with Ind AS 109, based on historical loss experience, current conditions and forward-looking information. Any adverse changes in customer risk profiles, economic slowdowns or sectoral stress may require us to increase provisioning, which could negatively impact profitability.

Our receivables may also become overdue due to product acceptance timelines, inspection or quality disputes, or documentation and logistics issues in cross-border transactions. Prolonged ageing of receivables increases our reliance on short-term borrowings and raises finance costs. Breach of financial covenants due to elongated receivable cycles could also restrict our access to credit.

While we have historically not experienced material bad-debt losses, we cannot assure that delays or defaults will not occur in the future. If large customers delay payments or default, or if we are required to grant extended credit terms, our cash flows and results of operations may be adversely affected.

39. ***We have availed unsecured loans that may be recalled at any time. Our Company has availed unsecured loans which are repayable on demand. Any demand from lender(s) for repayment of such unsecured loans, may adversely affect our cash flows.***

We have availed unsecured loans which are repayable on demand. Any demand from the lender(s) for repayment of such loans could adversely affect our liquidity, cash flows and results of operations. As these borrowings do not have a fixed repayment schedule and may be recalled at any time, there can be no assurance that the lenders will not recall such borrowings, or that we would be able to arrange alternative financing on commercially reasonable terms, or at all.

As of March 31, 2026, our outstanding unsecured loans aggregated ₹ 1,842.80 lakhs, comprising ₹ 1,842.80 lakhs from related parties and ₹ 0.00 lakhs from others. These loans are unsecured, carry interest in the range of 10 % to 12 % per annum (where applicable) and ₹ 1,087.80 lakhs are repayable on demand and ₹ 755.00 lakhs are repayable after 6 years to the respective lenders. There is no agreed amortisation schedule for such loans.

If any of these lenders were to recall their loans and we are unable to refinance the same, we may be required to utilise internal accruals or working capital lines to meet such obligations, which could constrain funds available for operations and growth. Any forced prepayment could also increase our finance costs if replacement funding is available only at higher rates.

Since these loans are repayable on demand, they are classified as current liabilities in our financial statements and may adversely affect certain financial ratios, including the current ratio and debt-related covenants, which could further limit our access to additional borrowings.

Unsecured loans, by their nature, rank junior to our secured borrowings to the extent of applicable security interests. In the event of any enforcement action by secured creditors, unsecured lenders may have limited recourse to assets subject to security and any accelerated repayment demands by unsecured lenders could aggravate liquidity pressures.

To the extent these loans are from related parties, any change in our relationship with such parties, or their liquidity position, could result in withdrawal of financial support at short notice. There is no assurance that such support will continue in the future. Any such event could adversely affect our business, cash flows and financial condition.

For further details of unsecured loans of our Company, please refer ***"Sub Annexure VII"*** under chapter titled *"**Restated Financial Statements"*** beginning on page 242.

40. ***Our Promoters and members of our Promoter Group will be able to exercise significant influence and control over us after the Issue and may have interests that are different from or conflict with those of our other shareholders.***

As on the date of this Red Herring Prospectus, our Promoters and Promoter Group collectively hold 94,17,600 share which make up 59.79% of the paid-up Equity Share capital of our Company. Post-Issue, the Promoters will continue to hold a substantial shareholding, giving them significant control over our Company's affairs. For details of shareholding before and after the Issue, please refer to the section "***Capital Structure***" on page 70.

By virtue of their shareholding, our Promoters will have the ability to influence or control key matters requiring shareholder approval, including the composition of our Board of Directors, approval of dividends, amendments to our Memorandum and Articles of Association, approval of mergers, acquisitions or sale of substantial assets and other strategic decisions.

While such control provides stability and continuity, the interests of our Promoters may not always align with the interests of our other shareholders. They may take decisions regarding dividend distribution, reinvestment of earnings, financing, or business strategy that could benefit them disproportionately or conflict with the interests of minority shareholders.

Consequently, our other shareholders may have limited ability to influence the outcome of matters requiring shareholder approval. Any such divergence of interest or potential misuse of control could adversely affect our governance standards, financial policies and overall shareholder value.

41. ***We could incur losses under our purchase orders with our customers or be subjected to disputes or contractual penalties as a result of delays in delivery or failures to meet product specifications or delivery schedules, which may have a material adverse effect on our business, results of operations, cash flows and financial condition.***

Our Company's sales are primarily executed through purchase orders placed by customers, which specify product specifications, delivery schedules and quality standards. The yarns we supply require strict adherence to quality parameters such as tensile strength, flame retardancy and dimensional stability. Any failure to meet such specifications may result in rejection of consignments, disputes over quality, or penalties.

Further, timely delivery is critical for our customers, especially in industries such as industrial filtration, protective clothing and home textiles, where delays in supply can disrupt their production schedules. If we are unable to meet delivery timelines due to operational disruptions, raw material shortages, labour unrest, power outages, machinery breakdowns, or logistics bottlenecks, our customers may impose penalties, cancel orders, or withhold payments.

Since we generally do not have long-term contracts with most of our customers, but rely on repeat orders and ongoing relationships, any dissatisfaction due to product quality issues or delays in execution could adversely impact customer retention and our reputation in the market. Additionally, disputes with customers may lead to arbitration, litigation, or financial claims, which could further increase costs and strain resources.

Although we have not faced any significant penalties or disputes in the last three financial years, we cannot assure you that such issues will not arise in the future. Any such event may materially and adversely affect our revenues, profitability, cash flows and overall financial condition.

42. ***Any adverse change in regulations governing our products, may adversely impact our business prospects and results of operations.***

Regulatory requirements affecting our products, are subject to change. Adverse alterations in regulations—such as new licensing requirements, updated technical standards, or more stringent specifications—can significantly impact our operations. We may be required to modify our manufacturing and distribution processes, target different markets and invest in capital expenditures to comply with these new regulatory demands. As of date, the Company has not faced any instances of non-compliance due to change in regulations governing our products and affecting its ability to manufacture or market its products.

43. ***There is no guarantee that our Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the Emerge Platform of National Stock Exchange of India Limited within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

There is no guarantee that we will be able to meet all new regulatory requirements effectively. Non-compliance with updated statutes or regulations could lead to delays in obtaining approvals. Additionally, failure to adhere to the conditions attached to approvals, licenses, registrations and permissions could result in regulatory bodies suspending, curtailing, or revoking our ability to market those products.

44. ***The Issue Price, market capitalization to total income multiple and price to earnings ratio based on the Issue Price of our Company, may not be indicative of the market price of the Equity Shares on listing or thereafter.***

The Issue Price of the Equity Shares is proposed to be determined through a book-building process. The market price of the Equity Shares, market capitalization to total income multiple and price to earnings ratio based on the Issue Price may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price, or at all. There has been significant volatility in the Indian stock markets in the recent past and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

45. ***Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have secured outstanding debt of ₹ 2,949.65 lakhs as on March 31, 2026, and we have secured our lenders by creating charge over our movable and immovable properties. In the event we default in repayment of the loans availed by us and any interest thereof, our properties may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding, please refer to section titled "***Restated Financial Statements***" on page 242.

46. ***There is an excessive dependence on a few lenders in respect of loan facilities obtained by our Company.***

There is an excessive dependence on Citibank and Mercedes-Benz Finance Pvt. Ltd in respect of loan facilities obtained by our Company. Our Company has been sanctioned credit facilities by lenders and our Company is dependent on such facility for meeting its working capital requirements and other funding requirements. Any default under such arrangement with such lender may create problems for operation of our Company, which may affect the financial stability of our Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of our Company. For further details regarding loans availed by our Company, please refer "***Financial Indebtedness***" beginning on page 245.

47. ***If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively prevent and detect any frauds or misuse of funds. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may decline over time. There can be no assurance that additional deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls. If internal control weaknesses are identified in a delayed manner, our actions may not be sufficient to correct such internal control weakness. Such instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition.

48. ***The weighted average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.***

The average cost of acquisition of Equity Shares held by our Promoters may be lower than the Issue Price to be determined. Accordingly, our Promoters may realise higher returns compared to investors subscribing to the Issue at the Issue Price. For details of the average cost of acquisition of Equity Shares held by our Promoters, see the table below:

Sr. No.	Name	Number of Equity Shares	Weighted Average cost of acquisition per equity shares (in ₹)*
Promoters			
1.	Siddharth Prakash Patel	12,71,700	0.72
2.	Abhishek Rajendrakumar Agarwal	23,40,000	2.06
3.	Prahash Fin-Stock Private Limited	27,45,900	1.59

**Rounded off*

49. ***Pricing pressure from customers may affect our gross margin, profitability and ability to increase our prices.***

Our customers in the usual course of business may negotiate for discounts in price of our products as the volume of their orders increase. Pursuing cost-cutting measures while maintaining rigorous quality standards may lead to an erosion of our margins, which may have a material adverse effect on our business, results of operations and financial condition. In addition, estimating amounts of such price reductions is subject to risk and uncertainties, as any price reduction is the result of negotiations and other factors. Such price reductions may affect our sales and profit margins. If we are unable to offset customer price reductions in the future our business, results of operations and financial condition may be materially adversely affected.

50. ***Our Company has paid dividends in the past and there can be no assurance that we will pay dividends in the future.***

Our Company has paid dividends in the past; however, there can be no assurance that dividends will be declared or paid in the future. The declaration and payment of dividends, if any, will be subject to the discretion of our Board of Directors and shareholders and will depend on a number of factors including, among others, our earnings, financial condition, cash flows, working capital requirements, capital expenditure plans, covenants under financing arrangements and applicable legal and regulatory requirements from time to time.

Accordingly, investors may not receive dividend income on the Equity Shares. Any return on investment will therefore depend upon the appreciation, if any, in the market price of our Equity Shares. There can be no assurance that the price of our Equity Shares will appreciate or that investors will realise a gain on their investment.

51. ***Our Company's future funding requirements, in the form of further issue of capital or other securities and/or loans taken by us, may turn out to be prejudicial to the interest of the shareholders depending upon the terms and conditions on which they are raised.***

Our Company may require additional capital from time to time depending on our business needs and commercial strategies formulated by the management of our Company. However, access to such funding may not always be available on favourable terms or at all. The ability to secure financing depends on various factors, including market conditions, interest rates, credit ratings and investor confidence in the company's financial performance.

If the Company is unable to raise additional capital when needed, it may have to scale down expansion plans, delay new projects, or seek alternative financing options, which could come at a higher cost. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

52. ***Our success depends heavily upon our Promoter, Directors, Key Managerial Personnel and Senior Management for their continuing services, strategic guidance and financial support who are also the natural person in control of our Company.***

Our success heavily depends upon the continued services of our Promoters, Key managerial personnel and Senior Management. We depend significantly on them for executing our day-to-day activities. The loss of any of our Promoters or Key Management Personnel or Senior Management, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoter and other Senior Management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors, Key Managerial Personnel and Senior Management, please refer to the chapter "***Our Management***" beginning on page 212.

53. ***We have not made any alternate arrangements in order to meet our capital requirements for the Objects of the Issue.***

We have not identified any alternate source of financing for 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, our Company has not made any alternate arrangements for meeting the capital requirements for the Objects of the Issue. We normally meet our capital requirements through our internal accruals. Any shortfall in the same 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 Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please see "***Objects of the Issue***" beginning on page 90.

54. ***Ability to access capital at attractive costs depends on credit ratings. Non-availability of credit ratings or a poor rating may restrict access to capital and thereby adversely affect business, financial conditions, cash flows and results of operations.***

The cost and availability of capital depend on our credit ratings. Credit ratings reflect the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins, medium term revenue visibility and operating cycle. While we have not obtained credit rating in the last three Fiscals, any downgrade in our future credit ratings or our inability to obtain such credit rating in a timely manner in future or any non-availability of credit ratings, or poor ratings, could increase borrowing costs, will give the right to our lenders to review the facilities availed by us under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows.

55. ***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 did not 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 and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. 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 could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange.

56. ***Any increase in interest rates would have an adverse effect on our results of operations and will expose our Company to interest rate risks.***

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Our secured debt has been availed at floating rates of interest. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. As per the Restated Financial Statements, we have total borrowings (long term and short-term including current maturity) outstanding amounting to ₹ 4,792.45 lakhs, ₹ 5,743.50 lakhs and ₹ 3,486.32 lakhs for the Fiscals 2026, 2025 and 2024 respectively. Further, for the Fiscals

2026, 2025 and 2024 our Company has incurred ₹ 468.04 lakhs, ₹ 407.70 lakhs and ₹ 332.44 lakhs towards finance costs respectively.

If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations. For further details, please refer chapter titled "***Financial Indebtedness***" and "***Restated Financial Statement- Annexure - XXXIV: Restated Statement of Related Party Disclosures"*** on page 245 and 242 of this Red Herring Prospectus.

57. ***Our management will have broad discretion in the utilization of the Net Proceeds, including interim deployment of the Net Proceeds and there is no assurance that the Objects of the Issue will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.***

We intend to use Net Proceeds from the Issue towards (a) Funding capital expenditure requirements for the proposed purchase of an additional equipment and machinery (b) Repayment or part payment of Term Loans/Cash Credit (c) General corporate purposes. For details of the objects of the Issue, see "***Objects of the Issue***" on page 90. Our management will have broad discretion to use the Net Proceeds and investors will be relying on the judgment of our management regarding the application of the Net Proceeds. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in its business.

58. ***Our Promoters and Directors apart from Independent Directors do not have any prior experience of directorship in listed company.***

Our Board comprises of six Directors which includes one Managing Director, one Whole-Time Director and Three Independent Directors. We are not a publicly listed company and have not historically been subject to increased scrutiny by shareholders, regulators and the public at large that is associated with being a listed company. Our Board of Directors does not have any prior experience of being a Director in any other listed company in India. While our Board members are qualified and have relevant experience in their respective field, not having any prior experience as being a director in any other listed company in India may present some potential challenges to our Company in effectively meeting with good corporate governance norms and practices. Additionally, having lack of such experience amongst the Board of Directors may impact our Company's credibility and reputation among the investors and other stakeholders. For further details, please see chapter titled *"**Our Management**"* on page 212 of this Red Herring Prospectus.

59. ***We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders and such issuance may not be done at terms and conditions, which are favorable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt-to-equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

60. ***Our Company avails benefits under the Advance Authorisation Scheme, and any failure to comply with the conditions of the scheme may adversely affect our business and financial condition.***

We have obtained an Advance Authorisation licence which allows duty-free import of certain raw materials used in the manufacture of products meant for export. The scheme, however, requires us to fulfill prescribed export obligations within a stipulated timeframe and to comply with specific conditions under the Foreign Trade Policy and the Customs Act. Any shortfall or delay in meeting export obligations, errors in documentation, or failure to adhere to compliance requirements may result in penalties, withdrawal of benefits, or a demand for payment of duties along with interest. Further, any changes in applicable laws, Foreign Trade Policy, or customs regulations may reduce or withdraw the benefits presently available to us. In such circumstances, our cost of raw materials may increase and our financial condition and results of operations may be adversely affected.

61. ***Increased losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.***

Our business and the industry in which we operate is vulnerable to the problem of shoplifting by customers, pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our existing and future retail stores or our retail channels may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. While we have internal control which regulate employee code of conduct, however we have not adopted any formal code of conduct for the same and we cannot assure you that our current internal control measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash from our retail stores to banks. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. There have been no such cases that our Company has experienced in past. But such losses are unpredictable and mitigation of such risks can only be done for which we have installed proper security measures, but at any point of time if such incidents occurred, it may impact results, operations and finance of our business.

62. ***Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.***

The Companies Act, 2013 and its related regulations, the Articles of Association and the Listing Agreements to be entered into with the Stock Exchange, govern the corporate affairs of the Company. The Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as a shareholder than as a shareholder of a corporation in another jurisdiction.

63. ***Our Equity Shares are quoted in Indian Rupees in India and therefore investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.***

Investors are subject to currency fluctuation risk and convertibility risk since the Equity Shares are quoted in Indian Rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees. The volatility of the Indian Rupee against the U.S. dollar and other currencies subject's investors who convert funds into Indian Rupees to purchase our Equity Shares to currency fluctuation risks.

64. ***Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI (ICDR) Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

65. ***We are subject to governmental regulation and we may incur material liabilities under, or costs in order to comply with, existing or future laws and regulation and our failure to comply may result in enforcements, recalls and other adverse actions.***

Our business and operations are subject to various laws and regulations, including those relating to companies, taxation, labour, environment, occupational health and safety, industrial policies, and foreign trade. These include, among others, the Companies Act, 2013, applicable rules under labour and industrial laws, the Foreign Trade (Development and Regulation) Act, 1992 and related foreign trade policies, Goods and Services Tax laws, and applicable environmental regulations relating to air, water, waste management and energy usage. We are also required to comply with customs, import and export requirements under relevant regulations for sourcing raw materials and supplying finished goods.

The legal and regulatory requirements applicable to our business may change from time to time. Any changes in laws, policies or regulatory conditions, including those relating to environmental standards, labour laws, taxation, customs duties, or trade restrictions, may increase compliance requirements or result in additional costs. Delays in obtaining or renewing necessary approvals, permits or registrations, or any inadvertent or unintentional non-compliance with applicable laws, may result in regulatory action, penalties, interruption of operations or other consequences. These events may affect our production schedule, cost structure, business operations, financial condition and cash flows.

We seek to comply with applicable laws and regulatory requirements on an ongoing basis. However, there can be no assurance that future changes or unforeseen circumstances will not result in non-compliance or additional regulatory requirements.

66. ***After this Issue, the price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not be sustained.***

Prior to this Issue, there has been no public market for our Equity Shares and an active trading market may not develop or be sustained upon the completion of this Issue. The initial public offering price of the Equity Shares offered hereby was determined through our discussions with the BRLM and may not be indicative of the market price of the Equity Shares after this Issue. The market price of our Equity Shares after this Issue will be subject to significant fluctuations in response to, among other factors:

- variations in our operating results and the performance of our business;
- regulatory developments in our target markets affecting us, our customers, or our competitors;
- changes in financial estimates by securities research analysts;
- addition or loss of executive officers or key employees;
- loss of one or more significant customers;
- the performance of the Indian and global economy;
- significant developments in India's economic liberalization and deregulation policies and the fiscal regime;
- volatility in the Indian and global securities markets;
- performance of our competitors and perception in the Indian market about investment in our industry; and
- adverse media reports, if any, on our Company, or the industry.

Many of these factors are beyond our control. There has been volatility in the Indian stock markets and our share price could fluctuate significantly as a result of such volatility in the future. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, 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 Issue.

67. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by Stock Exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

68. ***You may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.***

Under the current Indian Income Tax provisions, all transactions of purchase and sales of securities on Indian stock exchanges are subject to levy of securities transaction tax (STT) which will be collected by respective stock exchange on which the securities are transacted. Accordingly, the Indian Income Tax Act has special capital gains tax provisions for all transactions of purchase and sale of equity shares carried out on the Indian Stock Exchanges. Under the current Indian Income Tax provisions, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India.

69. ***The investors may not be able to sell immediately on an Indian stock exchange any of the Equity Shares they acquire in the Issue, in case of delay in receipt of Listing and Trading approval.***

We have applied to NSE to use its name as the Stock Exchange in this Issue document for listing our shares on the Emerge Platform of NSE. In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue 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 delay in listing the Equity Shares on the Emerge Platform of NSE. Any delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

External Risk Factors

70. ***The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

In late 2019, COVID-19 emerged and by March 11, 2020 was declared a global pandemic by The World Health Organization. Governments and municipalities around the world instituted measures in an effort to control the spread of COVID-19, including quarantines, shelter-in-place orders, school closings, travel restrictions, lock down of cities and closure of non-essential businesses. By the end of March, the macroeconomic impacts became significant, exhibited by, among other things, a rise in unemployment and market volatility. The outbreak of COVID-19 in many countries, including India, the United Kingdom and the United States, has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown and no prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our clients and service providers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our clients and those of our respective service providers. There is currently substantial medical uncertainty regarding COVID-19. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations and cancellation of physical participation in meetings, events and conferences) and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak and our ability to perform critical functions could be harmed. The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company. The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including: the scope, severity and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the impact on our capital expenditure; disruptions or restrictions on our employees' and suppliers' ability to work and travel; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans and resultant operational risk.

71. ***Our business may be adversely affected by protectionist trade measures, reciprocal tariffs and shifts in global trade policies, particularly in the United States, which could impact our raw material procurement costs and export competitiveness.***

A portion of our Company's raw materials, including specialty fibres such as para-aramid and meta-aramid, are imported from international suppliers, including vendors in the United States. In addition, we export certain of our technical yarn products to overseas customers. Consequently, we are exposed to changes in global trade policies, tariff regimes and protectionist measures.

The U.S. government has recently introduced reciprocal tariffs ranging from 10% to 50% on imports from trade partners, including India. These tariffs are levied at rates that are directly linked to the duties imposed by the trade partner on U.S. exports. Such reciprocal tariffs, combined with earlier-imposed duties, have created a higher cumulative duty burden on international trade flows. While it is unclear whether these tariffs are temporary negotiating tools or part of long-term industrial strategy, they introduce uncertainty in pricing, sourcing and trade relationships.

If such tariffs remain in place or are increased further, our Company could face higher procurement costs for raw materials sourced from the United States. This may adversely impact our input cost structure, profitability and working capital requirements. Additionally, if our exports to the U.S. or U.S.-linked customers become less competitive due to higher tariffs, our sales volumes may be affected. These risks are beyond our control, as they depend on international trade policies, bilateral relations and government negotiations.

While we take measures to diversify our supplier base and markets, there is no assurance that we will be able to fully mitigate the adverse effects of such reciprocal tariffs or other protectionist measures. Any sustained imposition of tariffs or adverse trade policies could materially affect our procurement costs, margins and global competitiveness and may adversely impact our business, results of operations and financial condition.

72. ***A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the country in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues and as such decrease our operating margin.

73. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer ***to "Key Industrial Regulations and Policies"*** on page 191 of this Red Herring Prospectus for details of the laws currently applicable to us.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Our Company will comply with relevant regulations as and when applicable. However, any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge being collected by the central and state governments. The GST has led to increase tax incidence and administrative compliance. Any future amendments may affect our overall tax efficiency and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e., financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

74. ***Our growth and profitability depend on the level of consumer confidence and spending in India.***

Our growth and profitability are significantly influenced by the level of consumer confidence and spending, in India. Consumer confidence directly affects purchasing behavior and any downturn in economic conditions or reduced consumer spending can impact our sales and revenue.

The Indian market is pivotal to our business. Fluctuations in consumer confidence, driven by economic conditions, employment rates, or political factors, can affect discretionary spending on fashion and apparel. A decline in consumer confidence may lead to reduced spending on non-essential items, impacting on our sales volumes and profitability.

75. ***Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

76. ***Any downgrading of India's debt 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 domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

77. ***We have not prepared and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards ("IFRS"). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the "IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

78. ***Financial difficulty and other problems in certain long-term lending institutions and investment institutions in India could have a negative impact on our business.***

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as "systemic risk," may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Our transactions with these financial institutions expose us to credit risk in the event of default by the counter party, which can be exacerbated during periods of market illiquidity. As the Indian financial system operates within an emerging market, we face risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect our business, financial condition, results of operations and cash flows.

79. ***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, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If 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.

80. ***Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

81. ***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 Mumbai terrorist attacks 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.

82. ***Our operations may be adversely affected by war, terrorism, civil unrest, or other geopolitical conflicts.***

India has historically experienced episodes of terrorism, military conflict and geopolitical tensions, particularly with neighboring countries. Most recently, on April 22, 2025, a terrorist attack in Pahalgam, Jammu and Kashmir resulted in the death of 26 civilians. In response, India launched Operation Sindoor on May 7, 2025, targeting terrorist infrastructure in Pakistan, including the neutralization of drones across Gujarat and Rajasthan.

India's geopolitical environment remains sensitive. Tensions with Pakistan, particularly regarding border security and terrorism, continue to pose risks. For example, in February 2019, hostilities escalated following the Pulwama terrorist attack and subsequent military retaliation, including air strikes and the downing of fighter aircraft. Any similar future escalations—especially in regions linked to agricultural production or export logistics—could disrupt trade, destabilize currency, impair investor sentiment and adversely affect economic activity.

Additionally, past incidents such as the coordinated terrorist attacks in Mumbai in 2008 and various instances of civil unrest have demonstrated the potential for significant economic and social disruption. Events of this nature may affect communication networks, restrict movement of goods and personnel, interrupt our supply chains and negatively impact business operations and confidence in Indian markets.

While we maintain risk mitigation and continuity measures, we cannot assure that such incidents will not materially and adversely affect our business, financial condition, or results of operations in the future.

83. ***Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.***

As substantially all of our operations are dependent on our customers who have their head offices or parent companies situated outside India, our financial performance and growth are necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax, trade and monetary policies; occurrence of natural or man-made disasters; downgrade in debt rating; and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, the repercussions of the United Kingdom exit from the European Union and other matters. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geopolitical conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavorable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.

84. ***Investors may be adversely affected due to retrospective tax law changes made by the GoI affecting us.***

Certain recent changes to the Income Tax Act provide that income arising directly or indirectly through the sale of a capital asset of an offshore company, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India. The term "substantially" has not been defined under the Income Tax Act and therefore, the applicability and implications of these changes are largely unclear. Due to these recent changes, investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of the Equity Shares. In the past, there have been instances where changes in the Income Tax Act have been made retrospectively and to that extent, there cannot be an assurance that such retrospective changes will not happen again.

85. ***If certain labour laws become applicable to us, our profitability may be adversely affected.***

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

SECTION III – INTRODUCTION

THE ISSUE

Present Issue in terms of this Red Herring Prospectus:

PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS	
Equity Shares Issued through Public Issue(1)(2)*	Issue of up to 61,24,800 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per share aggregating to ₹[●] Lakhs.
Out of which:	
Issue Reserved for the Market Makers	Up to 3,07,200 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per share aggregating to ₹ [●] Lakhs.
Net Issue to the Public	Up to 58,17,600 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per share aggregating to ₹[●] Lakhs.
*Out of which**	
A. QIB Portion (3)(4)(5)(6)	Not more than 29,06,400 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per share aggregating to ₹[●] Lakhs.
Of which	
i) Anchor Investor Portion	Up to 17,43,600 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per share aggregating to ₹[●] Lakhs.
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to 11,62,800 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per share aggregating to ₹[●] Lakhs.
Of which	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to 57,600 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] per share aggregating to ₹[●] Lakhs.
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to 11,05,200 Equity Shares of face value of ₹10 for cash at a price of ₹ [●] per share aggregating to ₹[●] Lakhs.
B. Non-Institutional Portion	Not less than 8,73,600Equity Shares of face value of ₹10 for cash at a price of ₹ [●] per share aggregating to ₹[●] Lakhs.
Of which:	
One third of the portion available to NIBs shall be reserved for applicants with an application size of more than two lots and upto such lots equivalent to not more than ₹ 10 lakhs	Up to 2,91,600 Equity Shares having face value of ₹10/- each at an Issue Price of ₹[●] per Equity Share aggregating to ₹ [●] Lakhs.
Two Third of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10 lakhs	Up to 5,82,000 Equity Shares having face value of ₹10/- each at an Issue Price of ₹[●] per Equity Share aggregating to ₹ [●] Lakhs.
C. Individual Investor Portion	Not less than 20,37,600 Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per share aggregating to ₹[●] Lakhs.
Pre and Post – Issue Equity Shares:	
Equity Shares outstanding prior to the Issue	1,57,50,000 Equity Shares of face value of ₹ 10 each.
Equity Shares outstanding after the Issue	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 90.

**Subject to finalisation of the Basis of Allotment, Number of Equity shares may need to be adjusted for lot size upon determination of the Issue Price.*

Notes:

1) Public issue of up to 61,24,800 Equity Shares face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share of our Company aggregating to ₹ [●] Lakhs. 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 September 16, 2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on September 17, 2025.

3) The SEBI ICDR Regulation, 2018 read with SEBI ICDR (Amendment) Regulations, 2025, 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. Further, (a) 1/3rd of the portion available to NIBs shall be reserved for Bidders with application size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs and (b) 2/3rd of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹10.00 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to Bidders in the other sub-category of NIBs .The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.

4) 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.

5) 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.

6) 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. 40% of the Anchor Investor portion shall be reserved as: (i) 33.33% for domestic mutual funds; and (ii) 6.67%for life insurance companies and pension fund subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 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 within the Issue price band. 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. For further details, please refer section titled "***Issue Procedure***" beginning on page 298.

For details, including grounds for rejection of Bids, refer to ***"Issue Structure"*** and ***"Issue Procedure"*** on page 293 and 298, respectively. For details of the terms of the Issue, see ***"Terms of the Issue"*** on page 284 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

ASHUTOSH FIBRE LIMITED [FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED] RESTATED STATEMENT OF ASSETS AND LIABILITIES AS AT *(₹ in Lakhs, unless stated otherwise)*				
Sr. No.	**Particulars**	**March 31, 2026**	**March 31, 2025**	**March 31, 2024**
A.	**Equity and Liabilities**			
1	**Shareholders' Funds**			
	Share Capital	1,575.00	175.00	175.00
	Reserves & Surplus	3,614.54	3,410.31	2,580.39
2	**Non-Current Liabilities**			
	Long-Term Borrowings	2,516.91	3,090.25	1,403.98
	Deferred Tax Liabilities (Net)	545.54	430.74	353.90
3	**Current Liabilities**			
	Short Term Borrowings	2,275.54	2,653.25	2,082.34
	Trade Payables:			
	(A) total outstanding dues of micro enterprises and small enterprises; and	116.96	294.45	192.25
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	247.18	155.26	184.73
	Other Current Liabilities	105.83	187.49	200.87
	Short Term Provisions	208.45	63.57	127.68
	Total	**11,205.95**	**10,460.32**	**7,301.14**
B.	**Assets**			
1	**Non-Current Assets**			
	Property, Plant and Equipment and Intangible Assets			
	Property, Plant and Equipment	5,861.38	5,569.79	3,185.59
	Intangible Assets	-		
	Capital Work in progress	351.36	78.30	190.45
	Long Term Loans & Advances	0.70	21.00	7.25
	Other Non Current Assets	84.38	84.28	73.71
2	**Current Assets**			
	Inventories	1,828.12	1,443.08	1,270.01
	Trade Receivables	2,143.77	1,928.12	1,539.33
	Cash and Cash Equivalents	44.31	346.59	25.78
	Short-Term Loans and Advances	388.02	647.06	623.77
	Other Current Assets	503.91	342.10	385.25
	Total	**11,205.95**	**10,460.32**	**7,301.14**

ASHUTOSH FIBRE LIMITED [FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED] RESTATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD *(₹ in Lakhs, unless stated otherwise)*				
Sr. No	**Particulars**	**2025-2026**	**2024-2025**	**2023-2024**
A.	**Revenue:**			
	Revenue from Operations	11,737.14	11,403.40	10,987.18
	Other income	6.03	94.00	1.74
	Total Income	**11,743.17**	**11,497.40**	**10,988.92**
B.	**Expenses:**			
	Cost of Material Consumed	6,467.57	6,973.59	6,799.63
	Purchase of Stock in Trade	-	293.37	183.84
	Changes in inventories of finished goods work-in-progress and Stock in-Trade	(280.79)	(145.25)	(103.49)
	Employees Benefit Expenses	733.28	562.20	528.46
	Finance Costs	468.04	407.70	332.44
	Depreciation and Amortization Expenses	488.47	360.14	305.48
	Other Expenses	1,709.93	1,935.90	1,964.35
	Total Expenses	**9,586.50**	**10,387.65**	**10,010.72**
	Profit before exceptional and extraordinary items and tax	**2,156.67**	**1,109.75**	**978.20**
	Exceptional Items	-	-	-
	Profit before extraordinary items and tax	**2,156.67**	**1,109.75**	**978.20**
	Extraordinary and Prior Period Item	-	-	-
	Profit before tax	**2,156.67**	**1,109.75**	**978.20**
	Tax expense :			
	Current tax	437.64	181.71	269.07
	Current tax expense relating to prior years	0.00	0.28	(0.01)
	Deferred Tax	114.80	76.84	4.20
	Profit (Loss) for the period from continuing operations	**1,604.23**	**850.92**	**704.94**
	Earning per equity share in Rs.:			
	(1) Basic - Post Bonus*	10.19	5.40	4.48
	(2) Diluted - Post Bonus*	10.19	5.40	4.48

*The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]

RESTATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

(₹ in Lakhs, unless stated otherwise)

Particulars	**March 31, 2026**	**March 31, 2025**	**March 31, 2024**
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (Loss) before tax	2,156.67	1,109.75	978.20
Adjustments for:			
Depreciation	488.47	360.14	305.48
Finance Cost	468.04	407.70	332.44
Net Loss/(Gain) on Sale of Investments/Assets	4.15	-	17.30
Bad Debt Written Off	-	-	-
Interest Income	(5.03)	(16.03)	(1.74)
Operating profit before working capital changes	**3,112.30**	**1,861.56**	**1,631.68**
Movements in working capital :			
(Increase)/Decrease in Inventories	(385.04)	(173.07)	(387.80)
(Increase)/Decrease in Trade Receivables	(215.64)	(388.80)	(165.57)
(Increase)/Decrease in Short Loans & Advances	259.03	(23.29)	(266.40)
(Increase)/Decrease in Other Current Assets	(161.81)	43.15	(178.06)
(Increase)/Decrease in Other Non Current Assets	-	-	-
(Increase)/Decrease in Long Term Loans & Advances	(0.10)	(10.57)	(30.78)
Increase/(Decrease) in Trade Payables	(85.57)	72.73	0.49
Increase/(Decrease) in Other Current Liabilities	(81.66)	(13.38)	42.48
Increase/(Decrease) in Short Term Provisions	39.66	(7.38)	21.01
Cash generated from operations	**(631.13)**	**(500.61)**	**(964.63)**
Adjustment on Account of Income Tax Expense	(336.81)	(238.73)	(103.51)
Net cash from operating activities (A)	**2,144.35**	**1,122.22**	**563.54**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Interest Income	5.03	16.03	1.74
Sale/(Purchase) of Fixed Assets	(1,036.96)	(2,645.94)	(762.36)
Net cash from investing activities (B)	**(1,031.93)**	**(2,629.91)**	**(760.62)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest/Other expenses paid on borrowings	(289.07)	(239.89)	(332.44)
Proceeds of Long Term Borrowings	324.95	3,497.95	1,228.81
(Repayment) of Long Term Borrowings	(1,058.57)	(1,397.96)	(949.67)
Increase/(Decrease) in Short Term Borrowings	(392.01)	(10.60)	162.05
Dividend Paid	-	(21.00)	(21.00)
Net cash from financing activities (C)	**(1,414.70)**	**1,828.50**	**87.75**
Net increase in cash and cash equivalents (A+B+C)	**(302.28)**	**320.81**	**(109.32)**
Cash and cash equivalents at the beginning of the year	**346.59**	**25.78**	**135.10**
Cash and cash equivalents at the end of the year	**44.31**	**346.59**	**25.78**

SUMMARY OF CONTINGENT LIABILITIES

Disclosure of Contingent Liabilities, Commitments & Obligations:

(₹ in Lakhs, unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Bank Guarantee#	59.35	99.35	59.35
Obligation to Export against Import*	498.62	535.82	343.53

The Bank Guarantee has been issued by the Bank in favour of Madhya Gujarat Vij Company Limited.

*The original export obligation against the imports was ₹4,163.90 lakhs, of which an export obligation of ₹498.62 lakhs remains outstanding as on March 31, 2026.

SUMMARY OF RELATED PARTY TRANSACTIONS

(₹ in Lakhs, unless stated otherwise)

Nature of the transactions	**Financial Year 2026**	**Financial Year 2025**	**Financial Year 2024**
Directors Remuneration	132.00	102.00	102.00
Directors Sitting Fees	1.69	0.32	0.24
Salary paid to KMP/ relative of KMP	69.10	33.00	33.00
Short Loan Received (Paid) during the Year to Related Parties	1,156.62	2,022.39	1,765.78
Purchase	0.00	0.62	3.54
Rent Paid	17.70	11.33	11.33
Job Work / Processing Charges	0.00	0.26	15.15
Interest Paid	194.79	184.20	163.42
Bonus Paid	16.75	11.00	11.00

For further details, please refer to chapter titled ***"Restated Financial Statements"*** beginning on page 242.

SECTION IV - GENERAL INFORMATION

Our Company was originally incorporated on May 21, 1985 under the name "Ashutosh Fibre Private Limited" at Ahmedabad, Gujarat, under the provisions of the Companies Act, 1956 and the Certificate of Incorporation was issued at Ahmedabad by Registrar of Companies, Gujarat bearing Registration Number 007831 of 1985. Pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on July 29, 2024, our Company was converted from a private limited company to public limited company and consequently, the name of our Company was changed to "Ashutosh Fibre Limited" and a fresh certificate of incorporation dated April 21, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The present CIN of our Company is U24299GJ1985PLC007831. For details of change in registered office of our Company, please refer to chapter titled ***"History and Certain Corporate Matters"*** beginning on page 209.

BRIEF INFORMATION ON THE COMPANY AND THE ISSUE

Particulars	**Details**
Name of Issuer	Ashutosh Fibre Limited
Registered Office	111-New Cloth Market, Raipur, Ahmedabad - 380002, Gujarat, India.
Telephone No.	+ 91 9727 559 799
Website	https://www.ashutoshfibre.com
Date of Incorporation	May 21, 1985
Company Identification Number	U24299GJ1985PLC007831
Company Registration Number	007831
Company Category	Company Limited by Shares
Registrar of Company	ROC, Ahmedabad
Address of the RoC	Registrar of Companies, ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013, Gujarat, India.
Company Secretary and Compliance Officer	Sonal Bankim Bhansali **Address**: 111-New Cloth Market Raipur, Ahmedabad – 380002, Gujarat, India. **Telephone No**.: + 91 9727 559 799 **Website**: https://www.ashutoshfibre.com **E-Mail**: sonal@ashutoshfibre.com
Chief Financial Officer	Alpesh Rameshchandra Bhavsar **Address**: 111-New Cloth Market Raipur, Ahmedabad – 380002, Gujarat, India. **Telephone No**.: + 91 9727 559 799 **Website**: https://www.ashutoshfibre.com **E-Mail**: cfo@ashutoshfibre.com
Designated Stock Exchange	**National Stock Exchange of India Limited** **Address:** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai-400 051, Maharashtra, India.
Issue Programme	**Issue Opens on:** **August 31, 2026** | **Issue Closes on:** **September 02, 2026** **Anchor Bid opens on August 28, 2026***

* *Our Company, in consultation with the BRLM, has considered participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period is one Working Day prior to the Bid/ Issue Opening Date.*

Note: Applications and any revisions to the same will be accepted only between 10.00 a.m. and 4.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days. The UPI mandate acceptance / confirmation end time shall be at 5.00 p.m. on the Bid/ Issue Closing Date.

Investor Grievances:

Investors may contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any Pre-Issue or Post- Issue related grievances including 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 Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the

Applicant, number of Equity Shares applied for, the Application amount paid on submission of the Application Form and the bank branch or collection centre where the Application was submitted.

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

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

For all Issue related queries and for redressal of complaints, Applicants may also write to the BRLM. All grievances relating to Bids submitted through the Registered Broker and/or a Stock -Broker may be addressed to the Stock Exchange/SEBI with a copy to the Registrar to the Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicant whose Application 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 3 months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLM are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Investors shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries/SCSB in addition to the information mentioned above.

BOARD OF DIRECTORS OF OUR COMPANY

As on date of the Red Herring Prospectus, our Board of Directors comprises of the following Directors:

Sr. No.	Name	Designation	DIN	Address
1.	Siddharth Prakash Patel	Chairman and Managing Director	01477471	Six Bungalows, Nr. Mithakhali six road, Ellisbridge, Ahmedabad City, Ahmedabad – 380006, Gujarat, India.
2.	Abhishek Rajendrakumar Agarwal	Whole-time Director	01567158	A/602, Sundarvan Epitome, Near Red Briks School, Jodhpur, Ahmedabad City– 380015, Gujarat, India.
3.	Piyush Ravishanker Bhatt	Independent Director	10143807	B. No. 30 Madhur Co-op HSL, Nirman Twins Bungalows, Ghatlodiya, Chandlodiya, Ahmedabad City, Ahmedabad– 380061, Gujarat, India.
4.	Dhwani Lalitbhai Nagar	Independent Director	10874632	A-001, Sagun Castle, Near Jay Ma Society, Star bazaar Satellite Road, Ahmadabad Ciy, Ambawadi Vistar, Ahmedabad– 380015, Gujarat, India.
5.	Jayshree Vikram Patel	Independent Director	10940066	Flat No. E-401, Sahaj Prime, Opp. Gokul Hotel, Sola Bhagwat Temple 100 feet road, Off SG Highway, Sola, Ahmedabad– 380060, Gujarat, India.

For further details pertaining to the educational qualifications and experience of our directors, please refer to the chapter titled ***"Our Management"*** beginning on page 212.

DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

<table>
<tr><th>BOOK RUNNNING LEAD MANAGER TO THE ISSUE</th><th>REGISTRAR TO THE ISSUE</th></tr>
<tr><td>Mefcom Capital Markets Limited
G-III, Ground Floor, Dalamal House, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400021, Maharashtra, India.
Tel: +91 (022) 3522 7026
E-mail: afl.ipo@mefcomcap.in
Website: www.mefcomcap.in
Investor Grievance Email: investor.grievance@mefcom.in
Contact Person: Rupesh Khant / Padmavathi S
SEBI Registration No.: INM000000016
CIN: L74899DL1985PLC019749</td><td>KFin Technologies Limited
Address: 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400 070, Maharashtra, India.
Tel : +91 40 6716 2222/+91 40 7961 1000
Contact Person: M Murali Krishna
E-mail: kfinkart.support@kfintech.com
Investor Grievance Email: investorsupport.mfs@kfintech.com
Website: https://www.kfintech.com/
SEBI Registration No.: INR000000221
CIN: L72400MH2017PLC444072</td></tr>
<tr><th>STATUTORY AUDITORS OF THE COMPANY</th><th>LEGAL ADVISOR TO THE COMPANY</th></tr>
<tr><td>M/s Shah & Patel,
Chartered Accountants,
Address: 5-B, Vardan Exclusive, Near Vimal House, Stadium Road, Navrangpura, Ahmedabad – 380009, Gujarat, India
Tel: +91 75749 92223/24
E-mail: mail@shahandpatel.com
Contact Person: Nimesh N. Shah
Membership No.: 111329
Firm Registration No.: 124743W
Peer Review No.: 020858</td><td>Mindspright Legal
Address: 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai-400013, Maharashtra, India.
Tel : +91 22 42197000
E-mail : ipo@mindspright.co.in
Contact Person: Richa Bhansali
Website: https://mindspright.co.in/</td></tr>
<tr><th>BANKERS TO THE COMPANY</th><th>BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK</th></tr>
<tr><td>Citi Bank N.A.
Address: 524-527, Est Wing, Stratum @ Venus, Nr. Shivranjani Cross Roads, Satellite, Ahmedabad – 380015
Tel: +91 79 69426301
Contact Person: Kandarp Kansara

Punjab National Bank
Address: C-1, Mahipatram Rupram Ashram Building (Backside) o/s Raipur Gate, Opp. Sumel-3, Ahmedabad – 380022, Gujarat, India.
Tel: +91 97848 47474
Mail: bo012010@pnb.bank.in
Website: www.pnbindia.in
Contact Person: Vijay Singh Chauhan

Bank of Baroda
Address: Petlad (Main) Branch, Station Road, Petlad, Anand – 388450, Gujarat, India.
Tel: +91 96876 72904
Mail: petlad@bankofbaroda.com
Website: www.bankofbaroda.com
Contact Person: V M Pathak</td><td>Axis Bank Limited
Address: Axis House, 6th Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400025.
Tel.: +91 22 43253669
Contact Person: Mangesh Bhosale
E-mail: mangesh1.bhosale@axisbank.com
Website: www.axisbank.com
SEBI Registration Number: INBI00000017
CIN: L65110GJ1993PLC020769</td></tr>
</table>

Monitoring Agency
Name: Brickwork Ratings India Private Limited **Address:** 3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bangalore 560076. **Tel No:** +91-80-4040 9940/+91-80-4040 9999 **E-mail Id:** murlidhar.b@brickworkratings.com **Website:** www.Brickworkratings.com **Contact Person:** Murlidhar Bachwani **SEBI Registration Number:** IN/CRA/005/2008 **CIN:** U67190KA2007PTC043591

DESIGNATED INTERMEDIARIES

SELF-CERTIFIED SYNDICATE BANKS

The list of SCSBs, as updated till date, notified by SEBI for the ASBA process is available on website of Securities and Exchange Board of India at below link.

https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35

Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

Further the branches of the SCSBs, where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than Individual Bidders) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBU from time to time. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10, respectively as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19 for NSDL CDPs and at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18 for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Mefcom Capital Markets Limited is only Book Running Lead Manager to the issue, all the responsibility of the issue will be managed by them.

CREDIT RATING

As this is an issue of Equity Shares, there is no credit rating for this Issue.

IPO GRADING

Since the issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

FILING

The Draft Red Herring Prospectus dated September 29, 2025 has been filed with the Emerge Platform of National Stock Exchange India Limited. Pursuant to Regulation 247(1) of SEBI (ICDR) Regulations, 2018, the Draft Red Herring Prospectus filed with NSE Emerge was made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company's website, NSE's website and Book Running Lead Manager's website on https://www.mefcomcap.in.

Pursuant to Regulation 247(2) of SEBI (ICDR) Regulations, 2018, our Company had, within two working days of filing the Draft Red Herring Prospectus with NSE Emerge, made a public announcement in English all editions of Financial Express, and all editions of Jansatta and Ahmedabad edition of Financial Express (Gujarati), a regional language newspaper where the Company's Registered Office is located, disclosing the fact of filing of the Draft Red Herring Prospectus with NSE Emerge and inviting the public to provide their comments to NSE Emerge, our Company or the Book Running Lead Manager in respect of the disclosures made in this Draft Red Herring Prospectus. Pursuant to Regulation 247(3) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager shall, after expiry of the period stipulated in sub-regulation (1), file with NSE Emerge, details of the comments received by them or the issuer from the public, on the Draft Red Herring Prospectus, during that period and the consequential changes, if any, that are required to be made in the Draft Red Herring Prospectus.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Draft Red Herring Prospectus was not be submitted to SEBI; however, soft copy of Red Herring Prospectus and Prospectus shall be submitted online to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at https://siportal.sebi.gov.in. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 and Section 32 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at http://www.mca.gov.in, at least (3) three working days prior from the date of opening of the Issue. and a copy of Prospectus to be filed under Section 26 & 32 of the companies Act, 2013 will be filed to RoC through the electronic portal at http://www.mca.gov.in.

CHANGES IN AUDITORS

Except as stated below, there have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Red Herring Prospectus:

Particulars	Date of Change	Reason for change
M/s Shah & Patel, Chartered Accountants, **Address:** 5-B, Vardan Exclusive, Near Vimal House, Stadium Road, Navrangpura, Ahmedabad – 380009, Gujarat, India **Tel:** +91 75749 92223/24 **Mail:** mail@shahandpatel.com **Contact Person:** Nimesh N. Shah **Membership No.**: 111329 **Firm Registration No.:** 124743W **Peer Review No.:** 020858	September 30, 2024	Re-appointment as Statutory Auditor in the Annual General Meeting for a period of 5 years from April 01, 2024 to March 31, 2029.

TRUSTEES

As this is an issue of Equity Shares, the appointment of Trustees is not required.

APPRAISAL AND MONITORING AGENCY

In accordance with Regulation 262 of the SEBI ICDR Regulations, our Company has appointed Brickwork Ratings India Private Limited as the monitoring agency ("**Monitoring Agency**") to monitor the utilisation of the Net Proceeds. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilisation of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay and in accordance with the applicable laws. Our Company will disclose the utilisation of the Gross Proceeds, including interim use under a separate head in its balance sheet for such financial year/periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Gross Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable financial year, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilized Net Proceeds.

The reports of the monitoring agency on the utilization of the Gross Proceeds shall indicate the deployment of the Gross Proceeds under the following heads:

1. Funding capital expenditure requirements towards funding of new equipment and machinery;
2. Repayment/pre-payment, in full or in part, of certain borrowings availed by our Company; and
3. General Corporate Purposes.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statutory auditor of our Company will also provide report/ certificate on the utilization of the Net Proceeds to the monitoring agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our directors' report, after placing the same before the Audit Committee.

BOOK BUILDING PROCESS

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) 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 one editions of the English national newspaper, one editions of Hindi national newspaper and in regional newspaper where our registered office is situated at least two working days prior to the Bid/Issue Opening date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. 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. For further details, please refer to the chapter titled ***"Issue Procedure"*** beginning from page 298.

Principal parties involved in the Book Building Process are

a) Our Company;
b) The Book Running Lead Manager in this case being Mefcom Capital Markets Limited;
c) The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with Exchanges and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
d) The Registrar to the Issue;
e) The Escrow Collection Banks/ Bankers to the Issue and
f) 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(1) 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 up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), out of which 40% of the Anchor Investor portion shall be reserved as: (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension fund subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 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 within the Issue price band.

Further, (a) 1/3rd of the portion available to NIBs shall be reserved for Bidders with application size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs and (b) 2/3rd of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹10.00 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to Bidders in the other sub-category of NIBs .The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. Not more than 50% of the Net Issue shall be allotted to QIBs, 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 Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company may, in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net 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. Individual Bidders Bidding in the Individual Investor Portion (subject to the minimum application size being ₹ 2 lakhs) and Eligible Employees Bidding in the Employees Reservation Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/Issue Period. Except for Allocation to IBs, Non-Institutional Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time and Bidders are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue. Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

Bidders should note that the Issue is also subject to obtaining (i) final approval of the ROC after the Red Herring Prospectus is filed with the ROC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for only after Allotment.

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

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 Individual Investor Portion and Non -Institutional Investor, where allotment to each Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Individual Investor Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. The allocation to Non-Institutional Investor shall not be less than the minimum application size in Non-Institutional Portion, the remaining available Equity Shares, if any, shall be allocated 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, 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 298 of the Red Herring Prospectus.

For further details on the method and procedure for Bidding, see "***Issue Structure***" and "***Issue Procedure***" on pages 293 and 298, respectively.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled ***"Issue Procedure"*** beginning from page 298.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on August 18, 2026 Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of the total Issue Size Underwritten
Mefcom Capital Markets Limited **Address**: G-III, Ground Floor, Dalamal House, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400021, Maharashtra, India. **Telephone:** +91 (22) 3522 7026 **E-mail:** afl.ipo@mefcomcap.in; **Website:** https://www.mefcomcap.in **Investor Grievance E-mail:** investor.grievance@mefcom.in **Contact Person:** Rupesh Khant/Padmavathi S **SEBI Registration Number:** INM000000016	9,18,720	[●]	15%
Seren Capital Private Limited **Address**: Office no. 601 to 605, Raylon Arcade, Kondivita, J.B. Nagar, Mumbai, Maharashtra, India, 400059 **Contact Person**: Akun Goyal **Telephone Number**: +91 (22) 4601 1058 **E-mail ID**: info@serencapital.in **Investor Grievance Email**: investors@serencapital.in **Website**: www.serencapital.in **SEBI Reg. No.**: INM000013156	52,06,080	[●]	85%

As per Regulation 260(2) of SEBI (ICDR) Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above- mentioned Underwriters are sufficient to enable it to discharge its underwriting obligation in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

EXPERT

Except for the reports from the Statutory Auditors in the section ***"Financial Information"*** and ***"Statement of Possible Tax Benefits"*** on page 242 and 110 respectively, our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1933.

Our Company has received written consent dated August 01, 2026 from M/s Shah & Patel, Chartered Accountants to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and their capacity as the Statutory Auditors of our Company and such consent has not been withdrawn as on the date of this Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Our Company has received written consent dated July 28, 2026 from B.P. Oza & Associates (Chartered Engineer Registration No: M-131433-5), Independent Chartered Engineer to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and his capacity as independent chartered engineer in respect of details in relation to capacity and capacity utilization of manufacturing units of our Company and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated July 28, 2026, from the Practicing Company Secretary, namely, Vivek Vakharia, (Proprietor of M/s Vivek J. Vakharia & Associates having the membership number 11851, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager have entered into an agreement dated ASNANI Stock Broker Private Limited with the following Market Maker to fulfill the obligations of Market Making:

Name	ASNANI Stock Broker Private Limited
Correspondence Address	103, Pratap Nagar, Sindhi Colony, Chittorgarh, Rajasthan, India 312001
Telephone	+91 9828100345
E-mail	kamal@asnanionline.com
Website	https://asnanionline.com/
Contact person	Mr. Kamal Asnani
SEBI Registration No.	INZ000190431

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the NSE and SEBI in this regard from time to time.

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

1) The Market Maker(s) (individually or jointly) 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2) The minimum depth of the quote shall be ₹ 1 Lakhs. However, the investors with holdings of value less than ₹ 1 Lakhs shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

4) After a period of three months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.

5) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

7) On the first day of the listing, there will be pre-opening session (call auction) and there after the 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. In case equilibrium price is not discovered the price band in the normal trading session shall be based on issue price.

8) The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.

9) 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.

10) The Market Maker(s) shall have the right to terminate said arrangement by giving a one months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

    In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker 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, 2018. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers 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 five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

11) Risk containment measures and monitoring for Market Makers: NSE Emerge 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.

12) Punitive Action in case of default by Market Makers: NSE 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.

    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.

13) The price quoted by the Market Maker shall be in compliance with the requirements and other particulars as specified by NSE.

14) Additionally, the securities of our 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	7
4	Above 100	6

    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.

15) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market 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)**
Up to ₹ 20 Crore	25%	24%
₹ 20 Crore To ₹ 50 Crore	20%	19%
₹ 50 Crore To ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / NSE from time to time.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Book Running Lead Manager, reserve 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 2 (Two) 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 (in case of II's using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants, within 1 (One) day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

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 have to file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE, which our Company shall apply for after Allotment. If our Company 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 Red Herring Prospectus.

SECTION V - CAPITAL STRUCTURE

The Equity Share Capital of our Company, before the issue and after giving effect to the issue, as on the date of the filing of the Red Herring Prospectus, is set forth below:

(₹ In Lakhs except per share amount)

Sr. No.	Particulars	Aggregate Nominal value	Aggregate value at issue price(1)
1.	**Authorized Share Capital** 2,50,00,000 Equity Shares of face value of ₹ 10/- each.	2,500.00	-
2.	**Issued, Subscribed and Paid-Up Equity Share Capital before the Issue(2)** 1,57,50,000 Equity Shares of face value of ₹ 10/- each.	1,575.00	-
3.	**Present Issue in terms of the Red Herring Prospectus**		
	Issue of Upto 61,24,800 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share.	[●]	[●]
	Which comprises of		
	Market Maker Reservation Portion Upto 3,07,200 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net Issue to Public Net Issue to Public of upto 58,17,600 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●] per Equity Share to the Public	[●]	[●]
	Net Issue* to Public consists of		
	a. Not more than upto 11,62,800 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	b. Not Less than up to 8,73,600 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Bidders	[●]	[●]
	c. Not less than up to 20,37,600 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Individual Investors		
4.	**Paid Up Equity Capital after the Issue** [●] Equity Shares of ₹ 10/- each	[●]	-
5.	**Securities Premium Account** — Before the Issue	-	
	After the Issue	[●]	

(1) To be finalized upon determination of Issue Price.

(2) As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company and there is no share application money pending for allotment.

* For detailed information on the Net Issue and its allocation various categories, please refer chapter titled "***The Issue***" on page 52 of this Red Herring Prospectus.

The Present Issue of Upto 61,24,800 Equity Shares in terms of this Red Herring Prospectus has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 16, 2025 and by the shareholders of our Company vide a special resolution passed at the Extra Ordinary General Meeting held on September 17, 2025.

CLASS OF SHARES

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respect. All Equity Shares issued are fully paid-up as on date of the Red Herring Prospectus.

Our Company does not have any partly paid-up equity shares as on the date of this Red Herring Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE:

1. **Changes in the Authorized Equity Share Capital of our Company:**

Since Incorporation of our Company, the Authorized Equity Share Capital of our Company has been changed in the manner set forth below:

Sr. No.	Particulars of Increase	Date of Meeting	Cumulative No. of Equity Shares	Cumulative No. of Preference Shares	Cumulative Authorized Share Capital (₹ in Lakhs)
1.	On incorporation - ₹10.00 Lakhs divided into 800 equity shares and 200 Preference shares of ₹ 1,000/- each	May 21, 1985	800	200	10.00
2.	Increase in Authorized Share Capital from ₹10.00 Lakhs (divided into 800 equity shares and 200 Preference shares of ₹ 1,000/- each) to ₹30.00 Lakhs (divided into 2,400 equity shares and 600 Preference shares of ₹ 1,000/- each) *	September 27, 1985	2,400	600	30.00
3.	Reclassification of Preference shares as equity shares aggregating to ₹ 30.00 Lakhs divided into 3,000 Equity shares of ₹ 1,000/- each	April 22, 1995	3,000	-	30.00
4.	Increase in Authorized Equity Share Capital from ₹30.00 Lakhs divided into 3,000 Equity shares of ₹ 1,000/- each to ₹100.00 Lakhs divided into 10,000 Equity shares of ₹ 1,000/- each	July 13, 2010	10,000	-	100.00
5.	Increase in Authorized Equity Share Capital from ₹100.00 Lakhs divided into 10,000 Equity shares of ₹ 1,000/- each to ₹115.00 Lakhs divided into 11,500 Equity shares of ₹ 1,000/- each	October 01, 2010	11,500	-	115.00
6.	Increase in Authorized Equity Share Capital from ₹115.00 Lakhs divided into 11,500 Equity shares of ₹ 1,000/- each to ₹175.00 Lakhs divided into 17,500 Equity shares of ₹ 1,000/- each	May 15, 2012	17,500	-	175.00
7.	Subdivision of equity shares of the Company from Face Value of ₹ 1,000/- each to ₹ 10/- each	June 14, 2024	17,50,000	-	175.00
8.	Increase in Authorized Equity Share Capital from ₹ 175.00 Lakhs divided into 17,50,000 Equity shares of ₹ 10/- each to ₹ 2,500.00 Lakhs divided into 2,50,00,000 Equity shares of ₹ 10/-	July 23, 2025	2,50,00,000	-	2,500.00
Total			**2,50,00,000**		**2,500.00**

** As per PCS ROC report dated September 29, 2025 issued by M/s Vivek J. Vakharia & Associates increase in authorised share capital from ₹ 10.00 Lakhs to ₹ 30.00 Lakhs is not traceable and have relied on minutes dated September 27, 1985 of the Company.*

2. **History of Paid-up Share Capital:**

2.1. Our existing Paid-up Equity Share Capital has been subscribed and allotted in the manner set forth below:

Date of allotment	Nature of allotment	No. of Equity Shares allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakhs)	Cumulative Share Premium (₹ in Lakhs)
On Incorporation (1)	Subscription to Memorandum of Association	2	1,000	1,000	Cash	2	0.02	-
September 28, 1985(2)**	Further Issue	2,398^	1,000	1,000	Cash	2,400	24.00	-
March 27, 2008(3)	Further Issue	48	1,000	1,000	Cash	2,448	24.48	-
September 16, 2010(4)	Further Issue	5,000	1,000	1,000	Cash	7,448	74.48	-
September 20, 2010(5)	Further Issue	2,552	1,000	1,000	Cash	10,000	100.00	-
October 14, 2010(6)	Further Issue	1,500	1,000	1,000	Cash	11,500	115.00	-
July 13, 2012(7)	Further Issue	6,000	1,000	1,000	Cash	17,500	175.00	-
June 14, 2024	Subdivision of equity shares of the Company of Face Value of ₹ 1000/- each to ₹ 10/- each	17,50,000	10	10	NA	17,50,000	175.00	-
September 15, 2025(8)	Bonus Issue in the ratio of 8:1	1,40,00,000	10	NA	NA	1,57,50,000	1575.00	-
Total		**1,57,50,000**				**1,57,50,000**	**1,575.00**	-

*** As per PCS ROC report dated September 29, 2025 issued by M/s Vivek J. Vakharia & Associates, ROC Form is not traceable, we have relied on minutes dated September 27, 1985 of the Company.*

^As per certificate dated August 24, 2026 issued by Shah & Patel, the shares were issued at face value of ₹1000 each and against the same, the company has called ₹100 initially and later on 09.02.2008 balance sum of ₹ 900 were called.

(1) The details of allotment of 2 Fully Paid-up Equity Shares made to the subscribers to the Memorandum of Association, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Khimraj Balar	1	1,000	1,000
2.	Jagdishchandra Agrawal	1	1,000	1,000
Total		**2**	**-**	**-**

(2) The details of allotment of 2,398 Equity Shares made on September 28, 1985 under Further issue at an issue price of ₹1,000/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Agrawal Brijkishor V	148	1,000	1,000
2.	Agrawal Jagdishchandra V	150	1,000	1,000
3.	Agrawal Ratnidevi V	100	1,000	1,000
4.	Agrawal Sanjay B	150	1,000	1,000

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
5.	Agrawal Lalit B	100	1,000	1,000
6.	Agrawal Manish B	100	1,000	1,000
7.	Agrawal Krishnadevi B	100	1,000	1,000
8.	Agrawal Ushadevi J	150	1,000	1,000
9.	Agrawal Saket J	50	1,000	1,000
10.	Agrawal Shailesh J	50	1,000	1,000
11.	Agrawal Shipa J	50	1,000	1,000
12.	Agrawal Alpa J	50	1,000	1,000
13.	Agrawal Shelja J	50	1,000	1,000
14.	Agrawal Meenaxi B	50	1,000	1,000
15.	Vasudev Gordhandas HUF	100	1,000	1,000
16.	Brijkishor Vasudev HUF	100	1,000	1,000
17.	Jagdishchandra Vasudev	100	1,000	1,000
18.	Balar Khimraj G	120	1,000	1,000
19.	Balar Sunderben K	100	1,000	1,000
20.	Jain Rajendra K	100	1,000	1,000
21.	Jain Anil K	100	1,000	1,000
22.	Balar Prakash R	100	1,000	1,000
23.	Balar Kantilal R	100	1,000	1,000
24.	Bhandari Vijayraj P	80	1,000	1,000
25.	Balar Manju R	100	1,000	1,000
Total		**2,398**	**-**	**-**

(3) The details of allotment of 48 Equity Shares made on March 27, 2008 under Further issue at an issue price of ₹1,000/- per equity share are as follows:

Sr. No.	Name Of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Sanjaybhai T Patel	48	1,000	1,000
Total		**48**	**-**	**-**

(4) The details of allotment of 5,000 Equity Shares made on September 16, 2010 under Further issue at an issue price of ₹1,000/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Abhishek Rajendrakumar Agarwal	500	1,000	1,000
2.	Vinod S Agarwal	500	1,000	1,000
3.	Rameshwaram Metals (P) Ltd	1,000	1,000	1,000
4.	Shree Bajrangbali Intermediate & Dyechem (P) Ltd	1,000	1,000	1,000
5.	Niraj Agarwal	1,000	1,000	1,000
6.	R.K. Agarwal Trading Co. (P) Ltd	1,000	1,000	1,000
Total		**5,000**	**-**	**-**

(5) The details of allotment of 2,552 Equity Shares made on September 20, 2010 under Further issue at an issue price of ₹1,000/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Pravinbhai P Patel	638	1,000	1,000
2.	Hasmukhbhai P Patel	400	1,000	1,000
3.	Prakashbhai P Patel	300	1,000	1,000
4.	Shyamsunder P Patel	68	1,000	1,000
5.	Swapnil Patel	238	1,000	1,000
6.	Rahulbhai S Patel	500	1,000	1,000
7.	Rajbhai S Patel	70	1,000	1,000
8.	Siddharth Prakash Patel	338	1,000	1,000
Total		**2,552**	-	-

[6] The details of allotment of 1,500 Equity Shares made on October 14, 2010 under Further issue at an issue price of ₹1,000/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Binaben P. Patel	500	1,000	1,000
2.	Prakashbhai P Patel	250	1,000	1,000
3.	Pramodkumar S Agarwal	750	1,000	1,000
Total		**1,500**	-	-

[7] The details of allotment of 6,000 Equity Shares made on July 13, 2012 under Further issue at an issue price of ₹1,000/- per equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Prakashbhai P Patel	1,000	1,000	1,000
2.	Siddharth Prakash Patel	1,000	1,000	1,000
3.	Binaben P Patel	500	1,000	1,000
4.	Siddharth Prakash Patel HUF	500	1,000	1,000
5.	Abhishek Rajendrakumar Agarwal	400	1,000	1,000
6.	Vinodbhai S Agarwal	500	1,000	1,000
7.	Shree Bajrangbali Intermediate & Dyechem Private Limited	700	1,000	1,000
8.	Niraj S Agarwal	700	1,000	1,000
9.	R.K. Agarwal Trading Company Private Limited	700	1,000	1,000
Total		**6,000**	-	-

[8] The details of allotment of 1,40,00,000 Equity Shares made on September 15, 2025 pursuant Bonus Issue in the ratio of 8:1 i.e 8 (eight) new fully paid-up equity shares for every 1 (one) existing fully paid-up equity share are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Varshaben P Patel	9,69,600	10	NA
2.	Sanjaybhai T Patel	38,400	10	NA
3.	Shyamsunder P Patel	5,12,800	10	NA
4.	Swapnil Patel	11,07,008	10	NA
5.	Siddharth Prakash Patel	11,30,400	10	NA
6.	Rajbhai S Patel	6,17,600	10	NA

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
7.	Abhishek Rajendrakumar Agrawal	20,80,000	10	NA
8.	Vinod S Agrawal	14,00,000	10	NA
9.	Rameshwaram Metals Private Limited	8,00,000	10	NA
10.	Shree Bajarangbali Intermediate & Dyechem Private Limited	13,60,000	10	NA
11.	R. K. Agarwal Trading Co. Private Limited	13,60,000	10	NA
12.	Prahash Fin Stock Private Limited	24,40,800	10	NA
13.	Chitali Patel	1,60,800	10	NA
14.	Sejal Patel	22,592	10	NA
Total		**1,40,00,000**	**-**	**-**

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

Date of Allotment	Total Shares Allotted	Face Value (in ₹)	Issue price (in ₹)	Nature/reason of allotment	Benefits Accrued to our Company	Name of Allottees	No. of shares Allotted
September 15, 2025	1,40,00,000	10.00	NA	Bonus Issue in the ratio of 8:1	Capitalization of Reserves & Surplus*	Varshaben P Patel	9,69,600
						Sanjaybhai T Patel	38,400
						ShyamSunder P Patel	5,12,800
						Swapnil Patel	11,07,008
						Siddharth Prakash Patel	11,30,400
						Rajbhai S Patel	6,17,600
						Abhishek Rajendrakumar Agrawal	20,80,000
						Vinod S. Agrawal	14,00,000
						Rameshwaram Metals Private Limited	8,00,000
						Shree Bajarangbali Intermediate & Dyechem Private Limited	13,60,000
						R. K. Agarwal Trading Company Private Limited	13,60,000
						Prahash Fin-Stock Private Limited	24,40,800
						Chitali Patel	1,60,800
						Sejal Patel	22,592

**Above allotment of shares has been made out of Reserve & Surplus for distribution to Shareholders and no part of revaluation reserve has been utilized for the purpose.*

3. Our Company has not allotted any Equity Shares pursuant to any scheme approved Sections 230 to 234 of the Companies Act, 2013.

4. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

5. Except as disclosed below, we have not issued any equity shares at a price that is below issue price within last one year from the date of this Red Herring Prospectus:

Date of Allotment	Total Shares Allotted	Face Value (in ₹)	Issue price (in ₹)	Nature/reason of allotment	Benefits Accrued to our Company	Name of Allottees	No. of shares Allotted	Promoter/Promoter Group
September 15, 2025	1,40,00,000	10.00	NA	Bonus Issue in the ratio of 8:1	Capitalization of Reserves & Surplus*	Varshaben P Patel	9,69,600	-
						Sanjaybhai T Patel	38,400	-
						ShyamSunder P Patel	5,12,800	-
						Swapnil Patel	11,07,008	-
						Siddharth Prakash Patel	11,30,400	Promoter
						Rajbhai S Patel	6,17,600	-
						Abhishek Rajendrakumar Agrawal	20,80,000	Promoter
						Vinod S. Agrawal	14,00,000	-
						Rameshwaram Metals Private Limited	8,00,000	-
						Shree Bajarangbali Intermediate & Dyechem Private Limited	13,60,000	Promoter Group
						R. K. Agarwal Trading Company Private Limited	13,60,000	Promoter Group
						Prahash Fin-Stock Private Limited	24,40,800	Promoter
						Chitali Patel	1,60,800	-
						Sejal Patel	22,592	-

**Above allotment of shares has been made out of Reserve & Surplus for distribution to Shareholders and no part of revaluation reserve has been utilized for the purpose.*

6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/Stock Appreciation Rights Scheme.

7. **Our Shareholding Pattern:**

The Shareholding Pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:

Declaration

Sr. No.	Particulars	Yes/No	Promoter and Promoter Group	Public shareholder	Non-Promoter – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in?*	No	No	No	No
6.	Whether any shares held by promoters are pledge or otherwise encumbered?	No	No	NA	NA
7.	Whether company has equity shares with differential voting rights?	No	No	No	No

Sr. No.	Particulars	Yes/No	Promoter and Promoter Group	Public shareholder	Non-Promoter – Non-Public
8.	Whether the listed entity has any significant beneficial owner?	No	No	NA	NA

* All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on NSE EMERGE. Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the Listing of the Equity Shares. The Shareholding Pattern will be uploaded on the Website of the NSE i.e. https://www.nseindia.com/ before commencement of trading of such Equity Shares.

(A). Table I - Summary Statement holding of Equity Shares

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) dematerialized (VIII) As a % of (A+B+C2)**	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)**	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in Demat form
								No of Voting (XIV) Rights			Total as a % of (A+B+C)**							
								Class (eg: Equity shares)	Class (eg: Y)	Total				No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group	5	94,17,600	-	-	94,17,600	59.79	94,17,600	-	94,17,600	59.79	-	59.79	[●]	[●]	-	-	94,17,600
(B)	Public	12	63,32,400	-	-	63,32,400	40.21	63,32,400	-	63,32,400	40.21	-	40.21	[●]	[●]	-	-	63,32,400
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	[●]	[●]	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	[●]	[●]	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	[●]	[●]	-	-	-
	Total	**17**	**1,57,50,000**	**-**	**-**	**1,57,50,000**	**100**	**1,57,50,000**	**-**	**1,57,50,000**	**100**	**-**	**100**	[●]	[●]	-	-	**1,57,50,000**

Note:

1. **C=C1+C2**
2. **Grand Total=A+B+C**

*** Rounded off*

8. The shareholding pattern of our Promoters and Promoters' Group and Additional Top 10 Public Shareholders and other public shareholders before and after the Issue as at allotment is below mentioned:

Sr. No.	Pre-Issue Shareholding as at the Date of the Red Herring Prospectus			Post-Issue Shareholding as at Allotment	
	Shareholders	Number of Equity Shares	Shareholding (in%) *	Number of Equity Shares (2)	Share Holding (in %) (2)
A. Promoter and Promoter Group (1)					
1	Prahash Fin-Stock Private Limited	27,45,900	17.43%	27,45,900	12.55%
2	Abhishek Rajendrakumar Agarwal	23,40,000	14.86%	23,40,000	10.70%
3	Siddharth Prakash Patel	12,71,700	8.07%	12,71,700	5.81%
4	Shree Bajrangbali Intermediate & Dyechem Private Limited	15,30,000	9.71%	15,30,000	6.99%
5	R.K. Agarwal Trading Company Private Limited	15,30,000	9.71%	15,30,000	6.99%
Total – A		**94,17,600**	**59.79%**	**94,17,600**	**43.05%**
B. Additional Top 10 Public Shareholders					
6	Swapnil Patel	12,45,384	7.91%	12,45,384	5.69%
7	Vinod S Agarwal	10,98,000	6.97%	10,98,000	5.02%
8	Vijay Kishanlal Kedia	10,35,000	6.57%	10,35,000	4.73%
9	Varshaben P Patel	7,78,800	4.94%	7,78,800	3.56%
10	Rajbhai S Patel	4,79,800	3.05%	4,79,800	2.19%
11	Shyamsunder P Patel	4,78,900	3.04%	4,78,900	2.19%
12	Sankit Vinod Agarwal	4,77,000	3.03%	4,77,000	2.18%
13	Rameshwaram Metals Private Limited	2,75,000	1.75%	2,75,000	1.26%
14	Ativir Financial Consultants Private Limited	2,15,000	1.37%	2,15,000	0.98%
15	Chitali Patel	1,80,900	1.15%	1,80,900	0.83%
Total – B		**62,63,784**	**39.77%**	**62,63,784**	**28.63%**
Other Public Shareholders		68,616	0.44%	61,93,416	28.31%
Total – C		**68,616**	**0.44%**	**61,93,416**	**28.31%**
Total (A+B+C)		**1,57,50,000**	**100.00%**	**2,18,74,800**	**100.00%**

** Rounded off*
(1) The promoter group shareholder are Shree Bajrangbali Intermediate & Dyechem Pvt. Ltd. and R.K. Agarwal Trading Company Private Limited
(2) Assuming full subscription and based on the higher end of the price band and subject to finalization of the basis of allotment..

9. **Details of Major Shareholders:**

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Prahash Fin Stock Private Limited	27,45,900	17.43%
2.	Abhishek Rajendrakumar Agarwal	23,40,000	14.86%
3.	Shree Bajrangbali Intermediate & Dyechem Private Limited	15,30,000	9.71%
4.	R.K. Agarrawal Trading Company Private Limited	15,30,000	9.71%
5.	Siddharth Prakash Patel	12,71,700	8.07%
6.	Swapnil Patel	12,45,384	7.91%
7.	Vinod S Agarwal	10,98,000	6.97%
8.	Vijay Kishanlal Kedia	10,35,000	6.57%
9.	Varshaben P Patel	7,78,800	4.94%
10.	Rajbhai S Patel	4,79,800	3.05%
11.	Shyamsunder P Patel	4,78,900	3.04%
12.	Sankit Vinod Agarwal	4,77,000	3.03%
13.	Rameshwaram Metals Private Limited	2,75,000	1.75%
14.	Ativir Financial Consultants Private Limited	2,15,000	1.37%

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
15.	Chitali Patel	1,80,900	1.15%
Total		**1,56,81,384**	**99.56%**

** The Company has not issued any convertible instruments like warrants, debentures, etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.*
*** Rounded off*
 # the % has been calculated based on existing (pre-issue) paid up capital of the Company.

(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Prahash Fin Stock Private Limited	27,45,900	17.43%
2.	Abhishek Rajendrakumar Agarwal	23,40,000	14.86%
3.	Shree Bajrangbali Intermediate & Dyechem Private Limited	15,30,000	9.71%
4.	R.K. Agarrawal Trading Company Private Limited	15,30,000	9.71%
5.	Siddharth Prakash Patel	12,71,700	8.07%
6.	Swapnil Patel	12,45,384	7.91%
7.	Vinod S Agarwal	10,98,000	6.97%
8.	Varshaben P Patel	10,90,800	6.93%
9.	Rameshwaram Metals Private Limited	9,00,000	5.71%
10.	Rajbhai S Patel	6,94,800	4.41%
11.	Shyamsunder P Patel	5,76,900	3.66%
12.	Sankit Vinod Agarwal	4,77,000	3.03%
13.	Chitali Patel	1,80,900	1.15%
Total		**1,56,81,384**	**99.56%**

** The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.*
*** Rounded off*
 # the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on One year prior to the date of the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Prahash Fin-Stock Private Limited	3,05,100	17.43%
2.	Abhishek Rajendrakumar Agarwal	2,60,000	14.86%
3.	Vinod Agarwal	1,75,000	10.00%
4.	Shree Bajrangbali Int. & Dyechem Private Limited	1,70,000	9.71%
5.	R.K. Agarwal Trading and Company Private Limited	1,70,000	9.71%
6.	Siddharth Prakash Patel	1,41,300	8.07%
7.	Swapnil Patel	1,38,376	7.91%
8.	Varshaben P Patel	1,21,200	6.93%
9.	Rameshwaram Metals Private Limited	1,00,000	5.71%
10.	Raj Patel	77,200	4.41%
11.	Shyamsunder Patel	64,100	3.66%
12.	Chitali Patel	20,100	1.15%
Total		**17,42,376**	**99.56%**

** The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Red Herring Prospectus.*
*** Rounded off*
 # the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on Two years prior to the date of the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Pre-issue paid up Capital**#
1.	Prahash Fin-Stock Private Limited	3,05,100	17.43%
2.	Abhishek Rajendrakumar Agarwal	2,60,000	14.86%
3.	Vinod Agarwal	1,75,000	10.00%
4.	Shree Bajrangbali Int. & Dyechem Private Limited	1,70,000	9.71%
5.	R.K. Agarwal Trading and Company Private Limited	1,70,000	9.71%
6.	Swapnil Patel	1,38,376	7.91%
7.	Pravinchandra Patel	1,21,200	6.93%
8.	Rameshwaram Metals Private Limited	1,00,000	5.71%
9.	Siddharth Prakash Patel	1,41,300	8.07%
10.	Raj Patel	77,200	4.41%
11.	Shyamsunder Patel	64,100	3.66%
12.	Chitali Patel	20,100	1.15%
Total		**17,42,376**	**99.56%**

** The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Red Herring Prospectus.*
***Rounded off*
 # the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

10. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment and right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or refund of application monies in pursuance of the Red Herring Prospectus.

    As on the date of filing the Red Herring Prospectus, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for 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.

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Red Herring Prospectus.

12. **Shareholding of the Promoters of our Company:**

As on the date of the Red Herring Prospectus, our Promoters holds total 63,57,600 Equity Shares representing 40.37% of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company are as follows:

Siddharth Prakash Patel								
Date of Allotment / Transfer	**Nature of Issue Allotment / Transfer**	**Number of Equity shares**	**Cumulative No. of Equity Shares**	**Face Value (in ₹) per share**	**Issue/ Transfer Price (in ₹) per share**	**Total Consideration Paid/Received (in ₹)**	**% of Pre Issue Capital**	**% of post issue Capital**
March 31, 2007	Transfer from Prakashbhai Patel	1	1	1,000	100	100	Negligible	Negligible
December 08, 2007	Transfer from Thakorbhai A Patel	100	101	1,000	100	10,000	Negligible	Negligible
February 09, 2008	Transfer from Shri Purushottamdas S Patel	100	201	1,000	100	10,000	Negligible	Negligible
September 20, 2010	Further issue	338	539	1,000	1,000	3,38,000	Negligible	Negligible
July 13, 2012	Further issue	1,000	1,539	1,000	1,000	10,00,000	0.01%	Negligible
April 08, 2013	Transfer to Prahash Fin Stock Private Limited	(539)	1,000	1,000	1,150	(6,19,850)	Negligible	Negligible
June 14, 2024	Subdivision of Equity shares of the Company of Face Value of ₹ 1000/- each to ₹ 10/- each	1,00,000	1,00,000	10	NA	NA	0.63%	0.46%
August 20, 2024	Transfer from Bina Prakashbhai Patel through Gift deed	31,300	1,31,300	10	NA	NA	0.20%	0.14%
August 20, 2024	Transfer from Prakashbhai P. Patel through Gift Deed	10,000	1,41,300	10	NA	NA	0.06%	Negligible
September 15, 2025	Bonus Issue (in the ratio of 8:1)	11,30,400	12,71,700	10	NA	NA	7.18%	5.81%
Total		**12,71,700**				**7,38,250**	**8.07**%	6.41%

Abhishek Rajendrakumar Agarwal								
Date of Allotment / Transfer	**Nature of Issue Allotment / Transfer**	**Number of Equity shares**	**Cumulative No. of Equity Shares**	**Face Value (in ₹) per share**	**Issue/ Transfer Price (in ₹) per share**	**Total Consideration Paid/ Received (in ₹)**	**% of Pre Issue Capital**	**% of post issue Capital**
September 16, 2010	Further issue	500	500	1,000	1,000	5,00,000	Negligible	Negligible
July 13, 2012	Further issue	400	900	1,000	1,000	4,00,000	Negligible	Negligible
March 01, 2017	Transfer from Niraj Shivbhagwanbhai Agarwal	1,700	2,600	1,000	2,300	39,10,000	0.01%	Negligible
June 14, 2024	Subdivision of Equity shares of the Company of Face Value of ₹ 1000/- each to ₹ 10/- each	2,60,000	2,60,000	10	NA	NA	1.65%	1.19%
September 15, 2025	Bonus Isse	20,80,000	23,40,000	10	NA	NA	13.21%	9.51%
Total		**23,40,000**				**48,10,000**	**14.86**%	10.69%

Prahash Fin-Stock Private Limited								
Date of Allotment / Transfer	**Nature of Issue Allotment / Transfer**	**Number of Equity shares**	**Cumulative No. of Equity Shares**	**Face Value (in ₹) per share**	**Issue/ Transfer Price (in ₹) per share**	**Total Consideration Paid/ Received (in ₹)**	**% of Pre Issue Capital**	**% of post issue Capital**
April 08, 2013	Transfer from Siddharth P Patel	338	338	1,000	1,150	3,88,700	Negligible	Negligible
April 08, 2013	Transfer from Siddharth P Patel	201	539	1,000	1,150	2,31,150	Negligible	Negligible
November 30, 2013	Transfer from Binaben P Patel	1,000	1,539	1,000	1,500	15,00,000	0.01%	Negligible
November 30, 2013	Transfer from Prakashbhai Patel	1,710	3,249	1,000	1,500	25,65,000	0.01%	Negligible
November 30, 2013	Transfer from Siddharth P Patel (as Karta of HUF)	500	3,749	1,000	1,500	7,50,000	Negligible	Negligible
July 02, 2014	Transfer from Dipak N Katpitia Karta of Dipak N Katpitia HUF	1	3,750	1,000	1,000	1,000	Negligible	Negligible

Prahash Fin-Stock Private Limited								
Date of Allotment / Transfer	**Nature of Issue Allotment / Transfer**	**Number of Equity shares**	**Cumulative No. of Equity Shares**	**Face Value (in ₹) per share**	**Issue/ Transfer Price (in ₹) per share**	**Total Consideration Paid/ Received (in ₹)**	**% of Pre Issue Capital**	**% of post issue Capital**
July 02, 2014	Transfer from Dipak N Katpitia Karta of Dipak N Katpitia HUF	1	3,751	1,000	1,000	1,000	Negligible	Negligible
August 01, 2015	Transfer to Prakashbhai Patel	(175)	3,576	1,000	1,520	(2,66,000)	Negligible	Negligible
August 01, 2015	Transfer to Pravinbhai Patel	(175)	3,401	1,000	1,520	(2,66,000)	Negligible	Negligible
August 01, 2015	Transfer to Hasmukhbhai Patel	(175)	3,226	1,000	1,520	(2,66,000)	Negligible	Negligible
August 01, 2015	Transfer to Shyamubhai Patel	(175)	3,051	1,000	1,520	(2,66,000)	Negligible	Negligible
June 14, 2024	Subdivision of equity shares of the Company of Face Value of ₹ 100/- each to ₹ 10/- each	3,05,100	3,05,100	10	NA	NA	1.94%	1.39%
September 15, 2025	Bonus Issue (in the ratio of 8:1)	24,40,800	27,45,900	10	NA	NA	15.50%	11.16%
Total		**27,45,900**				**43,72,850**	**17.43%**	**12.55%**

13. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Weighted Average Cost of Acquisition per equity share (in ₹)*#
1.	Siddharth Prakash Patel	12,71,700	0.72
2.	Abhishek Rajendrakumar Agarwal	23,40,000	2.06
3.	Prahash Fin-Stock Private Limited	27,45,900	1.59

**The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired.*

 # Rounded- Off

Note: As certified by Statutory Auditor M/s Shah & Patel, Charted Accountants, by way of their certificate dated August 24, 2026.

14. We have 17 shareholders as on the date of filing of this Red Herring Prospectus.

15. As on the date of the Red Herring Prospectus, our Promoters and Promoters' Group hold total 94,17,600 Equity Shares representing 59.79% of the pre-issue paid up share capital of our Company.

16. There were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months from the date of filing of this Red Herring Prospectus.

17. The members of the Promoters' Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Red Herring Prospectus.

18. Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoter shall be considered as Promoter's Contribution **("Promoters Contribution")** and shall be locked-in for a period of three years from the date of allotment of Equity Shares issued 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.

19. As on the date of this Red Herring Prospectus, our Promoters hold 63,57,600 Equity Shares constituting 40.37% of the Pre– Issue, subscribed and paid-up Equity Share Capital of our Company.

20. **Details of Promoter's Contribution locked in for three years:**

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment in this Issue and the Promoters' shareholding in excess of 20% of the post Issue Equity Share capital of our Company shall be locked in as per Regulation 238(b) of the SEBI ICDR (Amendment) Regulations, 2025.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post Issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Red Herring Prospectus until the commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoter' Contribution and their lock-in details are as follows:

Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution	% of Pre issue Capital	% of post issue Capital	Date up to which Equity Shares are subject to Lock-in
PRAHASH FIN-STOCK PRIVATE LIMITED									
September 15, 2025	-	Bonus	24,40,800	10	-	Issued in lieu of Bonus	15.50%	**[●]**	3 Years
Total			**24,40,800**				**15.50%**	**[●]**	
ABHISHEK RAJENDRAKUMAR AGARWAL									
September 15, 2025	-	Bonus	20,80,000	10	-	Issued in lieu of Bonus	13.21%	**[●]**	3 Years
Total			**20,80,000**				**13.21%**	**[●]**	
Grand Total			**45,20,800**				**28.70%**	**[●]**	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as **"Promoter"** under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations, 2018 and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations, 2018 i.e., for a period of three years from the date of allotment of Equity Shares in this issue.

As per Regulation 238(b), promoters' holding in excess of minimum promoters' contribution shall be locked-in as follows:

(a) 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

(b) 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.

Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoter' 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. **Hence Eligible**
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 issuer 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 S hares. **Hence Eligible**
237(1)(b)	Specified securities acquired by promoters or any non-individual public shareholder holding at least five per cent. of the post-issue capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s), during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer *Explanation:- For the purpose of this sub-regulation, it is clarified that the price per share for determining securities ineligible for minimum promoters' contribution, shall be determined after adjusting the same for corporate actions such as share split, bonus issue, etc. undertaken by the issuer;*	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible**
237(1)(c)	Specified securities allotted to promoters during the preceding one year at a price less than the offer price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible**
237(1)(d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible**

21. **Details of Promoters' Contribution Locked-in for One Year and Two Years**

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018 and SEBI (ICDR) (Amendment) Regulations, 2025, in addition to the Minimum Promoters contribution which is locked in for three years held by the promoters, as specified above, the 50% of promoters holding in excess of minimum promoters contribution constituting 9,18,400 Equity Shares shall be locked in for a period of one year and remaining 50% of Equity Shares constituting 9,18,400 Equity Shares shall be locked in for a period of two years from the date of allotment of Equity Shares in this issue.

Lock in of Equity Shares held by Persons other than the Promoter locked-in for One Year:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution as per regulation 238(a) and 238(b) of the SEBI (ICDR) Regulations, 2018, the entire pre-issue equity shares held by persons other than the promoters shall be locked in for a period of one year from the date of allotment of Equity Shares in this issue. The equity shares shall include any equity shares allotted pursuant to a bonus issue, equity shares allotted pursuant to an employee stock option or employee stock purchase scheme or a stock appreciation right scheme.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription **'non-transferable'** along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

22. **Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment and a lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment.

23. **Transferability of Locked in Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

24. Our Company, our Directors, our Promoter and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares of our Company.

25. As on date of the Red Herring Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

26. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Red Herring Prospectus.

27. As on the date of this Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme/ Stock Appreciation Right Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan/Stock Appreciation Right from the proposed Issue.

28. 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 Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

29. 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 a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines. Under-subscription, if any, in the QIB Portionwill not be allowed to be met with spill over from any category or combination thereof.

30. 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.

31. Prior to this Issue, our Company has not made any public issue or right issue to public at large.

32. There are no safety net arrangements for this Issue.

33. As on the date of filing of the Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.

34. As per RBI regulations, OCBs are not allowed to participate in this Issue.

35. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

36. There are no Equity Shares against which depository receipts have been issued.

37. As on date of the Red Herring Prospectus, other than the Equity Shares, there is no other class of securities issued by our Company.

38. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

39. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

40. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.

41. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Shares Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

42. Our Promoter and the members of our Promoter' Group will not participate in this Issue.

43. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.

44. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter' Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

45. The Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Red Herring Prospectus.

46. Except as stated below, none of our other Directors, Key Managerial Personnel or Senior Management holds Equity Shares in our Company.

Sr. No.	Name	Designation	No. of Equity Shares held	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Siddharth Prakash Patel	Managing Director	12,71,700	8.07	[●]
2.	Abhishek Rajendrakumar Agarwal	Whole-time Director	23,40,000	14.86	[●]

SECTION VI – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

This Issue includes a fresh Issue of upto 61,24,800 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share. The proceeds of the Issue, after deducting the Issue related expenses, are estimated to be ₹ [●] lakhs (**"Net Proceeds"**). We intend to utilize the Net Proceeds of the Issue to meet the following objects:

1. Funding capital expenditure requirements towards funding of new equipment and machinery;
2. Repayment/pre-payment, in full or in part, of certain borrowings availed by our Company; and
3. General Corporate Purposes.

*(Collectively referred as the **"Objects"**)*

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enable our Company to undertake our existing business activities and to undertake the activities proposed for which the funds are being raised in the Issue.

Net Proceeds

The details of the Net Proceeds are set forth below:

(Amount in ₹ Lakhs)

Particulars	Amount
Gross Proceeds of the Issue*	[●]
Less: Issue related expenses in relation to Issue#	[●]
Net Proceeds*	[●]

**Subject to finalisation of basis of allotment*
*#To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. For more information refer to the section title "**Object of the Issue – Public Issue Expenses**" on page 97 of this Red Herring Prospectus.*

Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

(Amount in ₹ Lakhs)

S. No.	Particulars	Amount
1.	Funding capital expenditure requirements towards funding of new equipment and machinery	2,550.83
2.	Repayment/pre-payment, in full or in part, of certain borrowings availed by our Company	2,000.00
3.	General Corporate Purpose#^	[●]
	Total	[●]

 # To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.
^ The amount to be utilised for general corporate purposes shall maximum be 15% of the gross proceeds or ₹ 1,000.00 Lakhs whichever is less.

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are proposed to be utilised and deployed in accordance with the estimated schedule provided in the following table:

(Amount in ₹ Lakhs)

Particulars	Amount to be funded from Net Proceeds	Amount to be deployed from the Net Proceeds in Financial Year 2027
Funding capital expenditure requirements towards funding of new equipment and machinery	2,550.83	2,550.83
Repayment/pre-payment, in full or in part, of certain borrowings availed by our Company	2,000.00	2,000.00
General Corporate Purpose # ^	[●]	[●]
Total	**[●]**	[●]

 # To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.
^ The amount to be utilised for general corporate purposes shall maximum be 15% of the gross proceeds or ₹ 1,000.00 Lakhs whichever is less.

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and is subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

Since, the entire requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

Subject to applicable law, if the actual utilization towards 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 Gross Proceeds or ₹1,000 lakhs, whichever is lower, in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising the 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 internal accruals and seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "***Risk Factors***" beginning on page 20 of this Red Herring Prospectus.

Means of Finance

The fund requirements for the Objects are proposed to be entirely funded from the Net Proceeds.

Accordingly, we confirm and undertake that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and through existing identifiable internal accruals as required under Regulation 230(1)(e) of the SEBI ICDR Regulations and paragraph 9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and/ or availing further borrowings. Further, if the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 15% of the Gross Proceeds from the Fresh Issue or ₹ 1,000.00 lakhs, whichever is lower, in accordance with the SEBI ICDR Regulations.

Details of Utilization of Net Proceeds

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

1. Capital Expenditure towards funding of additional equipment and machinery in the existing premises of the factory:

Our Company is engaged in the manufacture of specialised industrial and technical yarns, including para-aramid, flame-retardant, and high-tenacity yarns. In line with our growth strategy, we propose to undertake capital expenditure for the expansion of our manufacturing capacity to meet increasing demand and to diversify into additional high-performance yarn categories.

Accordingly, we intend to utilise a portion of the Net Proceeds from the Issue, amounting to ₹2,550.83 lakhs, towards the purchase and installation of additional equipment and machinery at our existing manufacturing facility.

A. Expansion of Manufacturing Facilities:

Our manufacturing unit is located at Building Nos. 27, 28, and 29, City Survey No. 156, Station Road, Village Petlad, Ahmedabad – 388 450, Gujarat, India. The facility is spread over an area of approximately 53,988.88 square meters, of which approximately 20,570.89 square meters is currently utilised for operations.

To cater to growing domestic and international demand, we propose to enhance our manufacturing capabilities through the installation of advanced machinery and industrial equipment. The proposed expansion is expected to:

- Substantially increase the production capacity of our existing facility;
- Improve overall operational efficiency; and
- Enable the manufacture of a broader and more specialised range of yarns, including:
    - Para-aramid yarns for protective and industrial applications;
    - Flame-retardant yarns for protective clothing and furnishings;

- High-tenacity polyester and nylon yarns for automotive, construction, and other industrial uses;
- Speciality blended yarns (e.g., aramids, viscose, and other fibres) for filtration and insulation; and
- Technical yarns for gloves, conveyor belts, tarpaulins, coated fabrics, and other industrial applications.

The total manufacturing capacity before and after the proposed expansion of manufacturing facilities is as below:

Product	**NE type**	**Installed Capacity (In MT)**	
		Existing manufacturing capacity facilities (Existing)	**Proposed expansion in manufacturing capacity facilities (Proposed)**
Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn	(up to 50 NE)	3,750	3,750
	(From 22 To 50 NE)	-	1,250
100% Polypropylene Yarn	(Up to 2 NE)	1,025	1,025
Total	**-**	**4,775**	**6,025**

Note: The installed capacity and utilized capacity have been certified by B.P. Oza & Associates (Chartered Engineer Registration No: M131433-5), Independent Chartered Engineer vide their certificate dated July 28, 2026.

This expansion is aligned with our strategic objective of strengthening our position in the technical textiles market while maintaining a focus on quality, performance, and innovation.

B. Operational and Financial Performance

Over the past three financial years, our Company has demonstrated consistent revenue growth, with revenue from operations increasing from ₹10,987.18 lakhs in Fiscal 2024 to ₹ 11,737.14 lakhs in Fiscal 2026. This growth has been primarily driven by increased demand for our specialised yarn products.

In Fiscal 2026, synthetic yarns (up to 50 NE) stood at 3619 MT, compared to 2,809 MT in Fiscal 2024 with capacity utilisation improving to 96.51% compared to 80.24 % in Fiscal 2024.

Meanwhile, the production of 100% polypropylene yarns (up to 2 NE) stood at 656 MT in Fiscal 2026, compared to 680 MT in Fiscal 2024, with capacity utilisation ranging between 66.38% and 63.95% during the period.

Our existing capacity utilization is already at relatively high levels; therefore, the proposed capacity expansion is being undertaken in view of anticipated demand growth, operational efficiency, technological upgradation, and to mitigate future capacity constraints. The rationale for expansion and the expected capacity utilization post the proposed capital expenditure has been duly assessed and forms part of our business strategy. For more information regarding the proposed capacity utilization, refer to "***Our Business – Capacity and Capacity Utilization***" and "***Our Business – Business Strategy***" on page 182 and 165 respectively.

C. Estimated Cost of Capital Expenditure

The total estimated cost for the proposed capital expenditure is ₹2,550.83 lakhs, which will be funded from the Net Proceeds of the Issue. The investment will be made based on quotations received from the vendors listed below:

Set out below is a break-up of the estimated cost.

Sr. No.	**Work/Type of Machinery**	**Name of the Supplier***	**Quantity**	**Total Estimated Cost (₹ in lakhs)**	**Amount proposed to be funded from the Net Proceeds (₹ in lakhs)**	**Date of Quotation**	**Validity of Quotation**
Civil Construction							
1.	**Factory Building**	Parmeshwar Construction	-				
	Excavation and others			8.92	8.92	July 17, 2026	January 13, 2027

Sr. No.	Work/Type of Machinery	Name of the Supplier*	Quantity	Total Estimated Cost (₹ in lakhs)	Amount proposed to be funded from the Net Proceeds (₹ in lakhs)	Date of Quotation	Validity of Quotation
	RCC Work			220.52	220.52		
	Brick Work and Plastering			28.15	28.15		
	Doors, Windows, Shutter Openings			2.37	2.37		
	PEB Work			148.58	148.58		
	Miscellaneous			51.35	51.35		
	Total (A)			**459.89**	**459.89**		
Equipment and Machinery							
2.	**Savio Automatic Cone Winder Model Proxima I Smartconer (Automatic and direct bobbin feeding from ring spinning frame)**	Vandewiele Savio India Private Limited**				July 17, 2026	January 13, 2027
	Machine with 39 drums on 40 frames		1	176.52	176.52		
	Machine with 39 drums on 40 frames		1	173.48	173.48		
	Machine with 34 drums on 40 frames		2	322.67	322.67		
3.	**SMEW Filcono Assembly Winding Machine Model No Bmt Aw 8 With Steel Drums With Brake On Motor**	SMEW Textile Machinery Private Limited				July 17, 2026	January 13, 2027
	No. of Spindles: 56		1	16.52	16.52		
	No. of Spindles: 40		1	11.80	11.80		
4.	Blow Room	LMW Limited	2	46.79	46.79	July 17, 2026	August 31, 2026
	Carding - Main		5	167.71	167.71		
	Carding - Accessories		1	10.28	10.28		
	Draw Frame Model LDB3		2	28.63	28.63		
	Auto leveller praw Erame		2	49.11	49.11		

Sr. No.	Work/Type of Machinery	Name of the Supplier*	Quantity	Total Estimated Cost (₹ in lakhs)	Amount proposed to be funded from the Net Proceeds (₹ in lakhs)	Date of Quotation	Validity of Quotation
	Model LDF3S						
	Speed Frame Model LF4280A		1	78.59	78.59		
	Ring Frame LRJ9SX/SXL - With 1440 spindles/mc		5	607.11	607.11		
5.	Two-For-One Twisters of Vandewiele-Savio India Make Model "COSMOS 201.5 ARRAF with 240 Spindles"	Vandewiele Savio India Private Limited	4	130.00	130.00	July 17, 2026	January 13, 2027
6.	Two-For-One Twisters of Vandewiele-Savio India Make Model "SIRIUS EDS 252 AF" with 192 Spindles	Vandewiele Savio India Private Limited	6	217.20	217.20	July 17, 2026	January 13, 2027
7.	Electrification	Adishwar Electricals	11	54.54	54.54	July 17, 2026	January 13, 2027
	Total (B)			**2,090.94**	**2,090.94**		
	Total (A + B)			**2,550.83**	**2,550.83**		

As certified by our Statutory Auditors by way of their certificate dated August 17, 2026.

** None of the vendors from whom quotations have been obtained or from whom the Company proposes to purchase equipment and machinery are related to or connected in any manner to our Promoters, members of the Promoter Group, Directors, or the Merchant Banker(s) associated with the Issue. This has been certified by the Company by a declaration dated September 29, 2025.*

*** The quotations received from the seller have been converted from Euros to Indian Rupees as per the conversion rate below.*

€ Foreign Exchange Rate of the Euro as is considered as 1€ = ₹ 112.35 for conversion as on July 17, 2026 (date of receipt of quotation from international vendor) from https://foservices.icegate.gov.in/#/services/viewExchangeRate.

Notes:

1. *The purchase price mentioned is exclusive of GST and other applicable taxes. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. No orders have been placed with any of the aforementioned vendors. The actual cost of procurement and actual supplier/dealer may vary. Further, our Promoters, Directors, Key Managerial Personnel and the Group Companies do not have any interest in the proposed acquisition of the equipment or in the entity from whom we have placed or may place purchase orders in relation to such proposed acquisition of the equipment.*
2. *All the machinery and equipment proposed to be purchased under the aforesaid capital expenditure relate exclusively to the expansion of our Synthetic Yarn manufacturing operations, including Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn (specialty grades), Modacrylic Based Yarn, Poly Poly Core Spun Yarn and Stainless-Steel Yarn. The proposed machinery is specific to these products and is not interchangeable with machinery used for other categories of yarn.*

Government approvals

Our Company undertakes to file necessary application before relevant authorities to obtain all approvals, as applicable at relevant stage, including but not limited to those as mentioned below:

Name of the statutory approval	Authority	Status
Electrical load sanction	Madhya Gujarat Vij Company Ltd.	Application made on August 30, 2025 regarding intimation w.r.t additional load

		of 1195 KVA (Existing 1805 KVA + 1195 KVA = 3,000 KVA) for their existing unit located near Bus Stand, Ashapuri Road, Petlad - 388450 under Petlad division of Anand Circle.
Consolidated Consent and Authorization (CC&A)	Gujarat Pollution Control Board	Pursuant to application no. 419525 dated September 29, 2025, the Gujarat Pollution Control Board granted an amendment to the Consent to Establish for expansion of the production capacity of yarn from 368 MT per month to 460 MT per month (comprising an additional capacity of 92 MT per month), vide CTE Order No. CTE-89559 dated October 27, 2025, valid until September 28, 2032. The remaining conditions of the CC&A Order No. AWH-52709 dated April 18, 2022 remain unchanged.

2. **Repayment/pre-payment, in full or in part, of certain borrowings availed by our Company**

Our Company, in the ordinary course of business, has availed various financing arrangements for borrowing in the form of working capital loans and term loans, among others. As on June 30, 2026 the aggregate outstanding amount of such loans and facilities stood at ₹ 2,441.09 lakhs. Our Company proposes to utilize an estimated amount of ₹ 2,000.00 lakhs of the net proceeds towards the partial repayment or pre-payment of certain borrowings availed from the lenders by our Company. The loan facilities availed by our Company include borrowing in the form of, inter alia, term loans and working capital facility from various lenders. For further details, see ***"Financial Indebtedness"*** on page 245 of this Red Herring Prospectus.

Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. However, the aggregate amount to be utilized from the Net Proceeds towards repayment/ prepayment of certain borrowings, in part or in full, would not exceed ₹ 2,000.00 lakhs. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges/penalties as prescribed by the respective lenders. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds.

The repayment/prepayment, will help reduce our outstanding indebtedness, assist us in maintaining a favourable debt equity ratio and enable utilisation of some additional amount from our internal accruals for further investment in business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business. The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds is mentioned below:

No portion of Net Proceeds, that will be utilised for repayment/pre-payment, in full or in part, of certain borrowings availed by our Company, will be directly or indirectly routed to our Promoters, members of promoter group, Directors, Key Managerial Personnel and Senior Management.

We confirm that any of the below-mentioned loans, there have been no instance of delays, defaults and rescheduling/ restructuring of our borrowing or loans. For more information regarding the instances of delay in repayment, please refer to the chapter "***History and Certain Corporate Matters***" on page 209.

Lender	Date of Sanction	Nature of Borrowing	Sanctioned amount (₹ lakh)	Amount outstanding as of June 30, 2026 (₹ lakh)	Purpose of the loans	Tenure	Rate of Interest per annum	Pre-payment conditions/ penalty
CITI BANK (T.L.A/c.- D08LCRR212700 001)	27-09-2021	Term Loan	110.00	6.11	Term Loan for Capital Expenditure	5 Years	9.39%	Prepayment penalty at the rate of 2% of sanction amount or

Lender	Date of Sanction	Nature of Borrowing	Sanctioned amount (₹ lakh)	Amount outstanding as of June 30, 2026 (₹ lakh)	Purpose of the loans	Tenure	Rate of Interest per annum	Pre-payment conditions/ penalty
CITI BANK (T.L.A/c.- D08LCRR212700002)	27-09-2021	Term Loan	174.00	9.67	Term Loan for Capital Expenditure	5 Years	9.39%	principal outstanding whichever is higher, at the discretion of Citibank N.A.
CITI BANK (T.L.A/c.- D08LCRR223490001)	15-12-2022	Term Loan	200.00	66.67	Term Loan for Capital Expenditure	5 Years	8.20%	
CITI BANK (T.L.A/c.- D08LCRR240300001)	30-01-2024	Term Loan	257.00	157.06	Term Loan for Capital Expenditure	5 Years	7.30%	
CITI BANK (T.L.A/c. D08LCRR241800001)	28-06-2024	Term Loan	211.00	140.67	Term Loan for Capital Expenditure	5 years	7.11%	
CITI BANK (T.L.A/c. D08LCRR243320002)	27-11-2024	Term Loan	231.00	179.67	Term Loan for Capital Expenditure	5 years	7.93%	
CITI BANK (T.L.A/c. D08LNMX250170002)	17-01-2025	Term Loan	200.00	166.67	Term Loan for Capital Expenditure	5 Years	8.00%	
CITI BANK (T.L.A/c. D08LNMX250171001)	17-01-2025	Term Loan	1,365.60	1297.32	Term Loan for Capital utilisation	6 Years	8.00%	
CITI BANK Working Capital Limit (Pre Shipment / Post Shipment / Cash Credit)	17-01-2025	Cash Credit	2,000.00	417.25*	Working Capital Utilisation	--	SOFR+ 3.6%	N.A.
Total			**4,748.60**	**2,441.09**				

* Amount outstanding as per books of accounts is ₹423.81 lakhs as on June 30, 2026.

As per the Certificate on the utilisation of loan for the purpose availed, issued by our Statutory Auditors, M/s Shah & Patel, Chartered Accountants dated, August 24, 2026.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed is based on various factors, including (i) commercial considerations including, among others, the amount of the loan outstanding, rate of interest and the remaining tenor of the loan, (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) cost of the borrowing, including applicable interest rates (iii) receipt of consents for prepayment from the respective lenders and terms and conditions of such consents and waivers and (v) levy of any prepayment penalties/premium and the quantum thereof and other related costs and (vii) nature and/or repayment schedule of borrowings. We will approach the relevant lenders after completion of this Issue for repayment/prepayment of the borrowings.

The Company confirms that, to the extent applicable, it has obtained the necessary consents/approvals or has duly notified the relevant lenders, as required under the respective facility documentation, in connection with the proposed public issue and utilisation of the Net Proceeds. There are no covenants under the existing financing agreements that prohibit or materially restrict the Company from undertaking the proposed public issue.

For details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see ***"Financial Indebtedness"*** on page 245 of this Red Herring Prospectus.

3. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 15% of the Gross Proceeds or ₹ 1,000.00 Lakhs, whichever is lower, in accordance with Regulation 230(2) of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

We confirm that any Issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual Issue expenses turn to be lesser than the estimated issue expenses of ₹ [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Red Herring Prospectus, shall not exceed 15% of the Gross Proceeds or ₹ 1,000.00 lakhs, whichever is lower.

The allocation or quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the business requirements of our Company and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board shall have flexibility in utilising surplus amounts, if any. In addition to the above, our Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law. Our management will subject to and in accordance with applicable law have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds.

Public Issue Expenses

The total expenses for this Issue are estimated to be approximately ₹ [•] Lakhs, which is [●] % of the Issue Size. All the Issue related expenses shall be met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

Particulars	**Estimated expenses (₹ in Lakhs)***	**As a % of total estimated Issue related expenses***	**As a % of the total Issue Size***
Book Running Lead Manager fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expense	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Peer Review Auditor	[●]	[●]	[●]
Fees Payable to Legal Counsel	[●]	[●]	[●]
Fees Payable to Market Maker	[●]	[●]	[●]
Fees payable to the Underwriter	[●]	[●]	[●]
Fees payable to the Escrow Bank	[●]	[●]	[●]
Others			
(i) Fees payable to the Industry Service Provider	[●]	[●]	[●]
(ii) Fees payable to the independent chartered accountant	[●]	[●]	[●]
(iii) Fees payable for Marketing & distribution expenses	[●]	[●]	[●]
(iv) Fees payable for Selling Commission	[●]	[●]	[●]
(v) Fees payable to Peer Review Auditor	[●]	[●]	[●]
(vi) Brokerage	[●]	[●]	[●]
(vii) Processing fees	[●]	[●]	[●]
Total Estimated Issue Expenses	**[●]**	**[●]**	[●]

** Issue Expenses will be finalized on determination of Issue Price and incorporated at the time of filing of the Prospectus. Issue expenses are estimated and are subject to change.*

(1) Selling commission payable to the SCSBs which are directly procured by the SCSBs, would be as follows

*Portion for Individual Bidders**	*0.1% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.1% 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 SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of NSE.*

(2) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ Sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Individual Bidders	*₹10 per valid Bid cum Application Form (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹10 per valid Bid cum Application Form (plus applicable taxes)*

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹1 Lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹ 1 Lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

(3) The processing fees for applications made by Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	*₹10 per valid application (plus applicable taxes)*
Sponsor Bank – Axis Bank Limited	*Nil upto 40,000 Application and post that ₹6.5+ GST per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

**For each valid application by respective Sponsor Bank*

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by Individual Bidders (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds₹ 1,00,000 (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

(4) Selling commission on the portion for Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs 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	*0.1 % of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*0.1 % of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by Individual Bidders using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in- 1 accounts, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing would be as follows:

*Portion for Individual Bidders**	*₹10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹10 per valid application (plus applicable taxes)*

** Based on valid applications*

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed ₹1,00,000 (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds ₹1,00,000(plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the Bid cum 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 Bid cum 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. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for Individual Bidders *and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.*

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of NSE.

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

Appraising Entity

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

For further details on the risks involved, please see ***"Risk Factor no. 35"*** in the section titled "***Risk Factors***" beginning on page 20 of this Red Herring Prospectus.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Bridge Financing Facilities

As on the date of this Red Herring Prospectus, we have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, in case of delay in the IPO and consequent delay in accessing the net proceeds of the Issue, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit / term loan facility with our lenders or through unsecured loans to finance setting up of facilities as described in the section 'Objects of the Issue' until completion of the Issue. Any amount that is drawn down from such facility availed from any Bank/NBFC or Financial Institution or through unsecured loans during this period to finance 'Objects of the Issue' will be repaid from the Net Proceeds of the Issue.

Monitoring Utilization of Funds

In accordance with Regulation 262 of the SEBI ICDR Regulations, our Company has appointed Brickwork Ratings India Private Limited as the monitoring agency ("Monitoring Agency") to monitor the utilisation of the Net Proceeds. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilisation of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay and in accordance with the applicable laws. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet for such financial year/periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable financial year, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilized Net Proceeds.

The reports of the monitoring agency on the utilization of the Net Proceeds shall indicate the deployment of the Net Proceeds under the following heads:

1. Funding capital expenditure requirements towards funding of new equipment and machinery;
2. Repayment/pre-payment, in full or in part, of certain borrowings availed by our Company; and
3. General Corporate Purposes.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statutory auditor of our Company will also provide report/ certificate on the utilization of the Net Proceeds to the monitoring agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our directors' report, after placing the same before the Audit Committee.

Interim Use of Proceeds

The Net Proceeds shall be retained in the Public Issue Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company.Pending utilization of the Net Proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and the SEBI ICDR Regulations, 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. In addition, the notice issued to the Shareholders in relation to the passing of such Special Resolution shall specify the prescribed details as required under the Companies Act,2013 and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, 2013 our Promoters or controlling Shareholders would 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. See ***Risk Factors – "Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval"*** on page 38 of this Red Herring Prospectus.

Other confirmations

There are no material existing or anticipated transactions with our Promoters, our Directors and our Company's Key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws.

Further, there are no material existing or anticipated interest of such individuals and entities in the Objects of the Issue except as set out above. The Net Proceeds shall not be used for lending, or for financing transactions with any related parties of our Company.

BASIS FOR ISSUE PRICE

*The Price Band and Issue Price to be determined by our Company in consultation with the Book Running Lead Manager on the basis of 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 in this section. Bidders should read the following basis with the sections titled "**Risk Factors**", "**Financial Information**" and the chapter titled "**Our Business**" beginning on pages 20, 242 and 157 respectively, to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investment decisions.*

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares offered through the book building method and on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue is ₹ [●] which is [●] times of the face value.

Qualitative Factors

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

- Diverse portfolio of specialised technical yarns catering to industrial, protective and home applications
- Advanced spinning technologies and proprietary fibre recycling processes ensuring innovation and sustainability
- Strong focus on stringent quality control backed by international certifications such as ISO and OEKO-TEX
- Long-standing customer relationships across filtration, automotive, defence and protective textile industries
- Experienced management team with proven expertise in handling high-performance fibres
- Positioned to capture growth opportunities in the rapidly expanding technical textiles sector

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see section titled "***Our Strengths***" in the chapter titled ***"Our Business"*** on page 157 of this Red Herring Prospectus.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled "***Restated Financial Statements"*** on page 242. The ratios set forth below have been computed on the basis of the Restated Financial Statements and after considering the impact of issuance of bonus shares, split and consolidation of the Equity Shares. Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Basic and Diluted Earnings per Equity Share ("EPS"), as per AS 20, pre-Issue for the last three years, as per restated financial adjusted for changes in capital:

Financial period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2026	10.19	10.19	3
Fiscal 2025	5.40	5.40	2
Fiscal 2024	4.48	4.48	1
Weighted Average	**7.64**	**7.64**	

Note: *EPS has been calculated in accordance with Accounting Standard 20 – "Earnings per share". The face value of Equity Shares of the Company is ₹ 10.*

i. *The face value of each Equity Share is ₹ 10.*
ii. *Basic Earnings per share = Restated net profit after tax (loss after tax) as restated / Weighted average number of equity shares outstanding during the financial year, after considering impact of bonus retrospectively for all period presented.*
iii. *Diluted Earnings per share = Restated Net profit after tax (loss after tax) as restated / Weighted average number of potential equity shares outstanding during the financial year.*
iv. *Weighted average = Aggregate of financial year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each financial year /Total of weights.*

2. Price/Earning ("P/E") ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Issue Price (number of times)
Based on basic & diluted EPS for the period ended as on March 31, 2026	The details shall be provided post the fixing of the price band by the Company at the stage of the red herring prospectus or the filing of the price band advertisement
Based on weighted average EPS for the period ended as on March 31, 2026	

3. Industry Peer Group P/E Ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 37.72 times, the lowest P/E ratio is 16.09 times and the average P/E ratio is 26.91 times.

Particulars	Peers Name	P/E
Highest	Garware Technical Fibers limited	37.72
Lowest	Reliance Chemotex Industries Limited	16.09
Average		**26.91**

Notes:

i. *The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.*

ii. *P/E figures for the peer are computed based on closing market price as on August 21, 2026, divided by Diluted EPS based on the financial statement by the peer company available on their website/NSE/BSE/Industry Report as on March 31, 2026 Further, in case of peers incurring losses, PE is considered Nil.*

4. Average Return on Net Worth ("RoNW"):

Financial period	RoNW (%)*	Weight
Fiscal 2026	30.91	3
Fiscal 2025	23.73	2
Fiscal 2024	25.58	1
Weighted Average	**27.63**	

Note: *RoNW is calculated as net profit after taxation and minority interest attributable to the equity shareholders of the Company divided by shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus – revaluation reserves.*

Notes:

i. *Weighted average = Aggregate of financial year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each financial year] / [Total of weights]*

ii. *Return on Net Worth (%) = Net profit after tax, as restated / Net worth as restated as at period/year end.*

iii. *Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at period /year end, as per Restated Financial Statements.*

5. Net Asset Value ("NAV") per Equity Share:

Particulars	NAV per Equity Share (₹)(ii)
As on March 31, 2026	32.95
After the completion of the Issue	
- At Floor Price	[●]
- At Cap Price	[●]
- At Issue Price	[●]

Note:

i) *Issue Price per Equity Share will be determined on conclusion of the Book Building Process.*

ii) *Net asset value per share= Net worth as restated / Number of equity shares as at financial year end.*

6. Comparison with Industry Peers

We understand that listed industry peers of the Company have been identified as RSWM Limited, Reliance Chemotex Industries Limited, Garware Technical Fibres Limited and Cedaar Textile Limited (the "**Industry Peers**").

Based on our review of the audited financial statements of such Industry Peers for their last audited financial year i.e., (Fiscal year 2026) are as set forth below:

Name of the Company	Standalone/ Consolidated	Revenue from Operations (₹ in Lakhs)	Face Value per Equity Share (₹)	Closing price as on August 21, 2026	P/E (x)	EPS (Basic and Diluted) (₹)	RoNW (%)	NAV (₹ per share) (Post Bonus)	Profit after tax (₹ in Lakhs)
Ashutosh Fibre Limited	Standalone	11,737.14	10	NA	-	10.19	30.91%	32.95	1,604.23
Industry Peers									
RSWM Limited	Standalone	4,55,398.00	10	204.83	18.55	11.04	3.79%	291.21	5,198.15
Reliance Chemotex Industries Limited	Standalone	36,200.58	10	112.18	16.09	6.97	3.69%	189.23	526.15
Garware Technical Fibres Limited	Standalone	1,41,898.37	10	802.60	37.72	21.28	15.92%	133.71	21,126.53
Cedaar Textile Limited	Standalone	16,280.04	10	13.80	NA	(56.16)	(147.39) %	34.90	(7,138.47)

Source: All the financial information for industry peer mentioned above is sourced from the Annual report available on the websites of the respective industry peer, Stock Exchange websites as well as from D&B Industry Report.

Notes:

i. *P/E Ratio has been computed based on the closing market price of equity shares on August 21, 2026, divided by the Diluted EPS. Further, in case of peers incurring losses, PE is Not Applicable.*

ii. *Return on Net Worth (RoNW) (%) = Net profit after tax, as restated / Net worth as restated as at period/year end.*

iii. *Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at period /year end, as per Restated Financial Statements.*

iv. *NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.*

7. Key Performance Indicators (KPIs)

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals. 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 our Board of Directors), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. The KPIs disclosed also help us in analyzing the growth of various verticals in comparison to our peers.

The KPIs of our Company have been disclosed in the chapters titled ***"Our Business"*** and ***"Management Discussion and Analysis of Financial Position and Results of Operations – Key Performance Indicators"*** on pages 157 and 250 of this Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in ***"Definitions and Abbreviations"*** on page 1 of this Red Herring Prospectus.

The KPIs herein have been certified by M/s Shah & Patel, Chartered Accountants, the statutory auditor of our Company, by way of their certificate dated August 24, 2026 and the same have been approved by the Audit Committee at its meeting held on August 24, 2026.

a. Statement of Key Performance Indicators for the FY 2026, 2025 and 2024:

Operational KPIs:

Particulars	For the year ended		
	FY26	FY25	FY24
Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (up to 50 NE)			
Installed Capacity (In MT) (A)	3,750	3,750	3,500
Actual Production (in MT) (B)	3,619	3,247	2,809
% utilization (B)/(A) x100	96.51%	86.58%	80.24%
100% Polypropylene Yarn (Up to 2 NE)			
Installed Capacity (In MT) (C)	1,025	1,025	1,025
Actual Production (in MT) (D)	656	653	680
% utilization (D)/(C)x100	63.95%	63.75%	66.38%

#Annualised

Total Combined Capacity:

Particulars	For the year ended		
	FY26	FY25	FY24
Installed Capacity (In MT) (A)+(C) = (E)	4,775	4,775	4,525
Actual Production (in MT) ((B)+D) = (F)	4,275	3,900	3,489
% utilization (F)/(E)x100	89.52%	81.68%	77.10%

#Annualised

Installed capacity and Actual production means the installation and utilisation as certified by the B.P. Oza & Associates, Independent Chartered Engineer, pursuant to a certificate dated July 28, 2026

**The information relating to the actual production as of the dates included above are based on the examination of the internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a fiscal year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies.*

***Note**:*

- *The company has increased its additional capacity by 250 MT effective from April 21, 2024.*
- *Assumption is also based on the three (3) shifts that the Company is running for eight (8) hours a day. The assumptions and estimates taken into account include the following:*
    - *i. Number of working days in a fiscal year – 310 To 320;*
    - *ii. Number days in a month - 26;*
    - *iii. Number of shifts in a day – 3*
    - *iv. Number of hours - 8 and*
    - **v.** *Schedule preventive maintenance days — 40 to 50 days.*

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Financial KPIs:

In (₹ lakhs)

Particular	Ashutosh Fibre Limited			RSWM Limited			Reliance Chemotex Industries Limited		
	As at end for Fiscal			As at end for Fiscal			As at end for Fiscal		
	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total Income	11,743.17	11,497.40	10,988.92	4,60,521.00	4,85,463.75	4,09,272.06	36,583.52	36,876.71	37,145.45
Revenue from Operations	11,737.14	11,403.40	10,987.18	4,55,398.00	4,82,528.78	4,05,719.71	36,200.58	35,859.78	36,718.80
EBITDA	3,107.15	1,783.58	1,614.38	26,532.00	20,344.63	23,388.67	4,070.83	3,226.52	3,105.25
EBITDA Margin (in %)	26.47%	15.64%	14.69%	5.83%	4.22%	5.76%	11.25%	9.00%	8.46%
Profit After Tax (PAT)	1,604.23	850.92	704.94	5,198.00	(4,127.87)	3,491.96	526.15	404.52	320.99
PAT Margin (%)	13.67%	7.46%	6.42%	1.14%	(0.86%)	0.86%	1.45%	1.13%	0.87%
Debt - equity Ratio (in times)	0.92	1.60	1.27	1.10	1.24	1.36	1.87	1.90	2.09
Net worth	5,189.54	3,585.31	2,755.39	1,37,165.00	1,30,783.21	1,30,928.71	14,274.85	13,728.31	13,364.93
Return on Net Worth (RoNW) (in %)	30.91%	23.73%	25.58%	3.79%	(3.16%)	2.67%	3.69%	2.95%	2.40%
Return on Capital Employed (ROCE) (in %)	26.29%	16.27%	21.00%	5.78%	2.58%	3.88%	7.26%	6.97%	6.11%

Particular	Garware Technical Fibres limited			Cedaar Textile Limited		
	As at end for Fiscal			As at end for Fiscal		
	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total Income	1,46,422.25	1,52,545.90	1,32,262.33	16,466.15	20,933.55	19,077.58
Revenue from Operations	1,41,898.37	1,48,868.01	1,27,992.34	16,280.04	20,786.87	18,928.62
EBITDA	27,690.18	29,589.44	25,748.87	-8,288.47	3,025.32	2,901.77
EBITDA Margin (in %)	19.51%	19.88%	20.12%	-50.91%	14.55%	15.33%
Profit After Tax (PAT)	21,126.53	21,407.49	19,894.11	-7,138.47	1,203.88	1,209.62
PAT Margin (%)	14.89%	14.38%	15.54%	-43.85%	5.79%	6.39%
Debt - equity Ratio (in times)	0.01	0.05	0.10	2.22	1.76	5.79
Net worth	1,32,725.29	1,22,021.38	1,23,156.03	4,843.11	6,567.44	2,523.52
Return on Net Worth	15.92%	17.54%	16.15%	-147.39%	18.33%	47.93%

(RoNW) (in %)						
Return on Capital Employed (ROCE) (in %)	21.59%	23.76%	20.33%	-55.12%	15.25%	15.66%

Source of information: *All the financial information for industry peers mentioned above is sourced from the filings made with Stock Exchanges available on NSE / BSE Platform, annual reports available on the websites of the respective industry peers and offer document filed with SEBI / Exchanges.*

Definitions and Abbreviations:

i. *Total income means revenue from operations and other income.*
ii. *Revenue from operations means the revenue from operations as appearing in the restated statement of profit & loss for the relevant year/period.*
iii. *EBITDA is calculated as earnings before, finance costs, tax, depreciation & amortization expenses for the year/period, and less other income.*
iv. *EBITDA Margin (%) is calculated as EBITDA as a percentage of revenue from operations.*
v. *Profit after tax (PAT) refers to Profit/(Loss) for the year from continuing operations as appearing in the restated Statement of Profit & Loss for the relevant year/period.*
vi. *PAT Margin (%) is calculated as Profit for the year as a percentage of total income.*
vii. *Debt to Equity is calculated as total borrowings divided by Shareholder Equity. Shareholder equity is calculated as share capital plus other equity.*
viii. *Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at period /year end, as per Restated Financial Statements.*
ix. *Return on Equity (%) is calculated by dividing restated profit for the period/year attributable to owners of the group by average equity attributable to the owners of the company.*
x. *ROCE (%) is calculated as earnings before interest and taxes (EBIT) divided by average tangible capital employed. EBIT is calculated by adding tax and finance costs to profit after tax. Tangible capital employed is calculated by deducting current liabilities from the total tangible assets. Total tangible assets are calculated as total assets minus intangible assets.*

Explanation for Operation and Financial KPI

Sr. No.	KPI	Explanation
1	Total Income	Total Income Generated by the company from revenue from operations and other income
2	Revenue from Operation	Revenue from operations represents the total turnover of the business and helps management track business income and assess Company's overall financial performance and scale.
3	Earnings Before Income Tax Depreciation & Amortization (EBITDA)	EBITDA provides information regarding the operational efficiency of the business and is considered by the management as an important element to monitor business growth in absolute term irrespective of the sales mix.
5	EBITDA Margin (In %)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business. Tracking EBITDA Margin assists in tracking the margin profile of our business and in understanding areas of our business operations which have scope for improvement.
6	Profit After Tax (PAT)	Profit After Tax for the Year/period provides information regarding the overall profitability of the business.
7	PAT Margin (in %)	Profit After Tax Margin is an indicator of the overall profitability and financial performance of the business with reference to the turnover.
8	Return on Net Worth (RoNW) (in %)	RoNW provides how efficiently our Company generates profits from shareholders' funds.

Sr. No.	KPI	Explanation
9	ROCE (in %)	Return on Capital Employed measures how efficiently our Company generates earnings before finance costs and taxes from the capital employed in the business.
10	Debt to Equity	Debt to Equity ratio compares total liabilities (Debts) to shareholder's equity as an indicator of how much of a company's operations are financed by debt versus owner's investment.

The revenue from operations of the Company and its peers over the last three Fiscals are as follows:

(₹ *in Lakhs*)

Company	Revenue from operations in Fiscal 2026	Revenue from operations in Fiscal 2025	Revenue from operations in Fiscal 2024	CAGR (in %)
Ashutosh Fibre Limited	11,737.14	11,403.40	10,987.18	3.36%
RSWM Limited	4,55,398.00	4,82,528.78	4,05,719.71	5.95%
Reliance Chemotex Industries Limited	36,200.58	35,859.78	36,718.80	(0.71)%
Garware Technical Fibres Limited	1,41,898.37	1,48,868.01	1,27,992.34	5.29%
Cedaar Textile Limited	16,280.04	20,786.87	18,928.62	(7.26)%

Criteria of selection of peers:

This selection process indicates a focus on:

- **Industry Comparability:** Companies engaged in manufacturing of technical textile yarns, have been chosen to provide a relevant basis for performance.
- **Similar Business Segment:** Companies with B2B revenue streams are included, indicating they operate under similar market conditions and serve comparable customer segments of yarn.
- **Financial Disclosure:** Only listed companies are considered, ensuring availability of financial data and valuation information.

This approach to peer selection prioritizes companies with a high degree of similarity in their core business, irrespective their size and financial reporting, which is crucial for meaningful comparative analysis.

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

A. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

There has been no issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this RHP, 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)), in a single transaction or multiple transactions combined together over a span of 30 days.

B. Price per share of the Company based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts and transmission) involving any of the Promoters, members of the Promoter Group or Shareholders with rights to nominate directors during the 18 months preceding the date of filing of the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, 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 or any convertible securities, where the

Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) on the Board of the Directors are a party to the transaction (excluding gifts and transmission), during the 18 months preceding the date of the 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. In case there are no such transaction(s) to report to under (A) and (B) above, the details of the last five primary and secondary transactions (secondary transactions where Promoters, Promoter Group or shareholder(s) having the right to nominate director(s) on our Board of Director, are a party to the transaction), not older than three years prior to the date of this Red Herring Prospectus irrespective of the size of transactions:

Since there are no transactions to report under (A) and (B) above therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this RHP irrespective of the size of transactions are disclosed below:

Primary transactions: None

Secondary transactions:

Except as disclosed below, there have been no Secondary transactions in the last three years preceding the date of this RHP:

Date of transaction	No. of Equity Shares	Face value per Equity Share (₹)	Name of Transferor	Name of Transferee	Nature of Transaction	Transaction price per Equity Share (₹)	
20/08/2024	31,300	10	Binaben Prakashbhai Patel	Siddharth PrakashPatel	Transfer via Gift	NIL	NIL
20/08/2024	10,000	10	Prakash P. Patel	Siddharth Prakash Patel	Transfer via Gift	NIL	NIL
Total	**41,300**	**-**	**-**	**-**	**-**	**-**	**-**
Weighted average cost of acquisition during the 3 years preceding the date of this RHP							**NIL**

D. The Floor Price, the Cap Price, the weighted average cost of acquisition based on Primary Issuances/ Secondary Transactions, as set out above in paragraph A & B or C above, are set out below:

Past Transactions	Weighted average cost of acquisition (in ₹)#	Floor Price (in ₹)	Cap Price (in ₹)
Weighted average cost of acquisition (WACA) of Primary issuances(A)	NA	NA	NA
Weighted average cost of acquisition (WACA) of Secondary Transactions(B)	NA	NA	NA
Since there are no transactions to report under (A) and (B) above therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of the RHP irrespective of the size			

of transactions are disclosed below:			
- Based on Primary Issuance	Nil	-	-
- Based on Secondary Transactions	Nil	-	-

 # As certified by M/s Shah & Patel, Chartered Accountants, by way of their certificate dated August 24, 2026.

9. Justification for Issue Price

1. Explanation for Issue Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's key performance indicators and financial ratios for the last three full financial years.

[●]*
To be updated on the finalisation of Price Band.

2. Explanation to the Issue Price being [●] times of weighted average cost of acquisition of Primary issuance price/ Secondary transaction price in view of external factors which may have influenced the Issue Price, if any

[●]*
To be updated on the finalisation of Price Band.

3. The face value of our share is ₹10 per share and the Issue Price is [●] times of the face value.

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value. Our Company in consultation with the Book Running Lead Manager, believes that the Issuer Price of ₹ [●] per Equity Share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the abovementioned information along with the section titled "***Risk Factors***" on page 20 and the financials of our Company including important profitability and return ratios, as set out in the section "***Restated Financial Statements***" on page 242.

STATEMENT OF POSSIBLE TAX BENEFITS

The Board of Directors,
Ashutosh Fibre Limited,
111-New Cloth Market Raipur,
Ahmedabad - 380002,
Gujarat, India

Book Running Lead Manager
Mefcom Capital Markets Limited,
G-III, Ground Floor, Dalamal House,
Jamnalal Bajaj Marg, Nariman Point,
Mumbai - 400021,
Maharashtra, India

Re: Proposed Initial Public Offering of equity shares of face value of ₹ 10 each ("Equity Shares") of Ashutosh Fibre Limited the ("Company" and such offering, the "Issue").

We, SHAH & PATEL, Statutory Auditors of the Company, hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialled by us for identification purpose ("**Statement**") for the Issue, provides the possible special tax benefits available to the Company and to its shareholders under direct tax and indirect tax laws presently in force in India, including, but not limited to, the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively, "**GST Act**"), Customs Act, 1962, foreign trade policy and the Customs Tariff Act, 1975 (read with the rules, circulars and notifications issued in connection thereto). Several of these benefits are dependent on the Company, its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the SEBI ICDR Regulations. While the term '**special tax benefits'** has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the **Annexure A**. Any benefits under the taxation laws other than those specified in **Annexure A** are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in the **Annexure A** have not been examined and covered by this statement.

The benefits discussed in the enclosed Statement are not exhaustive. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and 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 Issue.

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 has fiscal domicile.

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

1. the Company or its shareholders will continue to obtain these benefits in the future; or

2. the conditions prescribed for availing of the benefits, where applicable have been/would be met with.

3. 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.

We have conducted our examination in accordance with the "Guidance Note on Reports in Company Prospectuses (Revised 2019)", issued by the Institute of Chartered Accountants of India, in so far it relates to expert issuing certificates on information included in prospectus. We hereby confirm that while providing this certificate we have complied with the Code of Ethics and 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, issued by the Institute of Chartered Accountants of India.

We confirm that the information in this certificate is true, fair and correct and is in accordance with the requirements of the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate is for information and for inclusion (in part or full) in the Issue Documents and may be relied upon by the Company, the Book Running Lead Manager and the legal advisors appointed in relation to the Issue. We hereby consent to the submission of this certificate as may be necessary to Securities and Exchange Board of India ("**SEBI**"), the Registrar of Companies ("**RoC**"), the relevant stock exchange(s), any other regulatory authority and/or for the records to be maintained by the Book Running Lead Manager and in accordance with applicable law. We hereby consent to this certificate may be disclosed, if required; (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We confirm that we will immediately communicate any changes in writing in the above information to the Company and the Book Running Lead Manager until the date when the Equity Shares commence trading on the relevant stock exchange(s) where the Equity Shares are proposed to be listed. In the absence of any such communication from us, it can be assumed that there is no change to the above information until the Equity Shares commence trading on the relevant stock exchange(s) pursuant to the Issue.

The certificate is for the specific purpose of inclusion in the Issue Documents and may not be suitable for any other purpose and shall not use for any other purpose without our prior consent.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Issue Documents.

Yours faithfully,

SHAH & PATEL
Chartered Accountant
Firm Registration No.: 124743W

NIMESH N. SHAH
Partner
Membership No.**:** 111329
UDIN: 26111329BQBQMQ9282

Place: Ahmedabad
Date: 01-08-2026

Encl.: Annexure A

ANNEXURE A

Statement of Tax Benefits

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9) (L) of the SEBI ICDR Regulations. While the term '*special tax benefits*' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in this Annexure. Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been reviewed and covered by this statement.

1. Special tax benefits available to the Company

The Company is not entitled to any special tax benefits under the Taxation Laws or any other laws.

2. Special tax benefits available to the shareholders under the Act

The Shareholders are not entitled to any special tax benefits under the Taxation Laws or any other laws.

Notes:

1. The above Statement of Tax benefits set out the special tax benefits available to the Company and its shareholders under the tax laws mentioned above.
2. The above Statement covers only above-mentioned tax laws benefits and does not cover any general tax benefits under any other law.
3. This Statement 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 consequences of his/her investment in the shares of the Company.
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
5. This statement does not discuss any tax consequences under any law for the time being in force, as applicable of any country outside India. The shareholders / investors are advised to consult their own professional advisors regarding possible tax consequences that apply to them in any country other than India.

SECTION VII – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, the industry and market data contained in this Red Herring Prospectus is derived from the "Industry Report on Indian Technical Textile Yarns", which has been commissioned by our Company. We have received the consent to use the extracts from this report vide Consent Letter dated July 29, 2026.

*This study has been undertaken through extensive secondary research, which involves compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Dun & Bradstreet Information Services Private Limited ("**D&B**") and its assumptions are based on varying levels of quantitative and qualitative analysis including industry journals, company reports and information in the public domain.*

Dun & Bradstreet has prepared this study in an independent and objective manner and it has taken all reasonable care to ensure its accuracy and completeness. D&B believes that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and research and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

The recipient should conduct its own investigation and analysis of all facts and information contained in this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation and other advisors concerning the transaction.

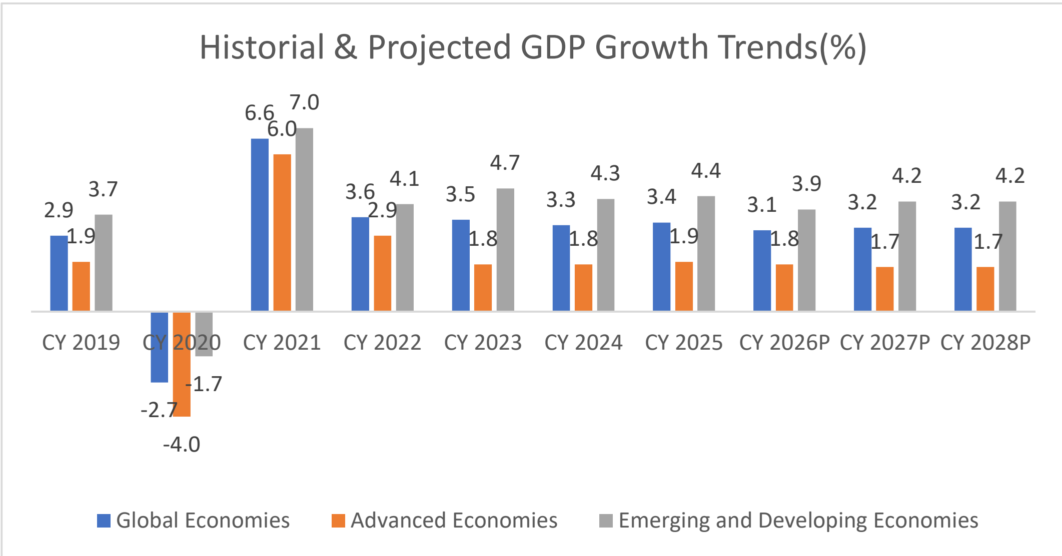
GLOBAL MACROECONOMIC SCENARIO

Global Macroeconomic Scenario

Global Economic Overview

According to World Economic Outlook, global growth is projected at 3.1% in 2026 and at 3.2% in 2027 and 2028, slower than the recent pace of about 3.4% in CY 2024–25 and is expected to settle at approximately that rate over the medium term, below the historical average of 3.7% during 2000–19. The forecast for 2026 has been revised downward by 0.2 percentage point, while the forecast for 2027 and 2028 remains unchanged compared with the January 2026 WEO Update. Global headline inflation is expected to rise to 4.4% in 2026 and decline to 3.7% in 2027, reflecting upward revisions for both years.

The conflict involving US, Israel and Iran is increasingly functioning as a global supply and confidence shock. The International Energy Agency (IEA) describes the current situation as the largest oil supply disruption on record, with flows through the Strait of Hormuz reduced to a trickle and the resulting effects spreading across refined fuels and liquefied natural gas (LNG). At the same time, aviation disruptions and elevated risk premia are weakening services activity and increasing uncertainty around investment decisions. A significant share of global energy flows through the Strait of Hormuz, and shipping disruptions and insurance constraints are therefore translating directly into higher landed costs, supply chain delays, and greater output risks for energy-intensive manufacturing. As a result, the policy environment has increasingly become challenging, while growth support is required but renewed cost-push inflation across energy, freight, and eventually food inputs is limiting the scope for faster monetary easing.



Source – IMF Global GDP Forecast Release, April 2026

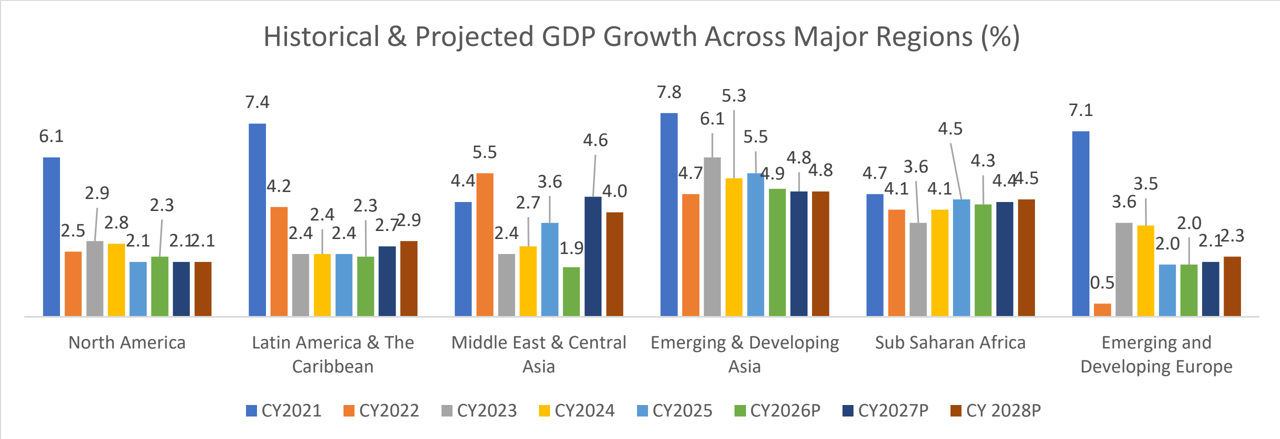
Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict economic criteria and has evolved over time. It comprises 40 countries in the Advanced Economies category, including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected Eurozone members (Germany, Italy, France, etc.). The group of emerging and developing economies (156) comprises all economies not classified as Advanced Economies (e.g., India, China, Brazil, Malaysia).

Historical and Projected GDP Growth

GDP growth across major regions showed a mixed trend during 2024–25. While growth in several regions—including Middle East & Central Asia, Emerging and Developing Asia, Sub-Saharan Africa as well as Latin America and the Caribbean—is expected to slow further in 2026, performance remains uneven across geographies.

In the Middle East and Central Asia, economic growth is projected to decline from **3.6% in 2025** to **1.9% in 2026**, before recovering to **4.6% in 2027 and 4.0% in 2028**, reflecting the region's direct exposure to the conflict and the anticipated rebound thereafter. For commodity-exporting economies directly affected by the conflict, reduced production and export activity are expected to result in a significant downward revision to 2026 GDP growth projections.

Growth in emerging and developing Asia is projected to moderate from **5.5% in 2025** to **4.9% in 2026** and is further estimated to grow at **4.8% in 2027 and 2028**. Within the region, China's 2026 growth forecast has been revised upward by **0.2 percentage point** relative to the October estimate, to **4.4%**, despite a **0.1 percentage point downward revision** from January. This upward adjustment reflects the impact of lower effective U.S. tariff rates on Chinese goods, along with stimulus measures that are expected to offset the negative effects of the shock arising from the Middle East conflict. However, China's growth is projected to slow to **4.0% in 2027**, as structural headwinds continue to weigh on the economy, including the prolonged slowdown in the housing sector, a shrinking labor force, declining returns on investment, and weaker productivity growth.



Source- IMF World Economic Outlook, April 2026

In Latin America and the Caribbean, economic growth is projected to remain broadly stable at 2.3% in 2026 before strengthening to 2.7% in 2027 and 2.9% in 2028. The effects of the Middle East conflict across the region are expected to be uneven, with smaller economies likely to experience a more pronounced negative impact due to their relatively greater vulnerability to external shocks.

Growth in sub-Saharan Africa is projected to remain relatively stable at 4.3% in 2026 and 4.4% in 2027 and 4.5% in 2028. However, this regional outlook masks significant variation across countries, with some economies expected to face more pronounced challenges than others. In particular, oil-importing and non-resource-intensive economies are likely to be adversely affected by the conflict in the Middle East, as heightened external pressures may weigh on economic activity and weaken growth prospects. In emerging and developing Europe, economic growth is expected to slow sharply to 2.0% in 2025 and recover only marginally thereafter, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027 and 2.3% in 2028.

Global Economic Outlook

The conflict between Israel/the United States and Iran, which began in February, has developed into a global shock to transport, trade, and security planning. As a result, periodic airspace closures across Israel and parts of the Gulf, together with severe disruption to shipping through the Strait of Hormuz, have affected the movement of oil, oil products, and LNG. Consequently, businesses have faced longer and less reliable supply lines, higher freight and insurance costs, and more frequent "stop-go" operating conditions.

The near-term growth outlook has softened as the conflict is affecting both demand and costs. Disruption to the oil channel is coinciding with pressure on the non-oil outlook as travel and services weaken and risk premia rise. Airspace disruption has increased operating costs and reduced travel reliability, while higher jet fuel costs have added to pressure on carriers and freight forwarders.

Investment conditions have also tightened as higher regional risk premia have increased insurance, shipping, hedging, and working capital costs. At the same time, logistics disruption and higher input costs are raising inflation risks. Fertilizer and related input disruption is also creating a lagged risk to food prices.

Asia-Pacific: In Asia-Pacific, the conflict has created sustained stress for business continuity. Even with fighting paused, energy availability, shipping disruption, and insurance costs are expected to continue weighing on operations over the next quarter. Oil prices remain well above January levels despite easing from March peaks, while war-risk insurance, tighter tanker availability, and rerouting costs remain elevated. As a result, several fuel-importing economies—including Japan, South Korea, India, and parts of Southeast Asia—have faced power-conservation measures and fuel rationing, increasing the risk of operational downtime in energy-intensive sectors.

Shipping and supply chains are also facing second-round effects. Many Asia–Europe shipments have been diverted via the Cape of Good Hope, thereby extending lead times by 10–14 days. Although some routes have reopened, schedules remain compressed and insurers remain cautious, which has increased delivery deadline risk across manufacturing, particularly in chemicals, electronics, and pharmaceuticals. Input volatility and fertilizer disruption are also adding to inflation risks and thereby complicating the policy outlook.

Latin America: In Latin America, the U.S.-Israel-Iran conflict has increased energy market pressures, with higher Brent crude prices raising input costs and inflation risks across the region. Consequently, net hydrocarbon exporters such as Brazil, Colombia, and Ecuador are benefiting from stronger external balances, while net energy importers—including Panama, Chile, and much of Central America—are facing higher import costs. Elevated fertilizer prices are also weighing on agricultural output and margins, including in Brazil and Argentina. In response, governments have introduced fuel subsidies and price controls.

Middle East & North Africa: In the Middle East and North Africa, the conflict continues to affect the region directly, with many countries facing missile and drone attacks from Iran in response to attacks by the United States and Israel on Iran. In the short term, economic growth is expected to slow sharply as exports decline, uncertainty constrains spending, and governments delay investment initiatives. The reduction in food imports is also expected to significantly affect countries with limited domestic production capacity. Bahrain, Qatar, and Kuwait remain highly dependent on imports through the Strait of Hormuz and therefore face risks of food shortages and concerns regarding social stability if disruption persists.

Sub-Saharan Africa: In Sub-Saharan Africa, the conflict continues to disrupt energy and fertilizer supply chains, thereby keeping the region under significant external pressure. Higher global oil prices are sharply rising fuel and transport costs for import-dependent economies such as Kenya, Uganda, Ethiopia, and Ghana. Policy responses have varied across the region. Ethiopia introduced emergency fuel subsidies in mid-March to contain domestic price increases, while Kenya is experiencing stronger pass-through from higher fuel costs, which is weighing on aviation, logistics, and export activity.

Global Growth Projection

Growth in advanced economies is projected at 1.8% in 2026 and 1.7% in 2027 and 2028, while the overall impact of the Middle East conflict is expected to remain modest, lowering 2026 growth by 0.2 percentage point relative to the pre-conflict forecast. This limited effect reflects positive terms-of-trade gains in the United States and stronger growth momentum, supported by government measures, in Japan, whereas more significant negative effects are expected mainly in net energy-importing economies, including the euro area and the United Kingdom. In the United States, growth is projected at 2.3% in 2026 and 2.1% in 2027 and 2028, with fiscal policy and the lagged effects of monetary easing in 2025 continuing to support activity, even as higher trade barriers since April 2025 weigh on growth. The 0.1 percentage point downward revision from the January 2026 WEO Update reflects a small negative effect from the war, but this is partly offset by a rebound following the end of the 2025 federal government shutdown, along with stronger productivity growth and positive carryover effects. Although the International Emergency Economic Powers Act (IEEPA) ruling may reduce tariff-related fiscal revenues, its impact on the fiscal balance and activity is expected to remain limited and spread over the forecast horizon. Growth in 2027 is expected to remain solid, supported by tax incentives, including those for corporate investment under the One, Big, Beautiful Bill Act (OBBBA), while technology-driven momentum is projected to moderate and productivity growth is expected to gradually converge toward historical norms.

Growth in emerging market and developing economies is projected to slow to 3.9% in 2026 before recovering to 4.2% in 2027 and 2028, while the Middle East conflict is expected to have a greater impact on this group than on advanced economies, reducing 2026 growth by 0.3 percentage point relative to the pre-conflict forecast. In emerging and developing Asia, growth is expected to moderate from 5.5% in 2025 to 4.9% in 2026 and 4.8% in 2027 and 2028. Within the region, China's 2026 growth forecast has been revised upward to 4.4%, as lower effective U.S. tariffs and stimulus measures offset the impact of the conflict, although growth is projected to slow to 4.0% in 2027 as structural headwinds intensify. India's growth outlook has also improved, with growth revised upward to 7.6% in 2025 and projected to remain at 6.5% in 2026, 2027 and 2028, supported by strong carryover effects and lower additional U.S. tariffs on Indian goods. Meanwhile, several South and Southeast Asian economies are expected to face weaker domestic demand due to lower tourism and remittance inflows, while the Philippines has seen a sharp downward revision for 2026.

In the Middle East and Central Asia, growth is projected to decline from 3.6% in 2025 to 1.9% in 2026, before rebounding to 4.6% in 2027 and 4.0% in 2028, reflecting the region's direct exposure to the conflict. The downturn is expected to be most severe among affected commodity exporters, particularly Bahrain, Iran, Iraq, Kuwait, and Qatar, while the impact is expected to be less severe in other economies. Accordingly, Iran's economy is projected to contract by (-) 6.1% in 2026, before rebounding to 3.2% in 2027 and moderating to 1.5% in 2028. By contrast, Saudi Arabia's growth is projected at 3.1% in 2026, rising to 4.5% in 2027 before easing to 3.6% in 2028. In sub-Saharan Africa, growth is expected to remain broadly stable at 4.3% in 2026, 4.4% in 2027, and 4.5% in 2028, although oil-importing economies are likely to face greater pressure, while Nigeria and South Africa are expected to record moderate but gradually improving growth profiles. In Latin America and the Caribbean, growth is projected at 2.3% in 2026, 2.7% in 2027, and 2.9% in 2028, with Brazil expected to benefit modestly in the near term from its position as a net energy exporter, while Mexico is projected to recover gradually to 1.6% in 2026, 2.2% in 2027, and 2.1% in 2028.

In emerging and developing Europe, the sharp slowdown in growth to 2.0% in 2025 is expected to reverse only marginally, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027, and 2.3% in 2028. Within the region, Russia's 2026 growth forecast has been revised upward by 0.3 percentage point relative to January, to 1.1%, as higher commodity prices are expected to support activity. This momentum is projected to continue, with growth remaining at 1.1% in 2027 before moderating slightly to 1.0% in 2028. By contrast, Türkiye's 2026 growth forecast has been revised downward by 0.8 percentage point relative to the January 2026 WEO to 3.4%, as weaker-than-expected growth in 2025 and higher oil and gas prices are expected to weigh on activity.

Key factors impacting Global Macroeconomic landscape

- Geopolitics continues to constitute a major source of global macroeconomic and business risk. The Russia–Ukraine war remains a persistent driver of instability, as Russia has intensified large-scale missile and drone attacks on Ukrainian cities and infrastructure, while Ukraine has stepped up strikes on Russian ports, refineries, and export infrastructure, reportedly contributing to a reduction in Russian oil output in April. The Israel–Iran–U.S. confrontation has emerged as the most significant near-term external shock to the global economy, with the IMF warning that disruptions to the Strait of Hormuz and regional energy infrastructure could materially weaken global growth and raise inflation; under its April 2026 reference forecast, global growth has been lowered to 3.1% and inflation raised to 4.4%, with materially worse outcomes under prolonged disruption scenarios. In parallel, the Pakistan–Afghanistan border conflict remains a significant regional flashpoint, although China-mediated talks are seeking to secure a ceasefire and reopen border crossings after months of cross-border attacks and trade disruption. At the same time, U.S. strategic activism continues to influence regional risk perceptions: Washington has removed sanctions on Venezuela's interim leadership and deepened engagement with Caracas, tensions over Greenland have re-emerged amid renewed U.S. rhetoric and ongoing diplomatic discussions with Denmark and Greenland, and U.S.–Nigeria security cooperation has continued to deepen in response to regional instability and counterterrorism concerns. In addition, resource nationalism and strategic competition over rare earths and other critical minerals have become increasingly operational concerns rather than distant strategic risks. The IEA's April 2026 assessment notes that demand for magnet rare earths has doubled since 2015 and is projected to increase by more than 30% by 2030, while supply chains remain highly concentrated, with China accounting for around 60% of mined output, more than 90% of refining, and nearly 95% of permanent magnet production, thereby heightening global exposure to export controls, supply concentration, and industrial policy interventions.

- The period of relatively frictionless trade supported by multilateral liberalisation and free trade agreements is increasingly giving way to regionalisation, nearshoring, friend-shoring, and diversification of production networks. Rising tariffs, policy uncertainty, and strategic realignment are creating a more fragmented trade environment and raising the premium on resilience over pure efficiency.

- Technology adoption and sustainability have become core strategic priorities. Organizations are advancing digital transformation by embedding AI, automation, and cybersecurity into their operations to enhance productivity and safeguard critical assets. AI adoption is emerging as a visible driver of optimism, particularly within the information and communications sectors. Growth in cloud computing, streaming, IoT, and AI and Advancements in hardware and cooling technologies aim to reduce energy consumption and improve performance is driving the need for more powerful and scalable data centres.

India Macroeconomic Analysis

India's economic growth outlook for 2025 has been revised upward by 1.0 percentage point from the October estimate to 7.6%, supported by stronger-than-expected performance in the second and third quarters of the fiscal year and sustained momentum in the fourth quarter. For 2026, the growth projection has been moderately increased by 0.3 percentage point (including a 0.1 percentage point upward revision from January) to 6.5%, primarily driven by the carryover effect of the strong 2025 performance and the reduction in additional U.S. tariffs on Indian goods from 50% to 10%, which more than offsets the adverse impact of the Middle East conflict. Growth is expected to remain steady at 6.5% in 2027. Across several South and Southeast Asian economies, disruptions linked to the Middle East conflict are anticipated to reduce tourism activity and remittance inflows, thereby weakening domestic demand and moderating overall economic performance.

Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2027 P	CY 2028P
India[1]	–5.8%	9.7%	7.6%	9.2%	6.5%	7.6%	6.5%	6.5%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	5.0%	4.4%	4.0%	4.0%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	2.1%	2.3%	2.1%	2.1%
Japan	-4.2%	2.7%	0.9%	1.4%	-0.2%	1.2%	0.7%	0.6%	0.6%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.3%	0.8%	1.3%	1.6%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.3%	1.0%	1.1%	1.1%	1.0%
Germany	-4.1%	3.9%	1.8%	-0.9%	-0.5%	0.2%	0.8%	1.2%	1.2%

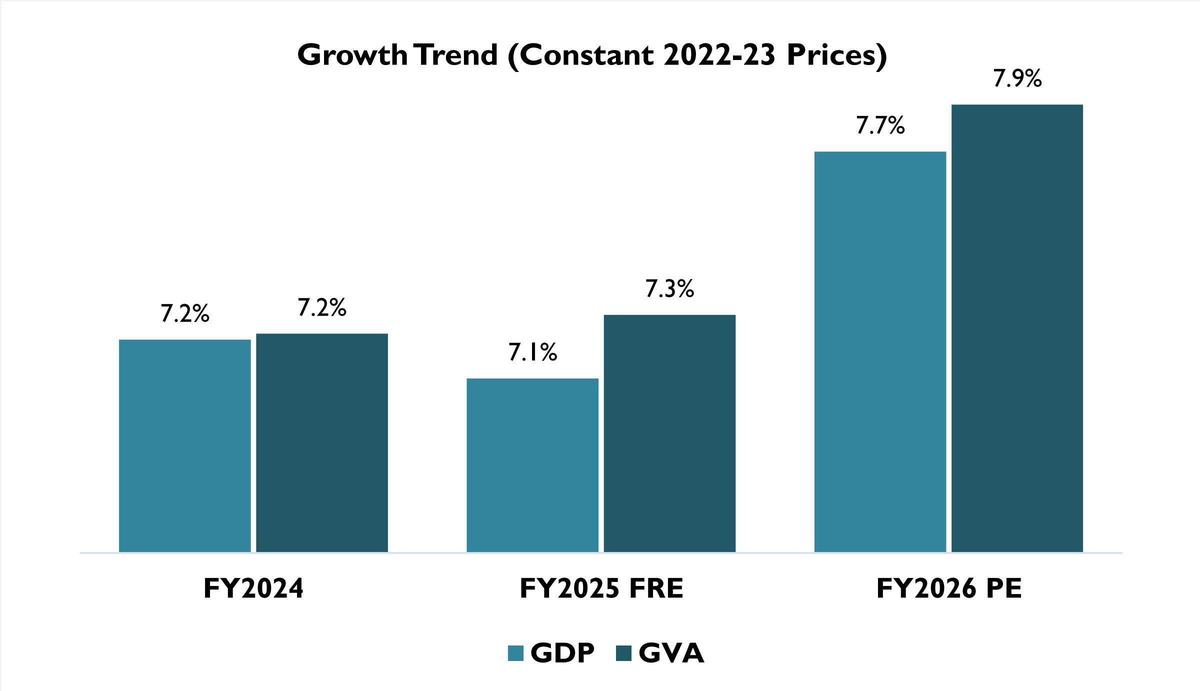
Source: World Economic Outlook, April 2026

Historical GDP and GVA Growth Trend

As per Provisional Estimates, India Real GDP (GDP at constant prices) for FY 2025–26 is estimated to reach INR 323.12 lakh crore, compared to the First Revised Estimate (FRE) of INR 299.89 lakh crore for FY 2024–25. This represents a growth rate of 7.7% in 2025–26, higher than the 7.1% growth recorded in 2024–25.

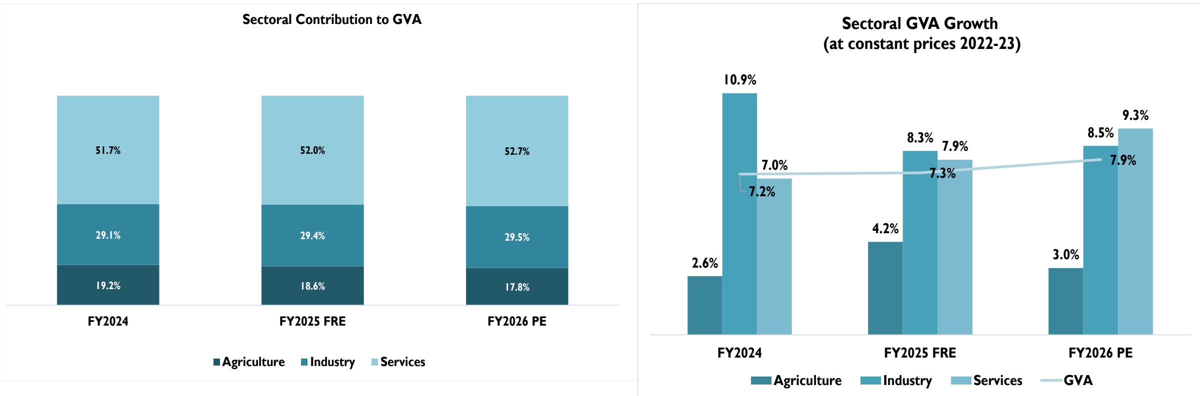
Similarly, Real GVA for FY 2025–26 is estimated to reach INR 294.91 lakh crore, up from INR 273.36 lakh crore in FY 2024–25. This indicates a growth rate of 7.9%, compared with the 7.3% growth achieved in the previous year.

1 For India, data and forecasts are presented on a fiscal year basis, and GDP from 2022 onward is based on GDP at market prices with fiscal year 2022/23 as a base year



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025, FRE is First Revised Estimate; PE is Provisional Estimates

Sectoral Contribution to GVA and Annual Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook
FRE is First Revised Estimate; PE is Provisional Estimates[2]

Sectoral analysis of GVA reveals that the industrial sector experienced steady growth momentum in FY 2026, recording a 7.9% y-o-y growth against 7.3% year-on-year growth in FY 2025. Within the industrial sector, growth moderated across sub-sectors with mining, and construction activities growing by 5.15%, and 7.36%, respectively in FY 2026, compared to 11.69%, and 7.30% in FY 2025. Growth in the utilities sector too moderated to 1.74% in FY 2026 from 2.87% in the previous year. The industrial sector's contribution to GVA increased marginally from 29.4% in FY 2025 to 29.5% in FY 2026.

The services sector continued to be the main driver of economic growth. It expanded by 9.3% in FY 2026 from 7.9% in FY 2025. The services sector retained its position as the largest contributor to GVA, rising from 51.7% in FY 2024 to 52.0% in FY 2025, with a further increase to 52.7% in FY 2026.

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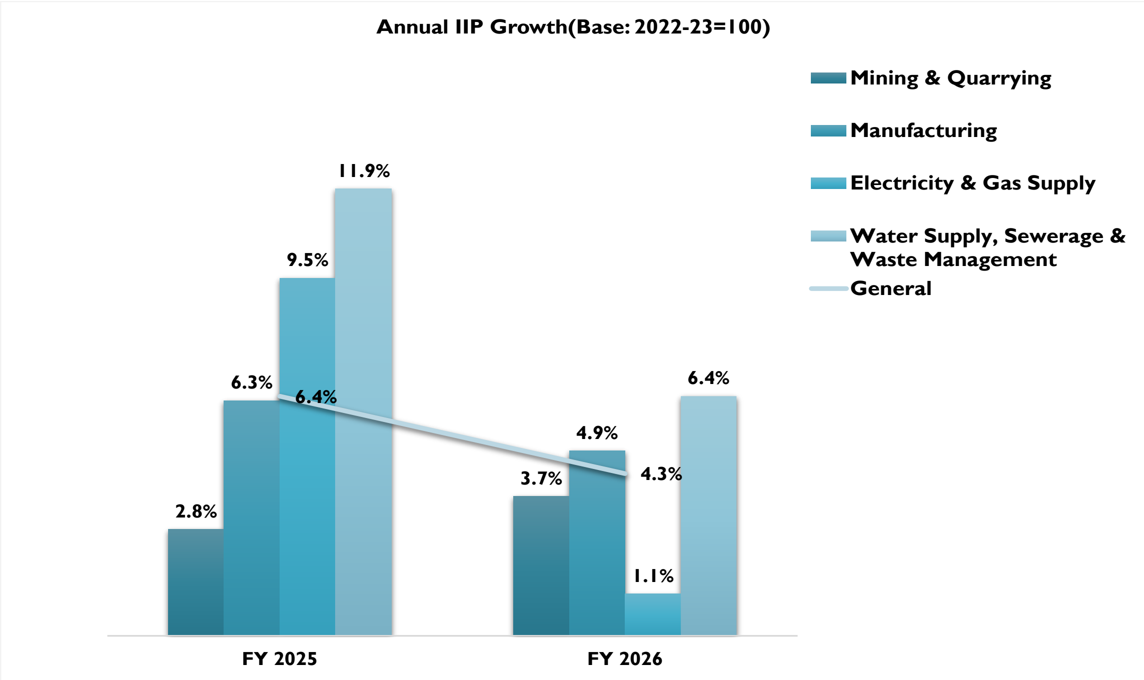
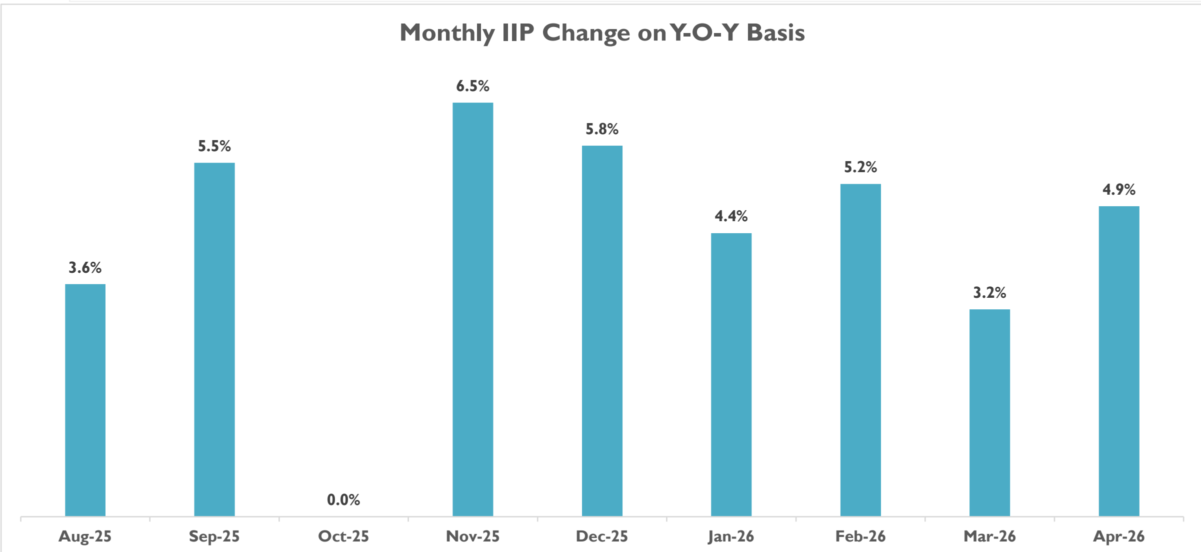
[2] https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

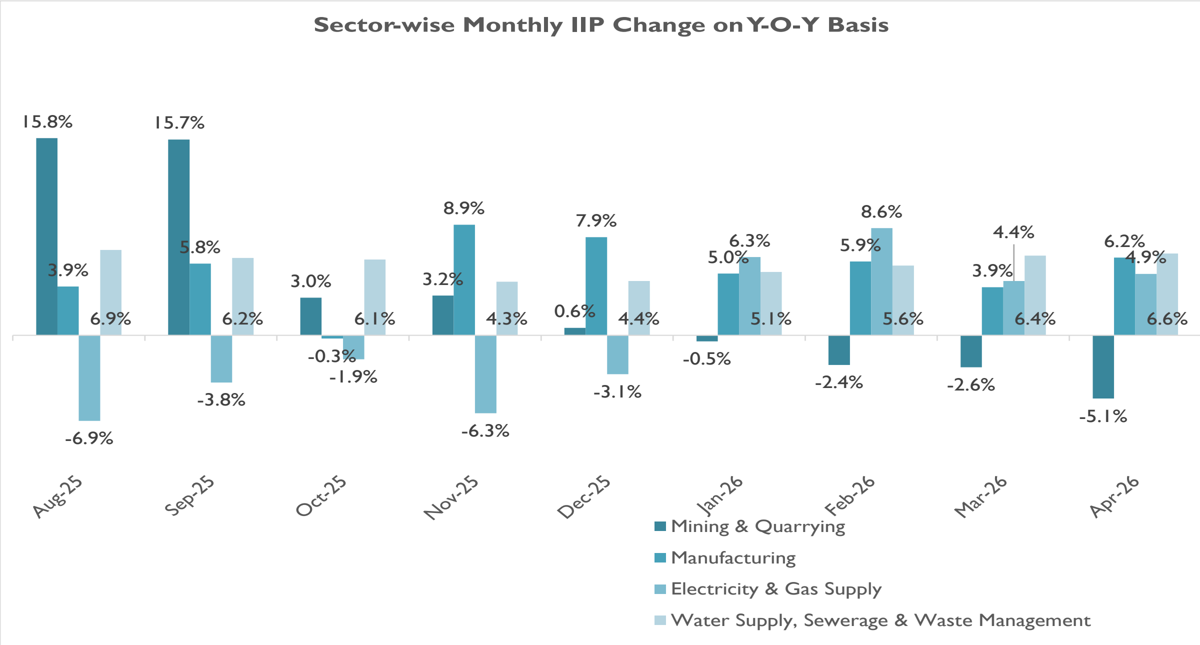
The agriculture sector saw an acceleration in growth, increasing from 2.66% in FY 2024 to 4.18% in FY 2025, before moderating to 3.0% in FY 2026. However, its contribution to GVA declined marginally from 19.2% in FY 2024 to 17.8% in FY 2026. Overall, Gross Value Added (GVA) growth rose to 7.9% in FY 2026 from 7.3% in FY 2025.

Annual & Monthly IIP Growth

Industrial sector performance as measured by the IIP index exhibited moderation in FY 2026, recording a 4.3% y-o-y growth against 6.4% increase in the previous year. The manufacturing index showed moderation, increasing by 4.9% in FY 2026 compared with 6.3% in FY 2025. The Electricity & Gas Supply sector index also moderated, growing 1.1% in FY 2026 compared with 9.5% in the previous year. Water Supply, Sewerage & Waste Management also moderated by 6.4% in FY 2026 compared with 11.9% in the previous year, while the mining sector index grews by 3.7% in FY 2026 compared with 2.8% in the previous year.





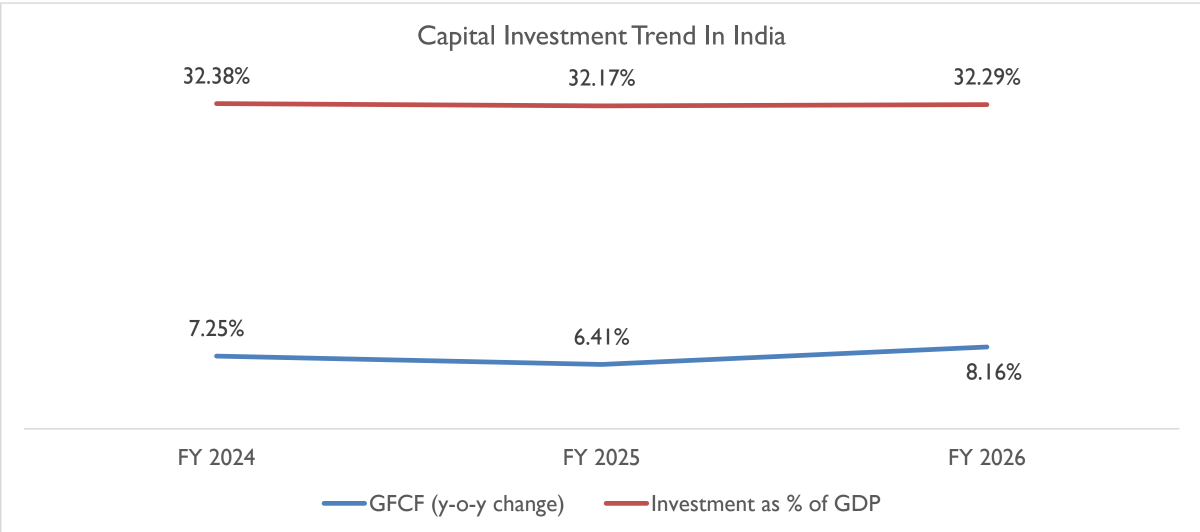


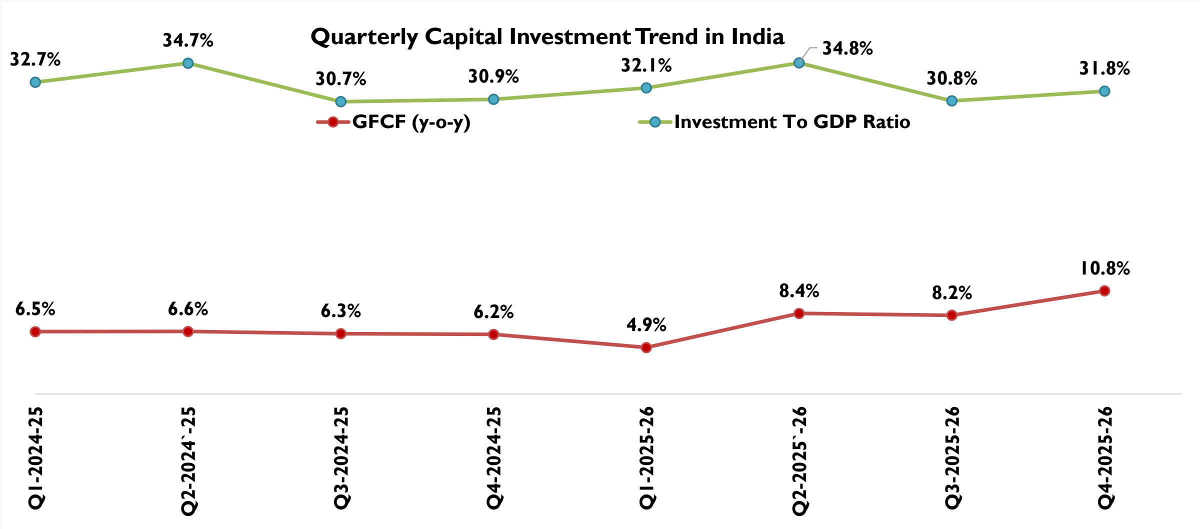
Source: Ministry of Statistics & Programme Implementation (MOSPI)

The IIP growth rate for the month of April 2026 is 4.9 percent as compared to April 2025. The growth rates of the Four sectors, Mining & Quarrying, Manufacturing, Electricity & Gas Supply and Water Supply, Sewerage & Waste Management for the month of April 2026 are (-)5.1 percent, 6.2 percent, 4.9 percent and 6.6 percent respectively.

Annual and Quarterly: Investment & Consumption Scenario

Other major indicators, such as Gross Fixed Capital Formation (GFCF), a measure of investment, increased during FY 2026, registering 8.16% year-on-year growth compared with 6.41% in FY 2025, bringing the GFCF-to-GDP ratio to 32.29%.



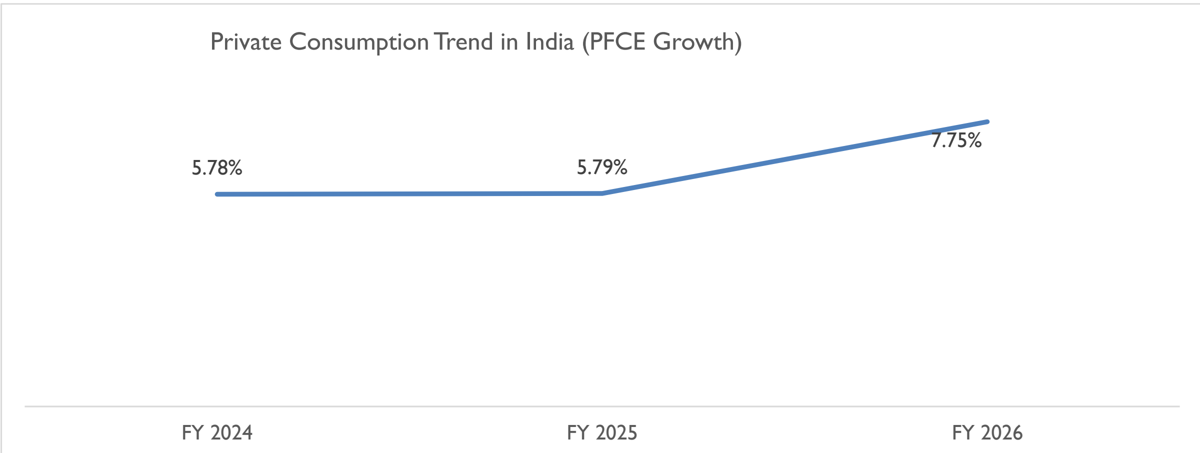


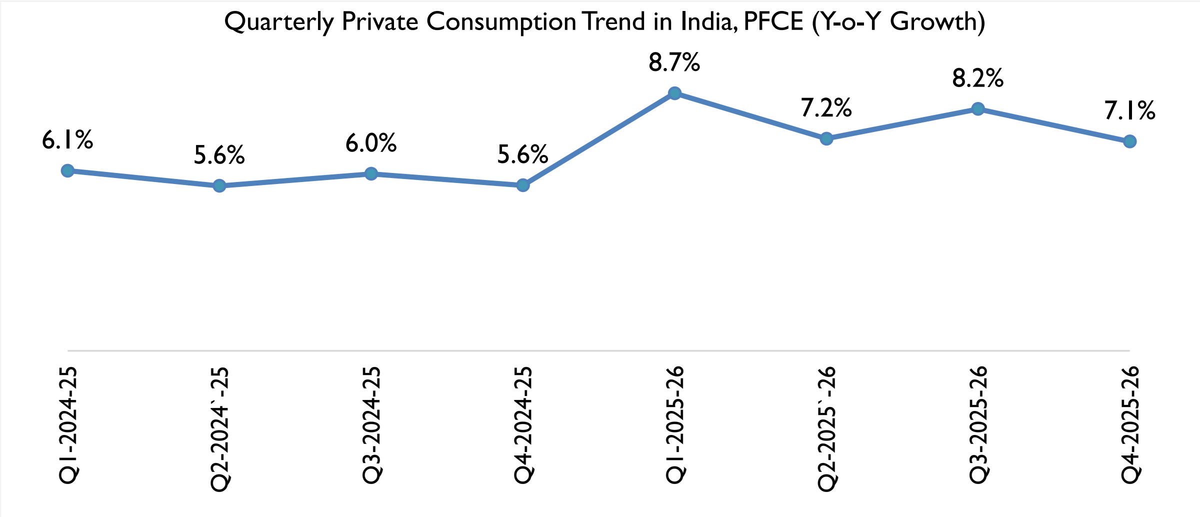
Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

On a quarterly basis, India's capital investment indicators reflect a healthy and improving investment environment, supported by sustained investment intensity and stronger capital formation in recent quarters. The Investment to GDP ratio remained consistently above 30% throughout the period, highlighting continued resilience in capital deployment. The ratio increased from 32.7% in Q1 FY 2024-25 to 34.7% in Q2, before moderating to 30.7% in Q3 and 30.9% in Q4. In FY 2025-26, the ratio improved again to 32.1% in Q1 and further strengthened to 34.8% in Q2, the highest level during the period, before remaining healthy at 30.8% in Q3 and 31.8% in Q4. This indicates that investment activity continued to remain robust despite normal quarterly variations.

GFCF (y-o-y) growth also points toward a positive investment trend, particularly in FY 2025-26. After remaining broadly stable during FY 2024-25, with growth ranging between 6.2% and 6.6%, GFCF growth accelerated meaningfully from 4.9% in Q1 FY 2025-26 to 8.4% in Q2 and 8.2% in Q3, before rising further to 10.8% in Q4. This strong improvement in the second half of FY 2025-26 suggests strengthening fixed capital formation and a revival in investment momentum. Overall, the data indicates that India's capital investment landscape remains on a positive trajectory, with sustained investment levels and improving GFCF growth reflecting stronger capital spending, better investment confidence, and continued support for economic growth.

Private Consumption Scenario





Sources: MOSPI, CMIE Economics Outlook

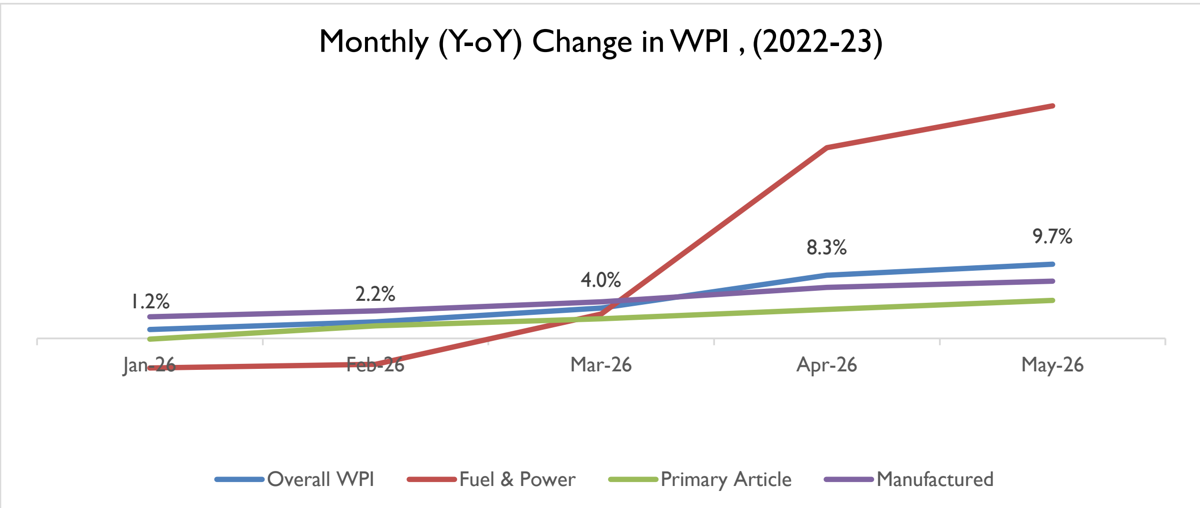
Private Final Consumption Expenditure (PFCE), a practical proxy for household spending, recorded growth in FY 2026 relative to FY 2025. PFCE recorded healthy growth in FY 2025-26 relative to FY 2024-25. However, quarterly PFCE growth moderated sequentially to 7.1% in Q4 FY 2025-26 from 8.2% in Q3 FY 2025-26

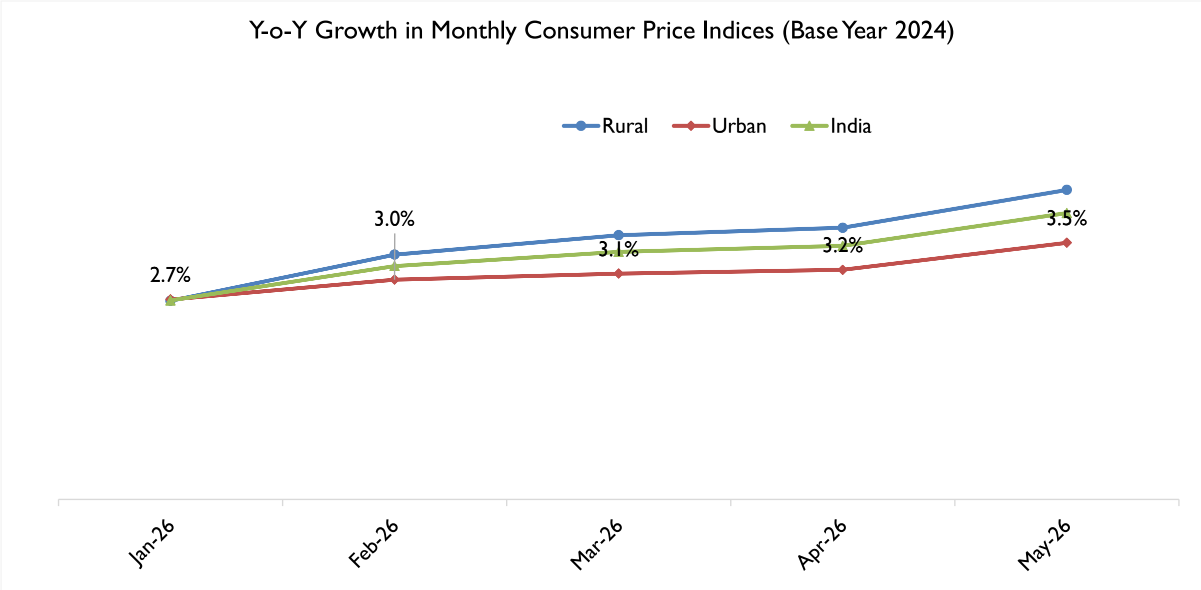
Inflation Scenario

The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 3.88% (provisional) for the month of March 2026 (over March 2025). Positive rate of inflation in March 2026 is primarily due to increase in prices of crude petroleum & natural gas, other manufacturing, non-food articles, manufacture of basic metals and food articles etc.

All India Wholesale Price Index (WPI) inflation for May 2026 is 9.68 per cent on year-on-year (YoY) basis, compared to 8.26 per cent in April 2026. The index for All Commodities for May 2026 stands at 109.9, whereas it was 108.8 in April 2026. Across Groups, 'Mineral Oils (containing Petroleum Products)', 'Crude Petroleum and Natural Gas', 'Manufacture of Chemicals and Chemical Products', and 'Manufacture of Basic Metals', have been major drivers of WPI inflation in April and May 2026.

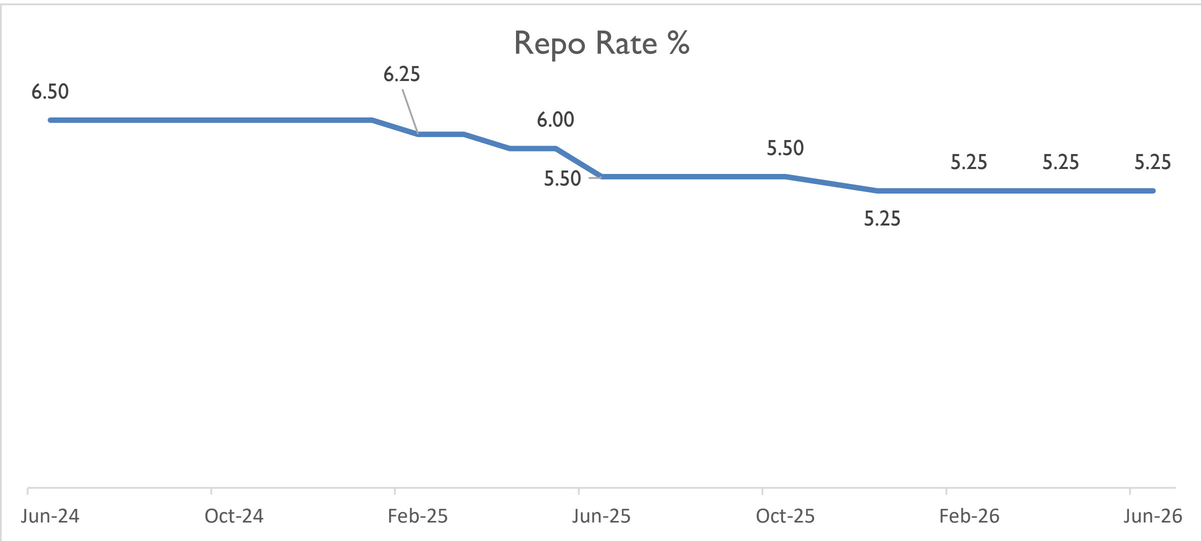
Across Major Groups, YoY inflation for Primary Articles, Fuel and Power, and Manufactured Products is 4.99 per cent, 30.33 per cent, and 7.48 per cent, respectively in May 2026, whereas it was 3.78 per cent, 24.89 per cent, and 6.68 per cent, respectively, in April 2026. The indices for Primary Articles, Fuel and Power, and Manufactured Products are 113.7, 113, and 107.8, respectively, in May 2026, whereas they were 112.6, 110.9, and 107, respectively, in April 2026.





Source: MOSPI, Office of Economic Advisor

With effect from January 2026, the National Statistics Office (NSO) introduced a revised CPI series with base year 2024=100, drawing revised item weights from the Household Consumption Expenditure Survey (HCES) 2023-24. Year-on-year inflation rate based on All India Consumer Price Index (CPI) with base year 2024 for the month of May, 2026 over May, 2025 is 3.93%(Provisional). Corresponding inflation rates for rural and urban are 4.25% and 3.53%, respectively.On the monetary policy front, the RBI had cumulatively raised the repo rate by 250 basis points between May 2022 and February 2023, bringing it to 6.50%, where it was held steady through January 2025 to anchor inflationary expectations. With inflation moderating below target and growth requiring support, the RBI's Monetary Policy Committee (MPC) commenced an easing cycle in February 2025, delivering a cumulative 125 basis points of rate cuts through four reductions — 25 bps each in February 2025, April 2025, and December 2025, and a larger 50 bps cut in June 2025 — interspersed with pauses in August and October 2025. The repo rate currently stands at 5.25%, in June 2026.



Sources: CMIE Economic Outlook

Growth Outlook

The Union Budget 2026–27 sets out a quantitatively strong push to build resilient supply chains and develop next-generation industrial capacity. The record ₹12.2 trillion capital expenditure outlay is aimed at easing logistics bottlenecks and enhancing India's cost competitiveness. Employment measures extend across both urban and rural India in one sweep. In cities and large towns, capex is channelled into "connectors" such as the seven proposed high-speed rail corridors and upgraded Tier-2 and Tier-3 infrastructure, thereby creating construction, logistics, and service jobs while cutting commute times. In smaller towns and villages, job creation is expected to be supported by mega textile parks, the Mahatma Gandhi Gram Swaraj Initiative's push for khadi and handloom, training for tourist guides, and new waterways and coastal shipping. Together, these steps broaden the wage base instead of providing a short-term bump.

This domestic push is complemented by targeted measures to strengthen strategic supply chains. Dedicated rare earth corridors in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu; customs exemptions for capital goods used in critical mineral processing and battery cells; and the India Semiconductor Mission 2.0 aim to pull manufacturing deeper into components and materials. If executed well, these measures could reduce import dependence in magnets, batteries, and chip inputs and lift the share of higher-productivity manufacturing jobs — thereby raising household incomes durably.

Alongside these domestic measures, India is also seeking to strengthen its external trade architecture through major trade agreements. The conclusion of the India–EU FTA negotiation marks a major strategic milestone, as it offers near-universal market access for 99.5% of India's exports by value and integrates India more deeply into a USD 24 trillion economic bloc. By providing duty-free entry for key labour-intensive sectors, expanding services access, and establishing a mobility framework for Indian professionals, the deal is expected to improve market access, support export competitiveness and high-value job creation. It is likely to promote a predictable, rules-based environment for long-term trade and investment flows.

In a similar vein, India–Oman Comprehensive Economic Partnership Agreement (CEPA)[3] has been framed as a comprehensive arrangement covering trade in goods and services, investment, professional mobility, and regulatory cooperation, with the objective of strengthening bilateral economic integration between India and Oman. Bilateral trade between the two countries stood at USD 10.61 billion in FY 2024–25, providing the economic basis for the agreement. Under the CEPA, India has secured 100% duty-free market access in Oman across 98.08% of tariff lines, covering 99.38% of India's export value, thereby improving export competitiveness across sectors such as engineering goods, pharmaceuticals, agriculture and processed food, electronics, textiles, plastics, and gems and jewellery. At the same time, India has adopted a calibrated liberalisation approach by offering tariff concessions on 77.79% of its tariff lines, covering 94.81% of imports from Oman by value, while retaining safeguards for sensitive domestic sectors. The agreement also provides gains in services, with Oman undertaking commitments across 127 services sub-sectors, alongside improved provisions for professional mobility, including an increase in the Intra-Corporate Transferee ceiling from 20% to 50% and commitments for a defined category of Indian professionals. Overall, the CEPA is presented as a framework intended to support trade expansion, improve market access, and strengthen long-term economic cooperation between India and Oman.

However, these gains remain exposed to external geopolitical risks. The escalation of the Middle East crisis represents an external shock for India, transmitted primarily through energy markets, logistics, and trade-linked business exposure. The Gulf–Levant 11[4] (GL 11) economies account for around 15% of India's merchandise exports and 21% of its imports, with trade concentrated in high-value categories such as mineral fuels, precious metals, and electronics; disruptions in this region therefore have an outsized impact despite its modest share of global GDP.

Export exposure is unevenly distributed across India, with risks concentrated in specific districts that serve as production hubs. Discretionary exporters, such as gems and jewellery firms in the districts of Surat, Jaipur, and Mumbai; apparel manufacturers in Tiruppur; automotive producers in Ahmedabad; and electronics assemblers in Kanchipuram and Kolar, are vulnerable to demand slowdown and order deferrals in Gulf markets.

At the same time, Perishable agricultural exporters, including grapes from Nashik, bananas from Solapur, and bovine meat from Ghaziabad, face acute risks from shipping delays and logistics disruptions. Dun & Bradstreet data show that over 4,500 Indian exporters and around 1,800 importers relied on the Strait of Hormuz trade route in 2025, exposing them to working capital stress, payment delays, and production interruptions, while, for import-dependent industries, delays in critical inputs raise the risk of temporary shutdowns and sustained energy price volatility amplifies margin pressure across manufacturing and services.

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[3] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213203&reg=3&lang=1
The Comprehensive Economic Partnership Agreement (CEPA) between India and Oman marks a meaningful step forward in the economic relationship between the two countries. The agreement brings together trade in goods and services, investment, professional mobility, and regulatory cooperation under a single, coherent framework aimed at deepening bilateral economic integration.

[4] For the purposes of this report, the analysis is confined to a defined group of countries referred to as the Gulf–Levant 11 (GL-11). This group comprises Bahrain, Iran, Iraq, Israel Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. These economies are treated collectively because they are either directly involved in, or immediately exposed to, the current crisis through geographic proximity, security linkages, energy production and transit, or their role as regional trade and financial hubs

Technical Textile Industry in India

Overview

Technical textiles refer to textile materials and products manufactured primarily for their **functional performance and technical properties** rather than for aesthetics or decorative characteristics. These products are specially designed to meet specific performance requirements across various industrial sectors such as agriculture, healthcare, construction, transportation, defence, Industrial, packaging, and environmental protection. Depending on their end use, technical textiles offer benefits such as high tensile strength, thermal resistance, flame retardancy, chemical stability, durability, and lightweight characteristics making them indispensable in both industrial and consumer applications. As industrial activity continues to grow, the demand for high-performance technical textiles particularly in **transport, industrial and defence use cases** has steadily increased.

In India, the technical textile sector has emerged as a **key growth driver within the broader textile industry**, backed by a confluence of factors such as rising domestic demand, increased awareness, and government push. The **National Technical Textiles Mission (NTTM)**, launched in 2020 with an outlay of ₹1,48,000 lakhs till date, has significantly boosted this segment through targeted interventions in R&D, education, standardization, and market development. Additionally, the Production Linked Incentive (PLI) scheme, import substitution policies, and mandatory usage mandates for products like geotextiles and agrotextiles in public infrastructure projects are catalysing industrial adoption.

According to a 2022, **baseline survey conducted under the NTTM**, technical textiles currently contribute about **15% to India's overall textiles and apparel output**, signalling a strong shift toward value-added manufacturing. The establishment of **Centres of Excellence (CoEs)**, development of indigenous standards through the Bureau of Indian Standards (BIS), and promotion of private sector innovation are improving quality, compliance, and global competitiveness. With its vast raw material base, skilled labour, and supportive policy framework, India is not only meeting its domestic requirements but is also expanding its export footprint in high-performance technical textile applications. This positions the country to become a **global hub for technical textile production**, catering to both industrial and advanced applications worldwide.

Classification Parameters:

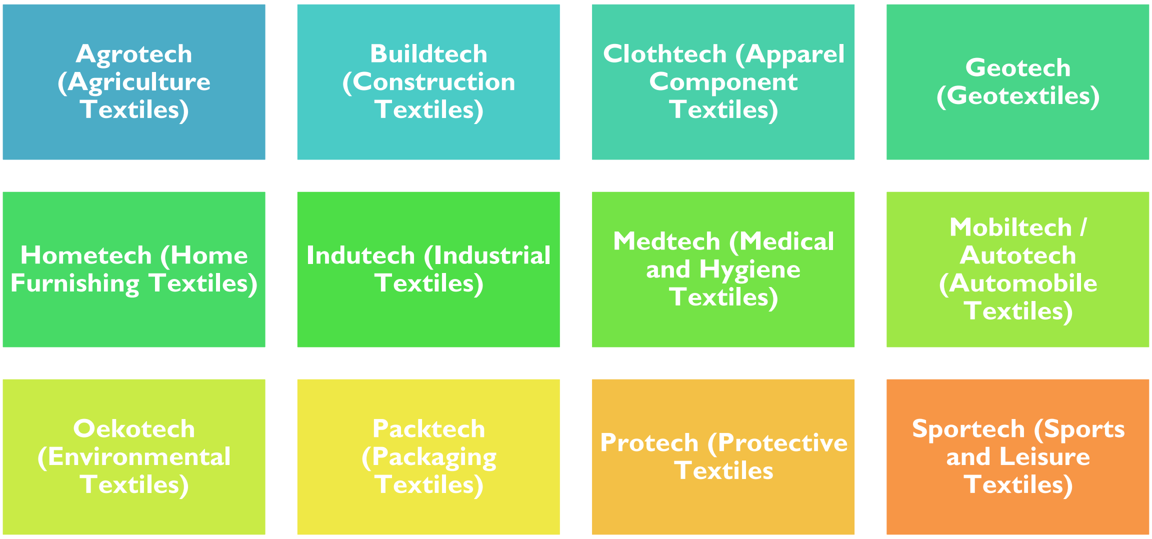
Parameter	Details / Sub-Categories	Key Features / Functions	Examples / Applications
End-Use Segments	Agrotech, Buildtech, Clothtech, Geotech, Hometech, Indutech, Medtech, Mobiltech, Oekotech, Packtech, Protech, Sportech	Classified based on final application domain in industry or consumer usage	- Geotech: Geogrids for road stabilization- Medtech: Surgical gowns- Protech: Fire-resistant suits
Functionality	Fire/flame retardancy, Tensile/tear strength, UV resistance, Water/air permeability, Chemical resistance, Acoustic/thermal insulation, Biocompatibility	Designed to deliver specific mechanical, chemical, or biological performance depending on the application	- Flame resistance in firefighter gear- UV protection in agro shade nets- Biocompatibility in surgical implants
Material Type	- **Natural fibers**: Cotton, Jute, Coir, Wool- **Synthetic fibers**: Polyester, Nylon, Polypropylene (PP), Polyethylene (PE)- **High-performance fibers**: Aramids (Kevlar), Carbon fibers, Glass fibers, UHMWPE	Material selection depends on desired strength, durability, chemical resistance, and cost-effectiveness	- Coir used in erosion control (Geotech)- PP in disposable masks (Medtech)- Kevlar in ballistic vests (Protech)
Manufacturing Process	- **Woven**: Interlaced yarns for strength- **Knitted**: Looping yarns for elasticity- **Nonwoven**: Bonded fibers via heat/chemicals- **Coated/Laminated**: Surface functionalization- **Composites**: Layered structures with polymers or resins	Process impacts durability, flexibility, porosity, and cost. Selection based on performance and application environment	- Woven airbags (Mobiltech)- Nonwoven PPE kits (Medtech)- Laminated tarpaulins (Buildtech)
Standards Compliance	- **ASTM (USA)- ISO (International)- BIS (India)- MoRTH** for road applications- **EN / CE** for European	Ensures technical textiles meet minimum safety,	- BIS-certified geotextiles for highways- ASTM F2100-compliant

	markets- **FDA / CDSCO** for medical uses	quality, and performance norms—crucial for regulated sectors	surgical masks- CE-marked flameproof garments
Smart/Eco Attributes	- **Smart textiles**: Integrated sensors, conductive yarns, responsive materials- **Eco-textiles**: Recycled content, biodegradable fibers, low-impact dyes	Reflect innovation and sustainability trends—support monitoring, automation, and green production	- Wearable sensors for athlete vitals (Sportech)- Recycled PET yarns in fashion- Biodegradable agro mats (Agrotech)

Application / usage of different product segments

Key Product Segments of Technical Textiles in India

India's technical textile sector is classified into **12 core application-based segments**, each catering to a specific set of industrial needs and performance expectations. These categories are aligned with international norms and facilitate policy support, market development, and investment direction. Here's a comprehensive overview:



1) **Agrotech (Agriculture Textiles)**

   Agrotech products are used to improve **agricultural productivity, crop protection, and resource efficiency**. These include **shade nets**, **mulch mats**, **crop covers**, **frost protection fabrics**, **insect nets**, and **anti-hail nets**. They help in regulating temperature, moisture, and light exposure, reducing dependency on chemical inputs, and increasing crop yield. Agrotech finds growing adoption in greenhouse farming, horticulture, and precision agriculture.

2) **Buildtech (Construction Textiles)**

   Buildtech comprises textiles used in **building and construction applications** for reinforcement, safety, and aesthetic enhancement. Products include **concrete reinforcement meshes**, **scaffolding nets**, **tarpaulins**, **roof linings**, **sound insulation membranes**, and **architectural membranes**. These materials improve structural integrity, thermal regulation, and environmental resistance in buildings and infrastructure projects.

3) **Clothtech (Apparel Component Textiles)**

   Clothtech focuses on **functional components used in garment manufacturing**, rather than outer fabric. Examples include **interlinings**, **sewing threads**, **zippers**, **labels**, **waistbands**, and **elastic tapes**. These materials play a vital role in providing **structure, comfort, elasticity, and durability** to fashion and workwear garments. Clothtech is essential in both fashion apparel and technical workwear.

4) **Geotech (Geotextiles)**

Geotech involves textiles used in **civil engineering, road construction, and geotechnical applications**. These include **geogrids**, **geomembranes**, **geonets**, **geocells**, and **nonwoven geotextiles**. These products are employed for **soil stabilization, filtration, separation, drainage, and erosion control** in infrastructure projects such as highways, embankments, railways, and dams. Geotextiles are now mandated in many public works projects by Indian authorities.

5) **Hometech (Home Furnishing Textiles)**

Hometech covers technical textiles used in **home and interior applications**, providing **aesthetic, functional, and safety features**. Products include **mattress covers**, **upholstery fabrics**, **sofa linings**, **carpets**, **curtains**, and **fiberfill**. These materials often possess flame retardancy, stain resistance, or thermal insulation properties. These materials are designed to improve the ease, enhance the visual appeal and make maintenance easier. Recently developed materials are smart textiles with embedded technology, breathable texture and anti-microbial textiles which help use and make maintaining the furniture using these textiles convenient. Sustainable materials such as Bamboo and organic cotton are being preferred by consumers with eco-friendly lifestyle preferences.3D weaving methods are creating distinctive patterns and photovoltaic textiles are designed to generate energy on use in furnishing homes. Newer technical textile developments such as green textiles and Smart are attractive opportunities for investments as even the Government is pushing for greener textile Hometech contributes significantly to the export of value-added home textiles.

6) **Indutech (Industrial Textiles)**

Indutech consists of textiles used in **industrial settings for filtration, conveying, and mechanical performance**. The other benefits offered by the Indutech textiles are insulation, Protection and reinforcement. Common products are **filter fabrics**, **abrasion-resistant linings**, **conveyor belts**, **v-belts**, **coated and laminated fabrics**, industrial hoses, thermal and acoustic Insulation fabrics and **machine components**. These are engineered for extreme conditions such as high pressure, temperature, or chemical exposure. Indutech supports sectors such as Automotive, Mining & Quarrying, chemical processing, food and beverage, cement, and energy and power. Innovations in the segment includes use of nano fibre filtration media, eco-friendly coatings, and advanced aramid blends. Along with developmental changes, the segment is chasing the sustainability wave by recycling industrial filter fabrics, making use of biobased polymers etc. However, with IIoT (Industrial Internet of Things applied in Indian scenario, there could be more innovations in the segment driving its growth.

7) **Medtech (Medical and Hygiene Textiles)**

Medtech includes textiles for **healthcare, hygiene, and surgical applications**, ensuring sterility and biocompatibility. Products include **surgical gowns**, **face masks**, **sanitary napkins**, **diapers**, **wound dressings**, **implants**, and **medical drapes**. The COVID-19 pandemic accelerated the demand for Medtech items such as **PPE kits** and **N95 masks**, spurring domestic capacity building in India.

8) **Mobiltech / Autotech (Automobile Textiles)**

Mobiltech or Autotech refers to **textile components used in automobiles and transport systems**. This includes **airbags**, **seat belts**, **seat fabrics**, **roof liners**, **insulation**, **acoustic dampeners**, **sun visors**, and **hood liners**. Technical yarns used in these applications are majorly Nylon, Polyester, Aramid, Carbon Fiber and Glass Fiber. These materials enhance **passenger safety, comfort, and aesthetics**, while also contributing to weight reduction and fuel efficiency. The other benefits of these yarns used in Mobiltech application are high tensile strength, tear, impact resistance, and insulating properties. The growing automotive industry in India is a major consumer of Mobiltech.The other industries utilizing the technical yarns extensively are aerospace and railways for airbags, seat covers, inflatable protective devices.

9) **Oekotech (Environmental Textiles)**

Oekotech, or Eco-textiles, are used for **environmental protection and sustainability**. These include **geo-composites**, **waste containment liners**, **erosion control fabrics**, **oil-absorbing mats**, and **sewage filtration materials**. They help manage **solid waste, water purification, air filtration**, and **pollution control**. Oekotech is crucial in environmental engineering and industrial sustainability efforts.

10) **Packtech (Packaging Textiles)**

Packtech covers **textile-based packaging solutions** for consumer and industrial goods. Key products are **woven sacks**, **flexible intermediate bulk containers (FIBCs)**, **leno bags**, **wrapping fabrics**, and **wrinkle-resistant wrapping cloths**. These textiles offer **durability, water resistance, light weight**, and **cost-effectiveness**. Packtech is extensively used in food grains, fertilizers, cement, and retail packaging.

11) **Protech (Protective Textiles)**

Protech comprises textiles designed to provide **protection against physical, chemical, thermal, or biological hazards**. Examples include **flame-retardant garments**, **bulletproof vests**, **cut-resistant gloves**, **chemical suits**, and **firefighter uniforms**. These are critical in **defence, fire services, metallurgy, and hazardous industries**, where safety compliance is non-negotiable. Protective suits made of these materials increase worker safety in factories and industrial settings, offers vital protection against fire, chemical leaks and other hazardous environments. These garments are used by Police and defence personnel, firefighters and emergency service workers. Protech textiles are also finding use in adventure sports such as Mountaineering and deep-water diving. The demand for it is usually high around war prone zones. It also includes development of protective clothing for famous personalities such as Bullet proof vests. India has been boosting local production of Protech under defence-indigenization programs.

12) **Sportech (Sports and Leisure Textiles)**

Sportech includes textiles for **sportswear, outdoor gear, and recreational equipment**. Products cover **jerseys**, **performance wear**, **shoes**, **sports nets**, **swimwear**, **tents**, and **backpacks**. These textiles are engineered for **moisture management, breathability, flexibility, UV resistance**, and **comfort**. The fitness boom and increasing outdoor sports culture in India are driving this segment forward.

Together, these 12 segments represent a diverse and high-potential landscape within India's technical textiles industry. Each caters to specialized needs, supported by innovations in materials science, government mandates, and industrial demand—positioning India as a rising global hub for multifunctional textile solutions.

Global Scenario: Technical Textile Yarn Industry

Brief overview on global technical textile industry

The global technical textile industry has evolved into a dynamic, innovation-driven sector that emphasizes **functionality over aesthetics**. These specialized textiles are used in a wide range of industries such as **automotive, medical, construction, agriculture, Industrial and defence**. Their ability to deliver properties like strength, thermal resistance, flame retardancy, and filtration has made them essential in both industrial and consumer applications. As industrial activity continues to grow globally, the demand for high-performance textiles—particularly in **transport and industrial use cases**—has steadily increased.

- **Technological Innovation in Materials**

  Recent years have seen rapid advances in smart and multifunctional textiles. In 2024, researchers created textile-based sensors capable of **monitoring maternal health**, including ECG and muscle activity, with the added ability to function underwater. Simultaneously, developments like **self-folding fabrics using machine-embroidered patterns** have introduced new possibilities for 3D structures in fashion, robotics, and packaging. These innovations reflect a broader trend of integrating electronics, responsiveness, and shape adaptation into fabrics, positioning textiles at the intersection of material science and digital technology.

- **Focus on Sustainability and Recycling**

  Sustainability is becoming a major priority within the industry. Governments and brands alike are investing in **closed-loop systems** and **recycling technologies** to address the growing textile waste problem. For instance, new methods of chemically recycling polyester are being tested to convert used textiles into **high-grade raw materials**. In the UK, new pilot programs are turning donated clothing into fresh yarns, reflecting a shift toward **circular production models**. These initiatives are being reinforced by stricter environmental policies in Europe and rising consumer awareness about the lifecycle of clothing.

- **Regional Growth and Policy Support**

  Across the globe, governments and industry players are investing heavily in strengthening their technical textiles ecosystems. In the **European Union**, the push for a circular economy has led to major public-private partnerships focused on **fibre-to-fibre recycling**, material traceability, and stricter sustainability standards. One notable initiative in the UK, **Project Re: Claim**, launched in 2024, is recycling post-consumer polyester garments into high-quality yarns, targeting scalable textile-to-textile recycling to meet EU sustainability targets by 2025.

  Meanwhile, in **North America**, U.S. federal initiatives continue to promote the domestic production of advanced textiles for defence, medical, and infrastructure applications. The **Department of Defence's Advanced Functional Fabrics of America (AFFOA)** consortium remains a major hub, supporting research in smart wearables, adaptive camouflage, and impact-resistant fabrics. The group expanded its partnerships in 2024 with multiple universities to accelerate development in AI-integrated textile systems.

In **Germany**, home to a mature technical textile base, manufacturers are focusing on **automated weaving and knitting technologies** that integrate conductive fibers for mobility and industrial use. State-led innovation programs are promoting **energy-efficient textile processing**, while several automotive and aerospace OEMs are investing in lightweight composite fabrics to meet emission-reduction goals.

These regional initiatives demonstrate how the global technical textile sector is evolving in response to **climate policy, digitalization, and industrial modernization**, positioning advanced textiles as a key material class of the future.

- **Experimental and Natural Alternatives**

  Innovative materials sourced from nature are also gaining traction. Companies are now experimenting with **bio-based yarns** made from protein, seaweed, or recycled ocean plastic. In northern India, for example, fibre derived from **milkweed** is being trialled as a warmer, lighter, and biodegradable alternative to wool. These developments highlight a dual shift in the industry: one toward **eco-friendly materials**, and another toward tapping into **locally sourced fibers** with minimal environmental impact.

- **Key Trends and Future Outlook**

  Several ongoing trends are shaping the future of the technical textile industry. These include the rise of **digital manufacturing**, automation in textile processing, and the emergence of **smart fabrics** for healthcare and defence. Environmental concerns are pushing companies to adopt **recyclable and biodegradable materials**, while supply chain digitization is helping improve traceability and efficiency. As performance demands grow and sustainability becomes a norm rather than a niche, technical textiles are expected to be at the forefront of material innovation globally.

India Scenario: Technical Textile Yarn Industry

Brief overview on India technical textile industry

India's technical textile sector has gained strategic importance in recent years, transitioning from a niche category to a key focus area for industrial modernization and import substitution. These textiles designed for functional and performance based use are increasingly integrated into essential industries such as transportation, Industrial, healthcare, environmental protection, packaging, defence and civil engineering.

Driven by advancements in material science and changing market needs, technical textiles are enabling product innovation and efficiency across a wide range of applications. The industry is witnessing accelerated adoption, supported by policy interventions, rising awareness among end-users, and growing emphasis on safety, hygiene, and sustainability.

Indian Textile Industry has been using technical yarns in the early 2000s. The yarns primarily used in India were of jute silk, cotton, but with advent of technical yarns variety of man-made (synthetic) fibers such as polyester, nylon, aramid, glass, carbon, and PTFE(Polytetrafluoroethylene). The technical yarn usage is driven by growing demand by highly efficient industrial textile, inclination of consumers towards athleisure apparels and acceptance of eco-friendly materials such as recycled or regenerated fibres. Apparently, India has turned out to be one of the top producers of technical yarn materials like para-aramid yarn, meta-aramid yarn, modacrylic-blended yarns, peroxidised PAN yarn, antistatic polypropylene yarn, DREF-spun yarns, polyester and FR viscose blends.

Textile Industry majorly uses natural synthetic yarns as mentioned above. The features and the benefits of these yarns decide its end use.:

Types of Yarn used in the Indian Technical textile Industry

The yarns used in the technical textile industry are man-made and evolved with the natural fibres. The man-made fibers are Polyester, Viscose and Nylon.

Polyester – Made from petroleum-based materials such as ethylene glycol, it is considered as one of the durable, synthetic material fibre made. Its major uses are in clothing, home décor materials such as curtains, pillowcases etc. Its properties such as anti-wrinkling and quicker drying make it suitable to use even in technical textiles industry.

Viscose –

It is made from chemically treated wood pulp making it a regenerated cellulose fibre. It has similar properties to cotton and silk i.e., softness, light weight and quick absorbing. Due to these benefits, it is widely used in manufacturing of medical products, home décor furnishings and in making clothing.

Nylon:

This yarn variety is made from raw materials derived from Petrochemicals such as adipic acid & hexamethylene diamine which are processed and spun into fibres. The major use of nylon is in active wear, sportswear, industrial products, and technical textiles.

There are many more synthetic fibres which are developed for specific application across industries.

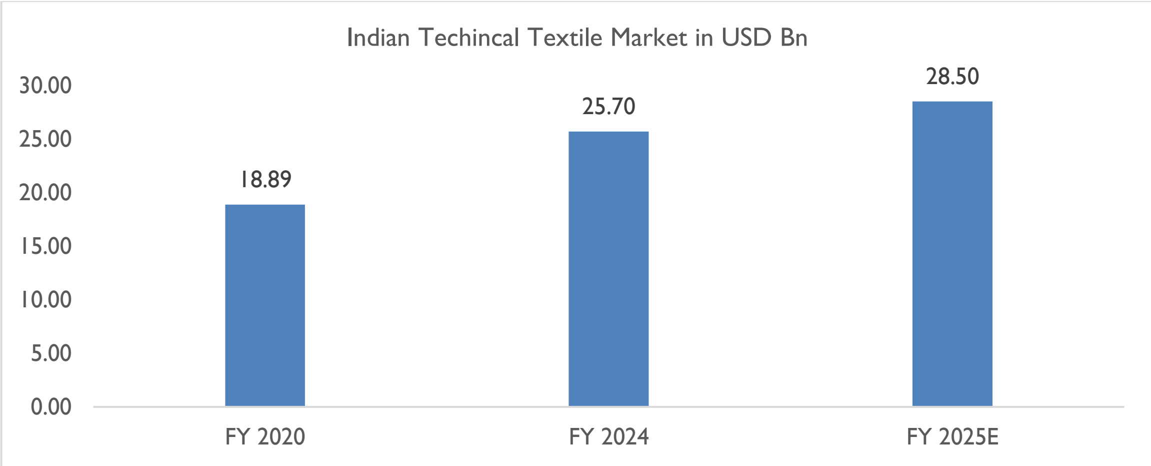
1. Para-aramid yarn (high strength and heat resistance) – It is a synthetic fibre made with polymers in a two-step process where the resulting para-aramid polymer is followed by spinning. Generally used in protective clothing for defence sector, aerospace composite material and some automotive parts.
2. Meta-aramid yarn – This specific yarn is made through polymerizing diamines and chlorides into a heavier polymer. This is transformed to viscous liquid called dope by mixing the heavy polymer into a solvent. Thus, the dope is spun into filaments which are later packed as a yarn. The meta-aramid yarn is used in applications with use of high temperature. The fibre yarn has good heat and flame resistance thus used in clothing for firefighters and armed forces and industrial processes dealing with high voltage of electricity and temperatures such as furnaces.
3. Modacrylic-blended yarns – as the name suggest the yarn is made by blending modacrylic fibres and other fibres such as cotton, wool or aramid. Blending other fibres results in improving features such as flame retardancy. The end uses of these yarns are in Airline blankets, home textile products such as blankets, carpets, and Innerwear garments.
4. Peroxidised PAN yarn -Peroxidised Polyacrylonitrile yarn is also known as Preox-yarn or Oxi-pan finds it use in Industries where welding blankets, protective clothing such as firefighting suits, gloves, welding apparel are used. Automotive components and aerospace sector furnishings such as seats and cushion.
5. Antistatic Polypropylene Yarn – Conductive materials added to polypropylene (PP) while expulsing to dissipate static electricity resulting in the antistatic PP yarn. The resultant yarn brings features such as lightweight structure, resistance to moisture, chemicals. It is majorly used in industrial filtration application, carpets and packaging material for electronics.
6. FR Viscose blends – The yarn consists of fibres made from viscose (regenerated cellulose fibres chemically treated and blended with other fibres such as cotton or wool and before the process of blending, the viscose fibre is mixed with flame retardant. Other than the functional feature of fire resistance by manufacturing, it helps retain moisture, a soft and luxurious feel. It is thus used in industrial applicants to tolerate high heat and flames, and in clothing ranging from protective to activewear.
7. DREF-spun yarns also known as Dr Ernst Fehrer spun yarn based on the inventor of the fraction spinning method. This method results in coarse yarns which have features like better dust holding capacity for effective filtration. It offers other benefits such as high bulk and low strength, better air permeability.

The Ministry of Textiles has reiterated its strategic focus on the development of India’s technical textile sector. Union Minister of Textiles Shri Giriraj Singh and Minister of State Shri Pabitra Margherita outlined the progress and future roadmap for this high-potential industry while speaking at the “Viksit Bharat – Technical Textiles for Sustainable Growth & Development” event.

The government has launched the **National Technical Textile Mission (NTTM)** with a **budget outlay of ₹1,40,000 lakhs**, aiming to strengthen research & development, expand domestic manufacturing capabilities, and support education and market expansion. As of 2024, **156 R&D projects** have been sanctioned under the mission, focusing on applications across sectors such as automotive, medical, Industrial, infrastructure, and defence.

Additionally, the government is encouraging increased **Foreign Direct Investment (FDI)** in the sector. States are being advised to introduce supportive policies, and investors both domestic and international have been invited to explore opportunities in India’s evolving technical textile market.

Below is the Indian Technical Textile Market:



Source: Federation of Indian Chambers of Commerce & Industry (FICCI), National Technical Textiles Mission (NTTM), D&B Desk Research, E- estimated

Between FY 2020 and FY 2025, India's technical textile market is estimated to grow from **USD 18.89 billion to USD 28.50 billion**, achieving a **CAGR of 8.57%**. This strong growth reflects a shift toward performance driven and application specific textiles, supported by increased awareness among industries about their benefits. Key contributing factors include rising adoption in infrastructure projects (such as road construction using geotextiles), healthcare demand post-COVID-19 (especially for Meditech and PPE), and greater emphasis on sustainability and safety regulations across sectors. Additionally, government support through initiatives like **mandatory quality control orders**, **PLI schemes**, and **public procurement preferences** has accelerated domestic production and investment, while global supply chain realignments have opened new export opportunities for Indian manufacturers.

<u>Demand Scenario</u>

Analysis of key factors driving the demand for technical textiles in India

The demand for technical textiles in India has seen significant growth across industrial sectors, driven by their functional advantages and adaptability in diverse applications. Among these, the use of technical textiles as filtration media has emerged as a critical segment offering solutions for air and liquid filtration in industries, automotive systems, construction, oil & gas operations, and medical environments. This surge is supported by regulatory frameworks, environmental compliance norms, increased infrastructure development, and heightened focus on hygiene and safety. As India pushes for greater self-reliance in technical textiles under initiatives like the National Technical Textiles Mission (NTTM) and PLI Scheme, the demand for specialized filtration textiles is expanding steadily, positioning the country as a fast-growing market in this domain.

This rising demand is evident across multiple key sectors, including industrial, automotive, construction, defence and oil & gas, as well as healthcare. Each of these sectors presents distinct drivers and application areas for technical textile yarns, as elaborated below:

<u>Filtration Media in the Industrial Sector</u>: Technical textile yarns are critical for air and liquid filtration in sectors like cement, steel, chemicals, pharmaceuticals, and energy. Technical textiles are usually used as a filtration media to separate a solid-gas mixture or a solid-liquid mixture used in a process. These media are majorly made from fibreglass, polyester and nylon. These filters are used in harsher situations thus they are designed specifically to withstand strong, chemical or various conditions.

Filtration processes in industries are mechanical filtration (filtering larger physical particles), Interception (Filtering particles from a liquid flow) Inertial Deposition (particles which have higher inertia while moving through stream are filtered), Diffusion, and Electrostatic Deposition (charged particles are filtered).

The fibres specific to the chemical (solid or gaseous), water or any liquid filtration processes are woven fabrics and meshes (filtering from liquid streams), Nonwoven fabrics (gaseous filtration) polymer membranes and nanofiber composites.

Like the purposes and the processes mentioned above the technical textile made fibres are used in defence sector. They help in filtering hazardous gaseous chemicals, biological agents which in turn protect the defence personnel against environmental and warfare threats. The fibres created for the filtration purpose are majorly customized as per the operating or working environment to be highly efficient, versatile, and durable.

According to the Ministry of Textiles, specialty fibres (e.g., glass, carbon, ceramic) are increasingly tailored for gas and chemical filtration applications. The National Technical Textiles Mission (NTTM) has underscored that India's technical textile market is growing at 8–10% annually, driven by industrial demand for non-woven filter fabrics (needle-punched, melt-blown) to meet CPCB and NCAP pollution norms. These nonwovens offer superior properties such as high porosity, fine particle retention, thermal resistance, and chemical inertness making them essential for demanding industrial environments. Industries are also shifting from conventional filtration materials to engineered technical textile-based solutions that offer greater efficiency, lower maintenance, and compliance with stricter environmental standards. Furthermore, government initiatives to indigenize manufacturing under schemes like Atmanirbhar Bharat and the mandatory use of certified pollution control equipment have boosted the adoption of advanced filter fabrics. This has resulted in a significant rise in orders for specialized filtration yarns, underpinning a multi-billion-dollar segment with continued CAGR growth and rising domestic production capabilities.

Automotive Components / Automotive Sector: Technical textiles play a crucial role in India's automotive industry, used in airbags, tyre cords, seat upholstery, carpets, insulation, acoustic lining, and filtration media. The global Mobiltech sector was valued at USD 46.2 billion in 2022 and is estimated to grow to USD 57.9 billion by 2027, as reported in the Ministry of Textiles' India Vision 2047 roadmap. Under the National Technical Textiles Mission (NTTM), over 600 BIS standards and 68 Quality Control Orders have been introduced to ensure quality in automotive-grade fibres and fabrics, strengthening domestic supply chains. These standards are critical in improving safety, durability, and thermal performance of vehicles, especially as automakers adopt lighter and more sustainable materials.

Supported further by the Textile Ministry's India Vision 2047, which forecasts sustained high-single-digit annual growth in Mobiltech products, the convergence of rising vehicle output, formal regulatory frameworks, and Make-in-India policies is fuelling robust demand for high-performance technical textile yarns across automotive applications. With increasing electrification and premiumisation of vehicles, the use of advanced technical textiles is expected to expand further into battery insulation, EMI shielding, and thermal management solutions.

Construction and Oil & Gas Sectors: India's construction sector, currently contributing around **8% of GDP** and valued at **approximately USD 126 billion**, is witnessing rapid expansion propelled by major infrastructure investments, urbanization efforts, and government-led initiatives such as the **National Infrastructure Pipeline (NIP)** and **Smart Cities Mission**. Experts project this sector to reach up to **15% of GDP by 2030**, employing over **70 million people**, with valuations exceeding **USD 2 trillion** by that year. As construction activities, particularly road development, rail, urban infrastructure, and renewable energy projects, scale up, they generate substantial demand for **technical textiles** like geotextiles, buildtech membranes, insulation fabrics, and architectural textiles.

Construction textiles are essential for applications involving **soil stabilization, erosion control, waterproofing, sound and thermal insulation**, and **structural reinforcement**. These specialized materials include **geogrids, drainage composites, concrete reinforcement fabrics**, and **architectural membranes**, which enhance durability, safety, and performance in buildings, roads, tunnels, and water-management systems. The expanding public and private construction market thus represents a key domestic driver, creating predictable institutional demand for Indian technical textile producers by integrating these materials into infrastructure projects at scale.

India's oil and gas sector stands as one of the largest investment domains in the country, featuring around **275 investment opportunities worth over USD 100.71 billion**, including major projects in **refining (~USD 43.27 bn), pipelines (~USD 33.22 bn), and exploration & production (~USD 24.22 bn)**. As India seeks to expand its refining capacity by up to 75% by 2027 and construct a comprehensive gas grid spanning more than 22,300 km of natural gas pipelines and 8,228 km of petroleum pipelines, demand is accelerating for associated infrastructure materials.

This rapid development fuels demand for technical textiles used in **filtration media, insulation fabrics, protective covering, geotextiles**, and **coating materials** required for pipeline installation, refinery linings, and petrochemical processing. These specialized textiles improve durability, corrosion resistance, thermal insulation, and contamination control in oil and gas applications, making them critical inputs for midstream and downstream infrastructure.

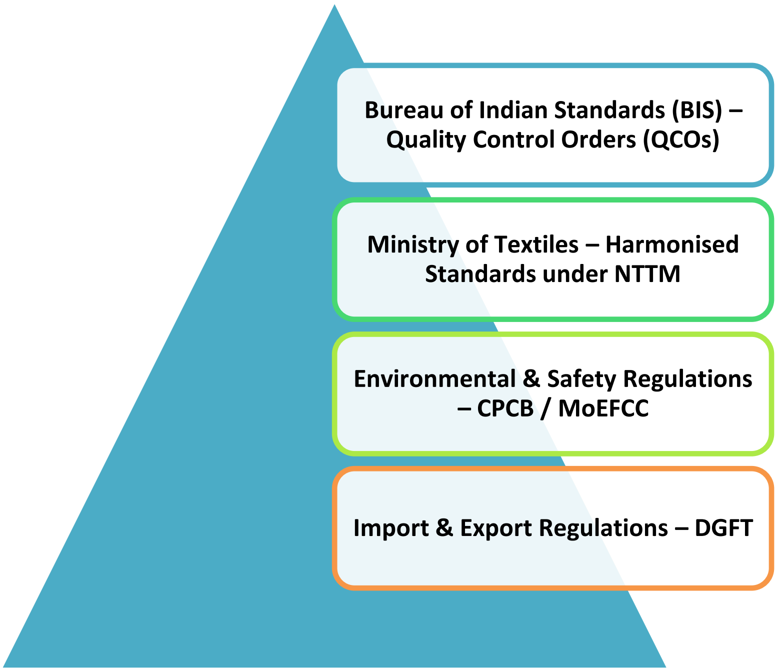
Moreover, India is forecasted to lead global oil demand growth through 2030, supported by expanding refining and pipeline networks and increased domestic fuel consumption. As energy infrastructure scales and new petrochemical complexes emerge in regions like Gujarat and Rajasthan, technical textile producers are well-positioned to capture this growing institutional demand, reinforcing the oil and gas sector as a significant downstream market enabler for India's technical textile ecosystem.

Healthcare / Medical Sector: Technical textile yarn demand in the Indian healthcare segment surged during the COVID-19 pandemic with essential products PPE kits, surgical masks and gowns, wound dressings, and surgical drapes becoming critical to medical infrastructure. According to the Ministry of Textiles' India Vision 2047 roadmap, the Mobiltech and Meditech combined market was valued at approximately USD 21.95 billion in FY 2022, with Meditech (medical textiles) forming a key growth pillar highlighted in the National Technical Textiles Mission memos. The government's technical-textiles e-booklet also identifies medical dressings, absorbent cotton, surgical gowns, drapes, and masks as priority segments under Meditech. Under NTTM's procurement guidelines, over 90 categories of technical textile products, including medical textiles, are now mandated for government health-sector use, supporting scalable domestic production. Increased healthcare investment and Make-in-India initiatives aim to further reduce import dependence India was the 6th-largest exporter of textiles and apparel in FY 2023, with medical textile output poised to form a larger share moving forward. These concerted efforts, backed by volume mandates and formalized procurement, are driving substantial demand for high-performance technical textile yarns in India's rapidly growing medical textiles sector.

Regulatory Landscape

The technical textile yarns industry in India functions within a comprehensive regulatory framework designed to uphold product quality, drive innovation, and enhance the sector's global competitiveness. As technical textiles play a critical role in diverse strategic sectors such as defence, automotive, healthcare, infrastructure, agriculture, and environmental protection, the Government of India has implemented targeted regulatory measures and policy interventions to support the sector's growth. These include standardization mandates, fiscal incentives, and environmental compliance norms aimed at fostering domestic manufacturing, encouraging R&D, and facilitating export readiness. The regulatory ecosystem not only ensures adherence to quality and safety benchmarks but also aligns the industry with national priorities like sustainability, pollution control, and import substitution positioning India as a key player in the global technical textiles market.

Regulatory / policy framework governing the industry



1. **Bureau of Indian Standards (BIS) – Quality Control Orders (QCOs)**
   - BIS is the apex body for setting and enforcing technical standards in India under the BIS Act, 2016.
   - **Mandatory QCOs** issued in **April 2023** for **31 technical textile items** (19 geotextiles & 12 protective textiles).
   - Products like HDPE/PVC geomembranes, geobags, bulletproof jackets, and firefighter gear now require **BIS certification** and **standard mark** within **180 days** of notification.
   - **Phase II** (from April 2024) will cover **28 more items** (22 agro-textiles, 6 medical textiles).
   - **Phase III** will extend to **30+ items** in industrial textiles, building textiles, ropes, and cordages.
2. **Ministry of Textiles – Harmonised Standards under NTTM**

- Under the **National Technical Textiles Mission (NTTM)**, over **500 Indian Standards (IS codes)** have been developed.
- These standards span **12 technical textile segments**, ensuring product quality and consistency.
- During the **6th National Conclave on Standards (July 2023)**, the ministry released new standards for medical respirators, geosynthetics, etc.
- As of now, **BIS has published ~600 standards** for technical textiles and their testing protocols.

3. **Environmental & Safety Regulations – CPCB / MoEFCC**

- Governed by the **Environment (Protection) Rules, 1986** under **CPCB** (Ministry of Environment).
- Units involved in dyeing, coating, or finishing (e.g., flame-retardant yarns) must:
    - Install **Effluent Treatment Plants (ETPs)**.
    - Control pollutant levels (BOD, COD, TDS, pH).
    - Use **Continuous Emission Monitoring Systems (CEMS)** for real-time tracking.
- Ensures sustainable manufacturing and environmental compliance.

4. **Import & Export Regulations – DGFT**

- Managed by the **Directorate General of Foreign Trade (DGFT)** under the **Foreign Trade Policy**:
    - **Advance Authorization Scheme**: Duty-free import of raw materials for export production.
    - **EPCG Scheme**: Zero-duty capital goods imports against export obligation.
    - **RoDTEP Scheme**: Refund of embedded taxes for exports via transferable e-scrips (since Jan 2021).
- Technical textile yarns are classified under specific **HS codes**, impacting **customs duties**, **eligibility**, and **export incentives**.
- These policies aim to enhance **cost-efficiency** and **global competitiveness**.

Policy initiatives /Government incentives:

- National Technical Textiles Mission
- Production Linked Incentive (PLI) Scheme for Textiles
- Mandatory Use of Technical Textiles in Government Projects
- Support from Textile Research Associations (TRAs)
- Skill Development and Training

➢ **National Technical Textiles Mission (NTTM):** Launched in February 2020 by the Cabinet Committee on Economic Affairs and implemented by the Ministry of Textiles, the National Technical Textiles Mission (NTTM) is a strategic initiative aimed at transforming India into a global powerhouse in technical textiles. This initiative by Government of India was planned to span between FY 2020-21 to 2025-26 aimed at providing financial assistance worth ₹1,48,000 lakhs. t NTTM comprises four key components Research & Innovation, Promotion & Market Development, Export Promotion, and Education & Skill Development designed to foster advancements in fibres and yarns for applications across agriculture, infrastructure, healthcare, defence, and more. As of March 2025, 168 research projects valued at ₹50,900 lakhs have been sanctioned, and nearly 50,000 individuals are being trained under its aegis. Through grants such as GIST 2.0 and the GREAT Scheme, along with efforts to standardise and enhance market outreach, NTTM is accelerating prototype development, industry–academy collaboration, and export readiness driving India's ambition to lead the USD 10 billion global technical textiles market.

➢ **Production Linked Incentive (PLI) Scheme for Textiles:** The Government of India, through a Production Linked Incentive (PLI) Scheme for Textiles, approved in September 2021 with an outlay of ₹10,683 crore, aims to bolster domestic manufacturing in Man-Made Fibre (MMF) fabrics, MMF apparel, and technical textile segments, including value-added yarns. The scheme incentivizes eligible manufacturers with cash payouts of 4–11% (depending on the product category) on incremental annual turnover over a five-year period, covering fiscal years 2024–25 to 2028–29 subject to investment and performance thresholds. As confirmed by an official Press Information Bureau release, 64 of 67 applications have been selected so far, representing ₹19,798 crore in proposed investments, a projected turnover of ₹1.94 lakh crore, and forecasted employment for over 2.45 lakh individuals. By promoting large-scale capital infusion and scaling up production capacity, the PLI scheme is reinforcing India's competitiveness in the global technical textile market.

➢ **Mandatory Use of Technical Textiles in Government Projects:** The Ministry of Textiles, under a Public Procurement (Preference to Make in India) Order dated October 23, 2019, has mandated the use of technical textiles across 92 application areas in government-funded infrastructure projects managed by 10 central ministries including agriculture, horticulture, highways, railways, water resources, and healthcare. As of the latest update, notifications for 68 specific applications have been issued, ensuring that geotextiles, agro-textiles, and other high-performance textile products are systematically integrated into official schemes. This policy guarantees steady demand for specialized yarns, supporting domestic manufacturers and advancing the government's goals of sustainable infrastructure development and self-reliance.

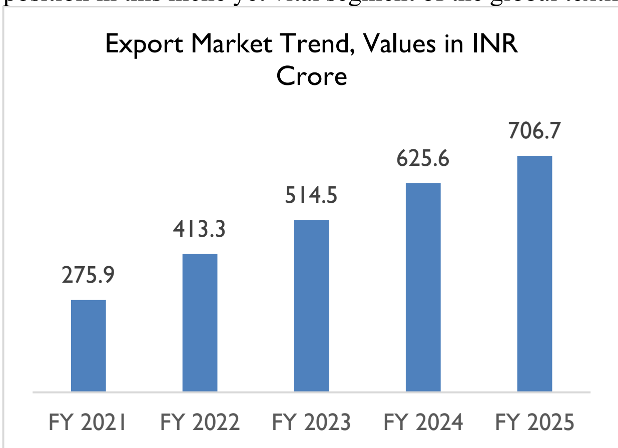
➢ **Support from Textile Research Associations (TRAs):** Under the aegis of the Ministry of Textiles, leading Textile Research Associations including SASMIRA (Synthetic & Art Silk Mills' Research Association, Mumbai), NITRA (Northern India Textile Research Association, Ghaziabad), ATIRA (Ahmedabad Textile Industry's Research Association), and BTRA (Bombay Textile Research Association, Mumbai) serve as key pillars of India's technical textiles ecosystem. Recognized on the ministry's official portal, these autonomous institutes are empanelled under the National Technical Textiles Mission (NTTM) to provide vital services like testing, certification, R&D, prototype development, technical consultancy, and skill training for yarns and fibres. For instance, NITRA has been designated a Centre of Excellence for protective and automotive textiles, while SASMIRA acts as a nodal centre for geotextiles, agro-textiles, and medical textiles. These TRAs foster industry–academia linkages and capacity-building initiatives, accelerating innovations in high-performance yarns and enabling domestic manufacturers to meet evolving technical standards.

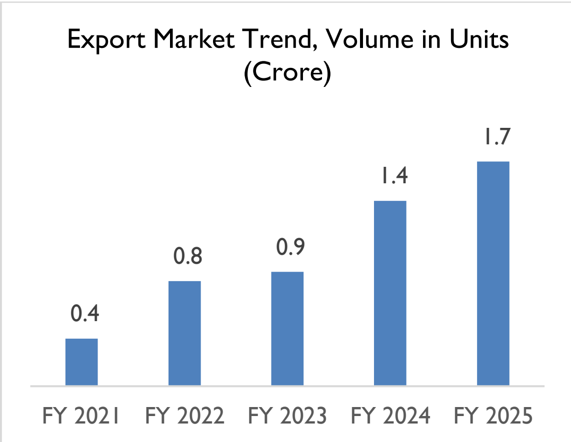
- **Skill Development and Training:** The Ministry of Textiles, through its flagship Samarth – Scheme for Capacity Building in the Textile Sector, is actively training manpower to meet the growing demands of the technical textiles industry, particularly in high-performance fibres and yarns. The scheme targets critical segments of the textile value chain that require specialized skills, including yarn production, finishing techniques, and quality control operations for functional and technical textile applications. Training programs are conducted in collaboration with industry partners, textile research associations, and sector-specific institutions, ensuring that the curriculum is aligned with current industrial requirements and includes hands-on practical training along with placement support. According to official data, more than 1.5 lakh candidates were trained under the Samarth scheme by 2023, and efforts are ongoing to expand its scope to cover emerging fields such as technical textiles and sustainable manufacturing practices.

Trade Scenario

Export Scenario: Annual export value & historical growth trend in export value

India's export performance for technical textile products and related articles used in industrial applications has shown a steady upward trend in recent years. These products, which are designed for specialized functional uses across sectors such as filtration, insulation, and mechanical reinforcement, are witnessing growing global demand driven by industrial expansion, infrastructure development, and environmental regulations. Indian exporters are leveraging advancements in textile engineering and favourable government initiatives to tap into key international markets. The forthcoming data visualization will highlight export volumes and destination-wise trends, providing deeper insight into India's evolving position in this niche yet vital segment of the global textile trade.





Source[5]: Directorate General of Foreign Trade (DGFT)

India's exports of textile products and articles for technical uses have experienced consistent growth over the past five years, both in value and volume. The total export value rose from INR 27,590 lakhs in FY 2021 to INR 70,670 lakhs in FY 2025, reflecting a robust compound annual growth rate (CAGR) of approximately 26%. Similarly, export volumes increased from 0.4 crore units to 1.7 crore units during the same period, indicating rising global demand for India's technical textile offerings.

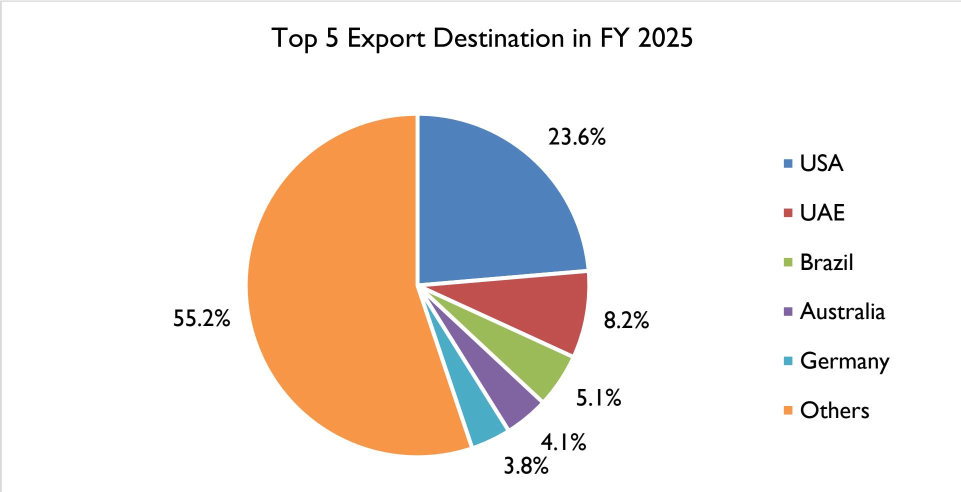
This upward trend can be attributed to several key factors. First, there has been a growing global emphasis on industrial and environmental applications that rely heavily on technical textiles—such as filtration, insulation, automotive components, defence, Industrial and geotextiles. Indian manufacturers have increasingly aligned their capabilities to meet stringent international standards, making the country a competitive sourcing destination. Second, government initiatives under schemes like the Production Linked Incentive (PLI) for technical textiles and the National Technical Textiles Mission have strengthened the domestic manufacturing base and export readiness. Third, India's ability to offer cost-effective yet quality-compliant solutions have allowed it to penetrate both emerging and mature markets, enhancing export

[5] HS code to be considered 5911 - Textile Products and Articles, For Technical Uses, Specified in Note 8 To This Chapter

potential. As the data ahead will illustrate, these favourable conditions have driven a steady and sustainable growth trajectory for India's technical textile exports.

Top 5 export markets (countries) & historical trend in exports to those three markets

India's export of textile products and articles for technical uses is well-diversified across major global markets, with the United States leading as the largest destination, followed by the UAE, Brazil, Australia, and Germany. These top five countries collectively accounted for nearly 45% of India's total exports in this category in FY 2025, amounting to INR 31,700 lakhs out of the total INR 70,670 lakhs. The remaining INR 38980, lakhs (55.2%) was spread across other nations, indicating a broad global footprint. The strong demand from these regions reflects India's ability to serve highly industrialized as well as rapidly developing economies, offering cost-effective, functional, and quality-compliant technical textile solutions.



Source: Directorate General of Foreign Trade (DGFT)

- **United States:**

The U.S. emerged as the dominant export destination, accounting for nearly a quarter of India's total technical textile exports. In the FY 2025, technical textile goods worth INR 16,710 Lakhs were exported to the United States. This strong demand stems from the United States' well-established industries such as automotive, construction, and filtration, all of which heavily utilize technical textiles. Indian exporters have benefitted from the U.S. market's preference for competitively priced, high-performance materials, coupled with India's ability to meet stringent quality standards and delivery timelines. Additionally, U.S. companies increasingly source from India as part of their diversification strategy away from traditional suppliers like China.

US Tariffs on India

The recent political inspired 50% tariff imposition on India has been an unfortunate move made by the U.S President Donald Trump to revamp the U.S Economy. The series of announcements regarding and the imposition of tariffs are as follows:

- On August 1,2025 the U.S. announced higher tariff rates for countries from which it imports goods, with most of the rates effective from August 7. A 15% rate was used as a reference for countries with which the U.S. has a trade deficit; and for those with which the U.S. has a trade surplus had a comparatively lesser rate of 10%. However, there were some countries that are subject to higher U.S. tariffs.
- By August 7, 2025, the U.S. had announced increased tariffs of 15-50% on Asian economies, with most rates around 20%. Although these tariffs were lower than the levels announced in April, the rates were much greater than those applied to most Western counterparts, impacting exporters such as Taiwan Region (20%) and India (25%). It was believed to reach a maximum of 50% at the end of August by the U.S Government.
- Moreover, on July 28,2025 the US imposed a 15% tariff on most EU imports under a new trade agreement, impacting Nordic countries such as Denmark, Finland, and Sweden. Key exemptions include aircraft parts and semiconductor equipment, while steel and aluminum continue to face 50% tariffs.
- On August 27,2025 the US president Donald Trump announced the 50% tariff on most of the Indian Goods imported. India has joined other countries such as Brazil who were already facing higher tariffs. This has been expected to be a temporary imposition, and economists believe the tariffs could further be brought down. However, the current effect of the tariffs is seen in the engineered goods, automobile sector and textile sector as well. The textile sector which are facing order cancellations has been supported by the Indian Government's extension of duty-free import of cotton until December 31, 2025.The textile industry bodies such as

Confederation of Indian Textile Industry are facing 20-25% reduction in exports to US in the next six months. This impact would be post re-orienting the export strategy and finding other countries to explore for exports under India's Free Trade agreement.

- **United Arab Emirates**

The UAE stands as a strategic export hub due to its robust infrastructure and trade connectivity with the Middle East, Africa, and Europe. Indian technical textile exports to the UAE have been driven by the country's rapid infrastructural growth, especially in construction, oil & gas, and urban development. Around 8.2 % of Indian exports were sent to UAE which was valued at INR 5800 Lakhs thus becoming the second major export destination in FY 2025. Furthermore, Indian exporters leverage the UAE's re-export potential, wherein goods are routed to other regions, boosting trade volumes. Favourable trade relations and lower logistics costs due to proximity also contribute to the UAE's significant share.

- **Brazil**

Brazil which was the third major export destination imported technical textile goods worth INR 36,100 Lakhs. The country represents a growing export market for India's technical textiles supported by the country's expanding industrial base, particularly in agriculture, mining, and automotive sectors. These industries require durable and specialized textile materials, such as protective gear, insulation fabrics, and filter media areas where Indian products are gaining traction. Brazil's focus on infrastructure development and modernization of its manufacturing sector aligns well with India's capacity to deliver customized, cost-effective textile solutions.

Acceptance of Rs in BRICS Countries:

In the recent BRICS convention held between August 4-8 ,2025 in Jakarta, Indian entity at the meet has issued an official statement and communication stating that it would allow the BRICS countries to conduct their trade completely in Indian currency i.e. Indian Rupees.

This is a strategic move made by India as observed by political analysts to diminish the power of US Dollar in the global trade market. With regards to the statement, the Reserve bank of India has issued notification to banks to create more Vostro accounts which enable foreign entities to conduct trade without having a physical presence in a particular country where it wants to participate in trade. As per the notification, the RBI has ensured that any bank would not need any prior approval to open a Vostro account henceforth in this regard.

With the use of these accounts, now trade activities such as imports and exports with INR currency through the Vostro accounts setup for the same. This action by the Indian Government is also expected to strengthen value of Indian Rupee though the tariffs imposed by the U.S is set to have a negative impact on the Indian Rupee. This enables better trade relationships with other nations for India and thus retaining a strong economic front in the global trade. Thus, implying better trade i.e. exports and imports for the technical textile industry as well as other sectors.

- **Australia:**

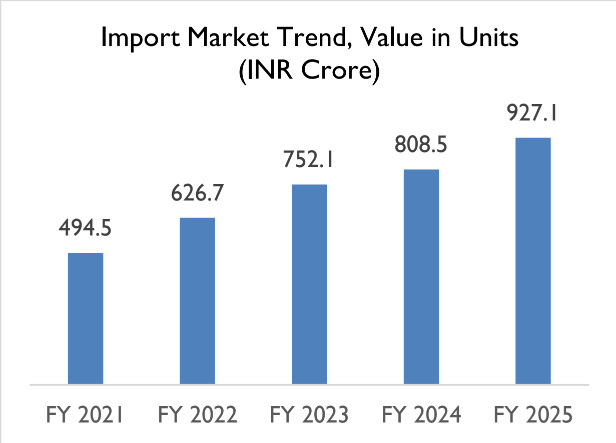
Australia's demand for Indian technical textiles is largely driven by sectors like mining, construction, and environmental protection, where performance fabrics are critical. The country values high-quality and sustainable materials, areas where Indian manufacturers have made notable improvements. As per export value of technical textile goods in FY 2025 from India was INR 2,920 Lakhs and was around 4.1 % of the total global exports. In recent years, bilateral trade initiatives and an increase in Indian suppliers' certifications to meet Australian standards have strengthened trade ties, contributing to steady export growth.

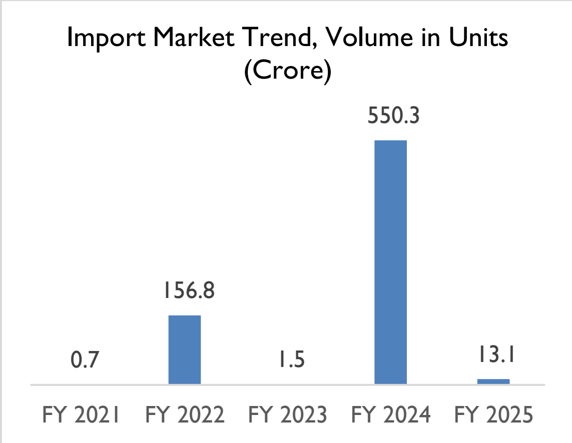
- **Germany:**

Germany, as a leading industrial economy in Europe, offers consistent demand for advanced technical textile products, especially in the automotive, machinery, and environmental sectors. Thus, the exports worth INR 2660 lakhs were exported from India as it held a 3.8% share in the global export market. While the market is highly competitive and quality-driven, Indian exporters have managed to carve out a niche by offering reliable and cost-efficient alternatives. Germany's emphasis on eco-friendly and functional materials has also favoured Indian suppliers who are shifting towards sustainable manufacturing practices.

Import Scenario: Annual import value & historical growth trend in import value

India's import of specialized machinery and equipment including plastic welding machines, ultrasonic tools, industrial robots, and other advanced machine tools has shown remarkable growth between FY 2023 and FY 2025. The total import value surged from USD 1,346.8 million in FY 2023 to USD 2,057.8 million in FY 2025, registering a strong compound annual growth rate (CAGR) of over 23%. Even more striking is the exponential rise in import volume, which grew tenfold from 25.9 million units in FY 2023 to 259.5 million units in FY 2025.





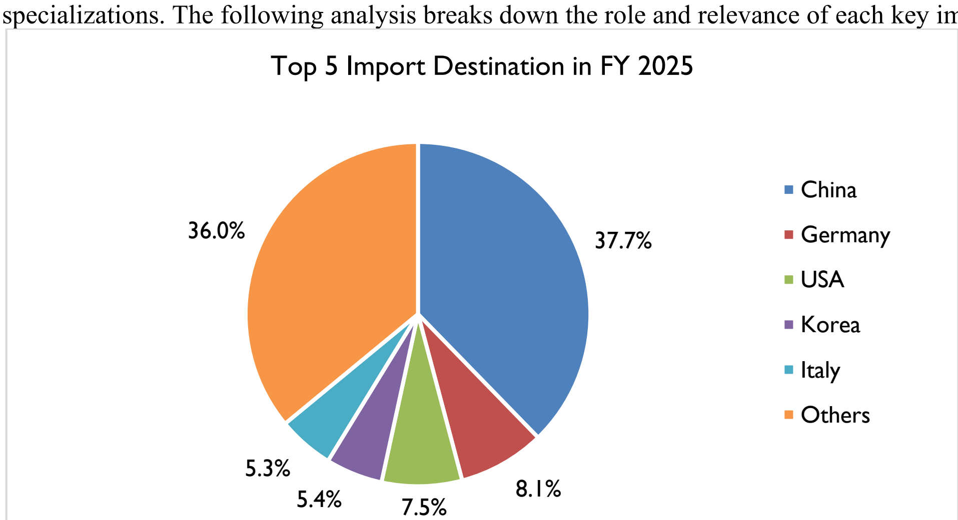
Source: Directorate General of Foreign Trade (DGFT)[6]

India's import of products under the specified technical textile category has witnessed a significant upward trajectory in recent years, both in value and volume. The total import value rose from INR 49,450 lakhs in FY 2021 to INR 92,710 lakhs in FY 2025, marking a robust CAGR of approximately 17.1%. This consistent growth underscores the increasing domestic reliance on high-performance textile materials for specialized applications across sectors such as automotive manufacturing, industrial filtration, medical and hygiene products, and protective clothing.

While the volume data presents fluctuations with notable peaks in FY 2022 and FY 2024 the import value has shown a more stable rise, indicating a shift toward importing higher-grade, technologically advanced textile products. The steep rise in volume during FY 2022 and FY 2024 may be attributed to bulk procurement for infrastructure development, post-pandemic medical demand, or stockpiling to counter global supply chain disruptions. These products are typically not produced at scale domestically due to limitations in technical capabilities, consistency in quality standards, or lack of cost competitiveness driving the need for imports from technologically mature economies. The data clearly reflects a growing strategic dependency on imports to meet the demands of India's expanding industrial and healthcare sectors.

Top 5 import markets (countries) & historical trend in exports to those three markets

India's import landscape for technical textile products under the specified category is led by a concentrated group of countries, with the top five accounting for nearly two-thirds of the total import value in FY 2025. These imports, totalling INR 92,710 lakhs, reflect India's strategic sourcing from technologically advanced nations to meet the rising demand in sectors such as automotive, filtration, construction, medical, and protective applications. China holds a dominant share, followed by Germany, the USA, South Korea, and Italy, each contributing with their own technological strengths and manufacturing specializations. The following analysis breaks down the role and relevance of each key import partner.



Source: Directorate General of Foreign Trade (DGFT)

[6]HS code to be considered 5911 - Textile Products and Articles, For Technical Uses, Specified in Note 8 To This Chapter

➢ **China –**

China is the largest contributor to India's imports of technical textile products, accounting for over one-third of the total value. Its dominance is driven by large-scale production capabilities, competitive pricing, and an extensive product range catering to various industrial uses. It exported technical textile products worth INR 34,980 lakhs to India thus being the largest import market in FY 2025 with market share of around 38%. Chinese manufacturers offer both standard and customized solutions, making them a preferred source for Indian buyers seeking cost-effective yet functionally efficient materials. Additionally, China's integrated supply chains and quick lead times further solidify its position in the Indian market.

➢ **Germany –**

Germany holds the second position with a market share of 8.1% whose imports valued at INR 7,550 lakhs was shipped to India in FY 2025. It wasprimarily due to its reputation for high-quality, precision-engineered technical textiles. German products are often favoured for critical applications requiring superior durability, chemical resistance, and compliance with stringent safety and environmental standards especially in sectors like automotive components, filtration systems, and heavy industrial use. Though costlier than Chinese alternatives, the reliability and advanced R&D behind German imports justify their value in India's quality-sensitive segments.

➢ **USA**

The United States ranks third, supplying technical textile products that are largely geared toward specialized applications such as healthcare, aerospace, and Defence-related requirements. American exports to India in this category are often characterized by innovation-driven materials including nonwovens, high-strength composites, and barrier fabrics. These exports from the U.S were valued at INR 6,980 lakhs in FY 2025 which had 7.5% market share in the Import market in India. U.S. firms also maintain strong regulatory compliance (e.g., FDA, ASTM standards), making them an ideal partner for India's growing demand in sectors like medical textiles and personal protective equipment (PPE).

➢ **South Korea**

South Korea contributes a significant share through its strength in advanced textile technology, especially in the areas of smart textiles, synthetic fibers, and filtration fabrics. It totalled exports to India were priced at INR 4,950 lakhs and thus it retained the fourth position at the global import destinations of India. Korean suppliers offer a balance of quality and affordability, making them an attractive option for Indian industries looking for reliable mid-range technical solutions. The country's expertise in high-performance materials and strong trade ties with India help maintain its relevance in this niche import segment.

➢ **Italy –**

Italy rounds out at fifth amongst the top five, leveraging its specialization in engineered textiles and innovative production techniques. Italian imports are particularly valued in high-end industrial design, luxury automotive interiors, and niche construction materials and costed around INR 4,890 lakhs in FY 2025. Italian manufacturers emphasize sustainability and aesthetic value along with functionality, which aligns with evolving Indian preferences for eco-friendly and high-performance products. Their role is especially prominent in sectors that merge performance with design sophistication.

Analysis of regulatory / other factors that has an impact on trade:

➢ **Mandatory Quality Control Orders (QCOs) and BIS Certification:**
The Indian government has introduced Quality Control Orders (QCOs) for several categories of technical textiles to ensure product safety, reliability, and compliance with performance standards. Imported products falling under these QCOs must obtain BIS certification, which may pose a challenge for foreign suppliers unfamiliar with Indian regulatory processes. This step, while ensuring quality, can increase import lead times and add compliance costs.

➢ **Customs Duties and Tariff Structure:**
Import of technical textile products is subject to Basic Customs Duty (BCD), Integrated GST (IGST), and other charges depending on the product classification. While some inputs may attract lower duties, others face moderate to high tariffs impacting the landed cost. The tariff structure plays a crucial role in determining sourcing decisions, especially when balancing cost versus quality across different supplier countries.

➢ **Free Trade Agreements (FTAs) and Preferential Access:**
India's FTAs with ASEAN countries, South Korea (CEPA), and Japan provide tariff concessions that facilitate easier and more cost-effective imports of technical textiles. These agreements allow Indian industries to access high-quality raw materials and finished technical textile products at reduced duties, particularly from technologically advanced countries, supporting sectors like automotive, filtration, and protective textiles.

➢ **Incentives for Import Substitution (PLI & Make in India):**
Government initiatives like the **Production-Linked Incentive (PLI) Scheme for Technical Textiles** aim to boost domestic manufacturing capacity. While the long-term goal is to reduce reliance on imports, these programs may gradually shift demand toward locally produced alternatives. In the short to medium term, however, gaps in local capability continue to drive imports for specific high-performance textile products.

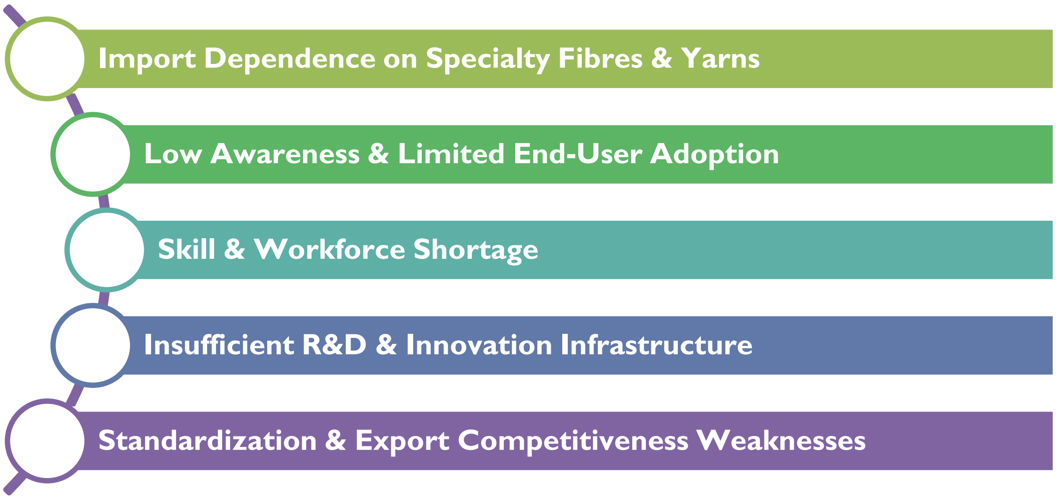
➢ **Digital Customs Reforms and Trade Facilitation:**
Recent improvements in customs infrastructure such as the introduction of faceless assessment, the ICEGATE portal, and single-window clearance have made the import process more efficient and transparent. These digital reforms have helped reduce dwell times and administrative bottlenecks, facilitating smoother and faster entry of critical technical textile materials into India.

The political developments of latest times have been a concern as a country's imposition of tariff policies

Threats & Challenges

Key Threats & Challenges Facing the Industry

Key Threats:



➢ **Import Dependence on Specialty Fibres & Yarns:** India's technical textile industry remains heavily dependent on imports for high-performance specialty fibres such as carbon fibre, aramid (e.g., meta- and para-aramid, Nylon-66), and ultra-high molecular weight polyethylene (UHMWPE), which are critical for advanced applications in protective, industrial, and automotive textiles. According to the Ministry of Textiles and Invest India, specialty fibres account for approximately 30% of the technical textile segment; however, domestic manufacturing capabilities in this category remain limited. This dependence increases the industry's exposure to foreign exchange volatility, elevated landed costs, and supply chain disruptions, especially during periods of global uncertainty. Recognizing this structural gap, the National Technical Textiles Mission (NTTM) is actively promoting indigenous production and investment in specialty fibre manufacturing under the Atmanirbhar Bharat initiative.

➢ **Low Awareness & Limited End-User Adoption:** Despite formal promotion via the National Technical Textiles Mission (NTTM), the penetration of technical textiles in India remains low at just 5-10% compared to 30-70% in advanced economies, as reported in the Ministry of Textiles' India Vision 2047 roadmap. The NTTM's "Promotion & Market Development" initiative underscores that awareness among MSMEs, government agencies, and institutional buyers about the superior lifecycle performance, cost-efficiency, and sector-specific benefits of technical textile yarns remains limited. Consequently, adoption rates in critical sectors such as infrastructure, healthcare, agriculture, and defence remain suboptimal. To address this gap, NTTM has mandated technical textile usage across 92 application areas and issued 68 notifications under central ministries to boost institutional uptake. However, without broader awareness-building campaigns, training, and end-user engagement, technical textile yarn producers continue to face significant demand-side constraints limiting their ability to scale and capitalize on India's growing technical textiles ambition.

➢ **Skill & Workforce Shortage:** India's technical textiles sector faces a critical **shortage of specialized talent**, particularly in niche areas such as **nonwoven technology, high-performance fibers, and functional finishing techniques**. Most existing textile training programs in the country are geared towards conventional fabric and apparel production, creating a **skill mismatch** as the industry shifts toward high-performance and application-based textile manufacturing. While over **3.48 lakh individuals were trained under the Samarth Scheme** by 2023, the majority of these were trained for traditional roles rather than in technical textile domains.

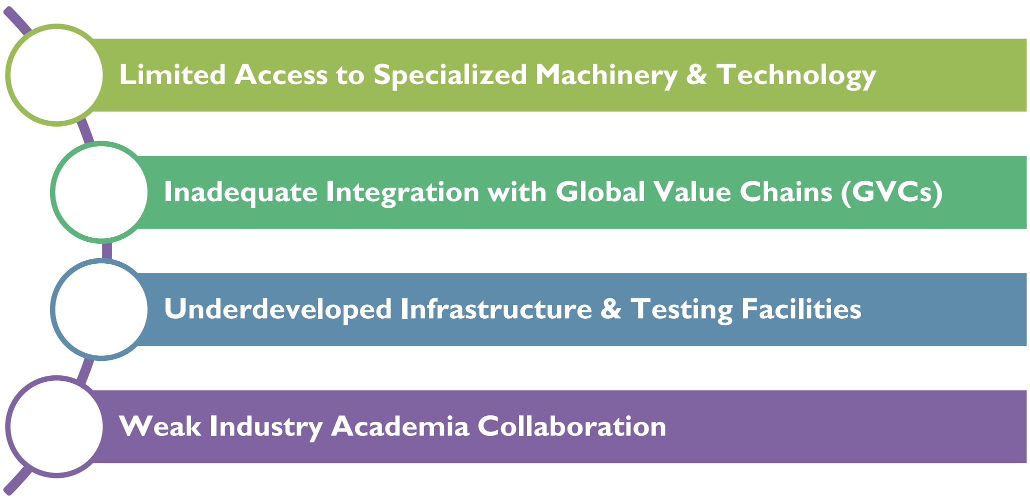
To address this gap, the **National Technical Textiles Mission (NTTM)** has partnered with institutions such as **NITRA, SASMIRA, and IITs** to develop domain-specific curricula and promote industry-oriented skill development (Source: PIB). However, **implementation has been slow**, and many training institutions remain **unaware or under-equipped** to deliver such specialized programs. As a result, the **availability of skilled manpower remains a bottleneck**, limiting the sector's ability to scale and meet growing domestic and export demands for high-value technical textile products.

- **Insufficient R&D & Innovation Infrastructure:** India's technical textiles sector still faces a significant hurdle in R&D and innovation infrastructure particularly in high-value verticals like Mobiltech, Meditech, and Geotech due to limited private-sector investment and underdeveloped research ecosystems. To address this, the Ministry of Textiles approved 20 mission-mode R&D projects worth ₹61,090 lakhs in June 2023, covering key areas such as Geotech, Protech, Indutech, Sportech, Build tech, and specialty fibres like carbon fibre and UHMWPE, under the 6th Mission Steering Group (MSG) meeting of NTTM. This was followed by the approval of **18 additional projects worth ₹46,740 lakhs** in September 2023, spanning domains such as Smart & E-Textiles, Meditech, Sustainable Textiles, and Geotextiles, under the 7th MSG meeting. Despite these significant government funding efforts, the industry–academia interface remains weak, and overall funding levels are still insufficient to consistently develop cutting-edge yarn technologies highlighting the need for deeper private-sector engagement and enhanced collaboration to drive the next wave of technical textile innovation.

- **Standardization & Export Competitiveness Weaknesses:** One of the key hurdles for India's technical textile sector is the **lack of comprehensive product standardization**, which directly impacts its **export competitiveness**. Many technical textile categories—particularly newer and high-performance applications such as **smart textiles, bio-composites, and specialty geotextiles**—still **lack clearly defined BIS specifications or globally harmonized standards**. This creates confusion for both manufacturers and buyers and makes it difficult for Indian products to meet the strict **technical, safety, and compliance requirements** of international markets.

  Additionally, **fragmented certification infrastructure**, limited accredited testing labs, and **slow adaptation to global quality benchmarks** further weaken India's position in global value chains. Countries like **Germany, China, and South Korea** have established strong regulatory and branding frameworks that support consistent quality and high-value exports. In contrast, many Indian exporters face barriers related to **product certification, labelling, technical documentation**, and **non-tariff barriers** in developed markets. Unless India strengthens its standardization, regime and builds robust export facilitation mechanisms, the industry will struggle to scale in global markets dominated by quality-sensitive buyers.

Key Challenges:



- **Limited Access to Specialized Machinery & Technology:** India's technical textile yarn industry faces a major bottleneck in the form of limited access to advanced and specialized machinery necessary for producing high-performance yarns, such as conductive, flame-retardant, antimicrobial, and bio-based variants. A large portion of domestic manufacturers continue to rely on conventional spinning and processing equipment, which are not suitable for the complex requirements of technical textile applications. This technological gap restricts domestic innovation, compromises product quality, and inhibits the ability to meet international performance standards. The lack of modern infrastructure, coupled with high capital investment requirements and limited local manufacturing of such machinery, has led to low technology penetration in this segment. This constraint not only hampers productivity and scalability but also reduces the industry's ability to transition toward value-added and export-ready technical yarns affecting India's long-term competitiveness in global markets.

- **Inadequate Integration with Global Value Chains (GVCs):** India's technical textile sector faces significant limitations in its **integration with global value chains**, which restricts its ability to scale exports, attract FDI, and access advanced technologies. While the country has a growing domestic market and policy support through initiatives like the **National Technical Textiles Mission (NTTM)** and **PLI schemes**, its global footprint remains modest. Indian firms often **lack visibility in international sourcing networks**, and many MSMEs struggle to meet the stringent **quality, compliance, and traceability requirements** expected by global buyers.

  Moreover, the absence of **large anchor firms**, limited participation in **international trade fairs**, and underdeveloped **branding and marketing strategies** further isolate Indian players from global demand hubs. In contrast, competing nations like China, South Korea, and Germany are deeply embedded in global technical textile ecosystems through **OEM partnerships, contract manufacturing, and collaborative innovation platforms**. Without stronger linkages to these value chains, Indian manufacturers remain confined to low-value or import-substitution markets, missing out on the full economic and technological potential of global integration.

- **Underdeveloped Infrastructure & Testing Facilities:** India's technical textile sector is constrained by inadequate physical and institutional infrastructure, which hampers product innovation, validation, and commercialization. While Centres of Excellence (CoEs) have been established under the National Technical Textiles Mission (NTTM), the availability of NABL-accredited laboratories for specialized testing such as for fire resistance, tensile strength, antimicrobial efficacy, and UV protection remains limited and unevenly distributed across regions. Furthermore, the lack of fully equipped technical textile parks with plug-and-play manufacturing setups, effluent treatment systems, and incubation facilities restricts the growth of SMEs and start-ups in the sector. In addition, poor multimodal logistics connectivity and high freight costs delay delivery timelines, especially for time-sensitive export orders. These infrastructural shortcomings collectively impede faster product development cycles, lower investor confidence, and limit India's ability to compete with countries that offer integrated, well-supported manufacturing ecosystems for technical textiles.

- **Weak Industry Academia Collaboration:** The growth of India's technical textiles sector is significantly constrained by the **lack of strong, structured collaboration between industry and academia**. While numerous institutions such as **IITs, NITRA, SASMIRA, and CoEs under the National Technical Textiles Mission (NTTM)** are involved in research and training, their engagement with industry players remains **fragmented and project-specific rather than continuous and strategic**. As a result, innovations developed in academic labs often fail to translate into scalable commercial products, especially in fast-evolving segments like **Smart Textiles, Protech, and Indutech**.

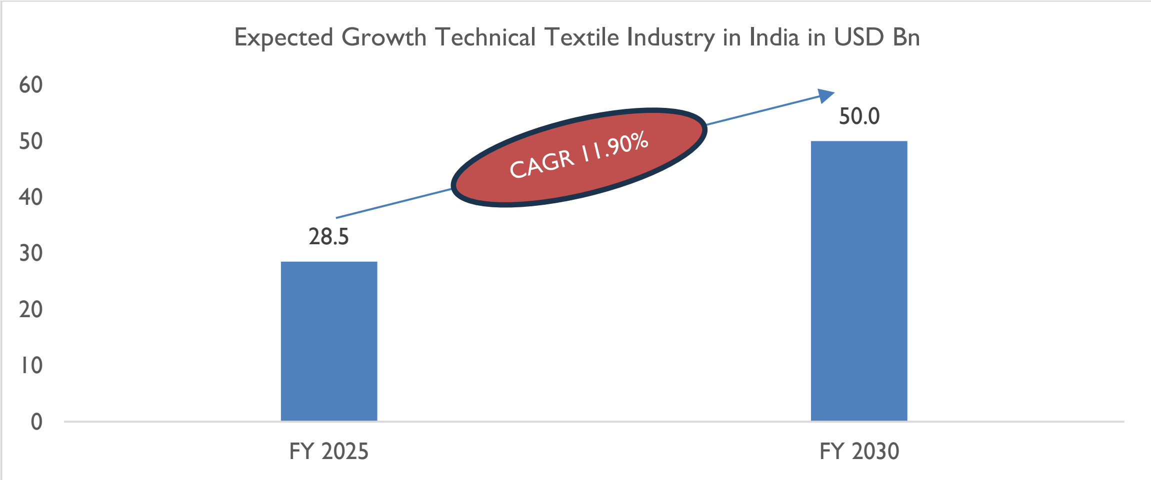
  This disconnect also limits the development of **industry-relevant curricula, joint R&D projects, incubation programs**, and **talent pipelines** that can meet the sector's technical needs. Most MSMEs lack the technical bandwidth to engage meaningfully with academic institutions, while universities often operate with limited exposure to real-world manufacturing constraints and market requirements. Without a robust, policy-driven framework to **incentivize collaborative innovation**, India risks falling behind in global technical textile advancements, missing opportunities for import substitution, IP creation, and export leadership.

Growth Forecast

Expected growth in the technical textile market in India

India's technical textile industry is expected to witness sustained growth in the coming years, not just due to industrial applications but also because of broader structural and policy-level shifts. One of the key drivers will be the **integration of technical textiles into public infrastructure mandates**, such as mandatory use of geotextiles in road construction, landfills, and water conservation projects. Several state governments are incorporating technical textile components into urban development and irrigation schemes, which is expected to generate stable, institutional demand. Additionally, the use of **technical textiles in large-scale government programs** like Jal Jeevan Mission, PM Gati Shakti, and Smart Cities will open new markets and ensure consistent utilization.

Another factor contributing to future growth is the **expansion of indigenous defence manufacturing** and the increased requirement for **high-performance textiles** such as ballistic fabrics, flame-retardant gear, and camouflage textiles. As India pushes for self-reliance under initiatives like "Make in India" and "Aatmanirbhar Bharat," demand for specialized textiles in defence, aerospace, and space applications is set to increase. Moreover, the development of **smart textiles and wearable technologies**—in fields like health monitoring, sports, and industrial safety—is emerging as a high-growth segment, supported by innovations in electronics-textile integration, which is expected to gain commercial traction by the end of the decade.



Source: Federation of Indian Chambers of Commerce & Industry (FICCI), D&B Desk Research

India's technical textile industry is expected to grow from **USD 28.5 billion in FY 2025 to USD 50 billion by FY 2030**, registering a strong **CAGR of 11.9%**. This growth reflects a transition from limited adoption to widespread industrial use, driven by rising demand for high-value segments like smart textiles, bio-based materials, and defence-grade fabrics. Regulatory measures such as **Quality Control Orders (QCOs)**, increasing investment in domestic manufacturing, and state-level policy support are further strengthening the ecosystem. Additionally, India's cost advantage and improving compliance with global standards position it as a preferred sourcing destination in the post-COVID global supply chain realignment. As a result, export-oriented categories like **Indutech, Meditech, and Packtech** are expected to play a larger role in driving the sector's expansion.

Competitive Landscape

The technical textile yarn market in India is witnessing steady growth, characterized by a mix of large integrated manufacturers, mid-sized specialized firms, and a broad base of SMEs. Key players such as Reliance chemotex, Garvare Technical fibre, Cedaar Textile Limited , and RSWM Limited have established a strong presence in the production of high-tenacity polyester, nylon, polypropylene, and other performance-oriented yarns. These companies are increasingly focusing on niche applications including geotextiles, automotive fabrics, medical textiles, and filtration media. While large firms often operate across the entire value chain—from polymers to finished fabrics—many smaller players operate in focused verticals, supplying yarns tailored to specific technical applications.

Competition in this segment is largely based on the ability to produce yarns with functional attributes such as flame resistance, UV stability, chemical resistance, and tensile strength. As demand rises for advanced products like conductive yarns, aramids, and carbon-based fibers, Indian manufacturers are exploring both domestic R&D and technology collaborations to stay competitive. However, some high-performance yarns—such as aramids and UHMWPE—continue to be imported due to the absence of local manufacturing capacity. Companies that can develop indigenous substitutes or enhance yarn properties through blending and finishing are likely to secure a competitive advantage in specialized markets.

Innovation and R&D remain essential but underdeveloped areas for many Indian firms in this segment. Although large players maintain in-house research capabilities, industry-wide innovation is still catching up with global standards. The National Technical Textiles Mission (NTTM) has encouraged yarn-focused research, particularly in verticals like Meditech, Protech, and Indutech, through government funding and collaboration with research institutions such as SASMIRA, NITRA, and various IITs. Yet, challenges persist in scaling these innovations commercially due to limited private-sector investment, lack of pilot-scale testing facilities, and insufficient industry-academia collaboration in some regions.

In terms of global competitiveness, India exports technical yarns to regions such as the Middle East, Southeast Asia, and parts of Europe, but faces challenges related to product quality consistency, cost of high-grade inputs, and regulatory compliance. Environmental regulations and the global push for sustainable materials are also reshaping market expectations. To remain competitive, Indian manufacturers must enhance production efficiency, adopt global quality standards (such as REACH and ISO certifications), and invest in eco-friendly yarn technologies. With the right mix of innovation, policy support, and investment, India's technical textile yarn segment has strong potential to grow both domestically and in global markets.

Analysis of Nature of Competition in Indian Cotton Yarn Manufacturing Industry

a) **Product Differentiation and Performance Standards**: A critical determinant of competitiveness is the ability to offer **high-performance, application-specific yarns**. Factors such as tensile strength, UV resistance, flame retardancy, antimicrobial properties, and chemical resistance are essential in end-use categories like Protech, Meditech, and Indutech. Manufacturers that can tailor yarns to meet stringent performance criteria and international standards (like ISO, BIS, and ASTM) gain a competitive edge, especially in exports and government procurement.

b) **Technological Capabilities and R&D Investment**: The market is increasingly driven by innovation in **fibre engineering, functional finishes, and hybrid yarns**. Players with strong R&D capabilities, in-house testing infrastructure, and collaborations with academic or research institutions are better equipped to adapt to evolving customer requirements. Advanced production technologies—such as melt spinning for high-tenacity yarns or conductive yarn integration for smart textiles—also act as major differentiators.

c) **Raw Material Access and Cost Efficiency**: Many specialized fibers like **aramids, carbon fibre, and PTFE** are still imported, creating a dependency on global suppliers and vulnerability to price and supply chain fluctuations. Players with better backward integration or reliable sourcing networks for high-quality synthetic polymers (e.g., PET, PP, Nylon) can manage input costs more effectively and maintain margin competitiveness.

d) **Compliance, Certifications, and Sustainability**: Adherence to quality, safety, and environmental norms is becoming a key differentiator, especially for firms targeting export markets. Compliance with international certifications such as **REACH, OEKO-TEX®, GRS (Global Recycled Standard)** and industry-specific standards is crucial. As sustainability gains prominence, companies offering **bio-based, recycled, or low-impact yarns** are likely to gain traction with both domestic buyers and global brands.

e) **Capacity, Scale, and Supply Chain Reach**: Production scale and logistical capabilities significantly impact competitiveness. Larger players benefit from economies of scale and more efficient supply chains, enabling them to serve high-volume orders at competitive prices. In contrast, smaller firms often operate in niche markets or face challenges in scaling up due to limited capital, outdated machinery, or fragmented distribution networks.

f) **Government Policies and Incentives**: The Indian government's initiatives—such as the **National Technical Textiles Mission (NTTM)**, **PLI Scheme**, and **Quality Control Orders (QCOs)**—play a crucial role in shaping the competitive environment. Firms that align early with policy requirements, leverage incentives, or participate in public procurement schemes gain strategic advantages in a still-evolving regulatory landscape.

Analysis of entry barriers / other factors

1. High Capital and Technology Intensity

Establishing a production facility for technical textile yarns—especially high-performance variants like aramid, UHMWPE, or conductive yarns—requires significant investment in specialized **machinery, precision spinning systems, testing equipment**, and infrastructure. Additionally, many production technologies (such as melt spinning, microfilament production, or hybrid yarn processing) involve **intellectual property rights or licensing costs**, making it difficult for newcomers without access to advanced technology.

2. Raw Material Dependency

India lacks domestic production of several **critical high-performance fibers**, such as carbon fibre, meta-aramids, and PTFE. New entrants may struggle to secure stable, cost-effective sources of these raw materials from global suppliers, especially without long-standing relationships or bulk procurement capacity. This dependence on imports also exposes firms to currency risks and supply chain disruptions.

3. Technical Know-how and Skill Gaps

Unlike conventional textile yarns, technical yarns require **domain-specific expertise in polymer chemistry, process engineering, and performance testing**. There is a limited pool of skilled technicians and R&D professionals trained in advanced material science or functional finishing in India. For new entrants, building a competent workforce or developing internal R&D capabilities is a major challenge.

4. Stringent Quality and Certification Requirements

To serve regulated sectors like healthcare, defence, and infrastructure, technical yarn producers must comply with **rigorous national and international standards** (BIS, ASTM, ISO, OEKO-TEX, etc.). Achieving and maintaining these certifications requires time, testing infrastructure, and recurring costs—raising the entry threshold for new players. Additionally, buyers often prefer vendors with a proven compliance track record.

5. Long Customer Validation Cycles

Technical textile buyers, especially in B2B and institutional markets (e.g., automotive, geotextiles, or PPE), require **extended product testing, trials, and validation** before switching to new suppliers. This makes it difficult for new entrants to break into established supply chains or secure high-value contracts without prior experience or references.

6. Limited Market Awareness and Distribution Networks

Penetrating niche segments like Mobiltech, Meditech, or Indutech requires deep market understanding and **access to specialized buyer networks**, which new entrants often lack. Additionally, the fragmented structure of India's technical textile ecosystem makes it harder to establish distribution, especially for complex products that need technical support.

Peer Profiling:

Name of the Peer	Overview
RSWM Limited	Established in 1962, RSWM limited is part of the LNJ Bhilwara Group. The company manufactures and exports synthetic, cotton and blended spun yarns in India. With respect to the export business, it exports numerous types of fabric and yarns to over 70 countries across the world. Its domestic manufacturing capabilities include its 12 manufacturing plants across the country which it has partially acquired and partially established over the years. Its major business units are classified as Yarns, Denims and Knits. It has received various awards and recognitions linking to its export activities, quality of its produce etc. It is headed by Mr Riju Jhunjhunwala.
Reliance Chemotex	This firm was incorporated in 1977 and in the following few years it constructed and commissioned its first produce of polyester yarn. It was founded by Mr Shanker Lal Shroff and is headed by the future generation of the family Sanjiv Shroff as of 2024. Its three major business divisions are Apparel Yarns, Home Furnishing Yarns and Industrial Yarns. It has a manufacturing facility in Udaipur, Rajasthan.
Garware Technical Fibres Limited	The company was established in 1976 and majorly manufactures industrial

	technical textile products. It also exports its products to over 70 countries and has presence in 6 overseas locations. Its products are majorly catered to industries such as agriculture, fisheries, safety, sports, industrial technical textile, shipping, Defence & Govt sector. The company has two manufacturing facilities in Maharashtra. It is currently headed by Vayu Garware.
Cedaar Textile Limited	The company was incorporated in the year 2020 and was transformed into a public listed company by 2024.Its product range includes variety of yarns such as Melange Yarns, Solid dyed yarns etc in fibres such as Cotton, polyester, Acrylic, Viscose and others. The manufacturing focus is sustainability oriented and offer completely organic, recycled fibres. The company exports its products to South Asian, African and Latin America Countries. Its manufacturing facility is in Punjab and caters to home furnishing, woven goods and hosiery segments of textiles industry. It is currently headed by Rajesh Mittal.

Ashutosh Fibre Limited

Company Overview

Ashutosh Fibre Limited is engaged in the manufacturing of technical textile yarns. It was established in the year 1985 and has been manufacturing synthetic yarns operating from its facility in Petlad, Gujarat, and has their registered office in Ahmedabad. The company operates in three categories of technical textiles (i) Indutech, (ii) Protech, and (iii) Hometech and (iv) Mobiltech.

In the Indutech segment, company products cater to industrial applications such as filtration, geotextiles, and process industry textiles. One of the key products manufactured by the Company in this segment is polypropylene spun yarn, manufactured from polypropylene fibres that are lightweight, chemically resistant, have low moisture absorption, and provide good abrasion resistance. These properties make it suitable for use in filter cartridges, filter cloths, ropes, webbings, and other industrial applications where chemical stability and dimensional integrity are required. These materials cater to industries such as metallurgy, chemicals, cement, and mining.

In the Protech segment, the Company manufacture yarns and fabrics with inherent properties such as strength, flame retardancy, and heat resistance, used in personal protective equipment, safety apparel, and industrial thermal barriers. These applications are critical for defence, fire services, metallurgy, and hazardous industries, and are aligned with the increasing focus on defence indigenization in India.

In the Hometech segment, the Company's products are used in home furnishing textiles, carpets, and home filtration media, mattress covers, upholstery, sofa linings, carpets, curtains offering properties such as flame retardancy, stain resistance, and thermal insulation.

In Mobiltech segment, the company manufactures friction resistant yarns that are primarily used in the production of automotive friction materials such as brake pads, clutch facings, and transmission components. These yarns provide thermal stability, durability, and resistance to abrasion, making them suitable for use in applications that require consistent performance under high mechanical stress and elevated temperatures.The Company operates on a business to business (B2B) business model. Its product range includes specialised yarns such as para-aramid yarn (high strength and heat resistance), meta-aramid yarn (flame retardancy), modacrylic-blended yarns (thermal stability and flame resistance), peroxidised PAN yarn (heat insulation), antistatic polypropylene yarn (to reduce static build-up in sensitive environments), FR Viscose blends (protective fabrics) and DREF-spun yarns with glass filament cores or aramid sheaths (industrial and protective uses). These products are manufactured either as part of our own product range or on a job work basis, depending on client requirements.

Ashutosh Fibre Limited facility is equipped with advanced spinning technologies—Ring Spun, Dref Friction Spun, and Open-End Spinning that allow us to manufacture yarns with precise specifications such as tensile strength, thickness, and filtration efficiency.

Manufacturing Capacity

- **Ring Frame Spinning:** Yarn counts from 2 Ne to 80 Ne with up to 4 different fibre components per yarn.
- **DREF II Friction Spinning:** Yarn counts from 0.3 Ne to 3.8 Ne using Glass, Filament, or Metal Core

- **Twisting Infrastructure:** Veejay Lakshmi Two-for-One Twisters with Mesdan Splicers; twisted packages up to 4 kg.
- **Processing Lines:** 5 independent fibre processing lines to avoid cross-contamination and ensure purity
- **Clearing & Quality Systems:** Yarn clearing via Loepfe Zenit and Uster Polymatic systems

Current Installed production capacity of the Manufacturing Utility:

Sr. No.	Manufacturing Unit location	Area covered by the facility (in square meters)	Products	No. of Days of Operations in a year	Installed Production Capacity per annum (in MT)
1	Building No 27, 28, and 29, City Survey No.156, Station Road, Village Petlad, Ahmedabad 388450, Gujarat	20,570.89	Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (up to 50 NE)	310	3,750
2			100% Polypropylene Yarn (Up To 2 NE)	310	1,025

Sr. No.	Manufacturing Unit location	Area covered by the facility (in square meters)	Products	No. of Days of Operations in a year	Installed Production Capacity per annum (in MT)
1	Building No 27, 28, and 29, City Survey No.156, Station Road, Village Petlad, Ahmedabad 388450, Gujarat	3,886.20	Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (From 22 To 50 NE)	310	1250

Certifications:

- **ISO 9001:2015** – Quality Management System (Issued by Alcumus ISOQAR)
- **GRS (Global Recycle Standard)** – Certification for use of recycled materials and sustainable practices
- **5S Certification** – Implementation of workplace management system at the Anand manufacturing facility

Product & Service Offerings

Company offers a portfolio of high-performance technical yarns, designed to serve demanding industrial applications:

- **Liquid Filtration Yarns** - Polypropylene spun and DREF yarns tailored for filter bags and cartridges in pharmaceutical, chemical, and process industries. Some variants are antibacterial and FDA-grade.

- **Gas Filtration Yarns -** Yarns resistant to acids, alkalis, and industrial gases made from PPS, acrylic, meta-aramid, and other fibres.

- **Heat & Flame-Retardant Yarns -** Made from para-aramid or meta-aramid fibres, these yarns deliver superior fire protection for protective clothing and fabrics.

- **Abrasion-Resistance Yarns -** Built for enduring friction and wear, ideal for heavy-duty applications.

- **Cut-Resistance Yarns -** High-performance fibres including core-spun variants using stainless steel, nylon, PE, or glass for enhanced tear resistance.

- **Antistatic Yarns / Conductive Yarns -** Incorporating stainless steel or carbon fibres, suitable for static-dissipating textiles in sensitive environments.

- **Antibacterial Yarns** - Made using Smartcel Sensitive technology, these yarns retain antibacterial properties for up to 100 washes ideal for hygiene-critical textiles.

- **Recycled Yarns** - Made from GRS-certified recycled fibers, manufactured using state-of-the-art recycling processes to support sustainable textile solutions.

- **High Tenacity polyester yarn –** The manufacturing process of HT polyester yarn are made by melt-spinning polymer chips into filaments, which are then drawn at high temperatures. Used for applications where high tensile strength is needed along with high heat resistance

- **Dyed Meta Aramid Yarn –** Yarn is made from wet spinning process and is an high performance one which is coloured during the fibre making process which gives an natural colour.

Key Customer Segments Served:

- **Filtration Manufacturers:** Ashutosh Fibre supplies liquid filtration yarns FDA-grade polypropylene spun and DREF yarns widely used by manufacturers producing filter bags for the pharmaceutical, chemical, and industrial sectors. They also offer gas filtration yarns, designed for resistance to strong acids, alkalis, and industrial gas conditions (e.g., PPS, acrylic, meta-aramid fibers), targeting fabricators of industrial gas filters.

- **Static-Control & Safety Textile Manufacturers**: The company offers antistatic yarns built with stainless steel fibre blends to address issues of static buildup, serving customers in industries where electrostatic discharge can be hazardous (such as petrochemical, electronics, flammable environments).

- **Hygiene & Healthcare Textile Producers:** Their antibacterial yarns incorporate hygienic and regenerative elements, offering prolonged antibacterial properties and skin-safe performance ideal for manufacturers of healthcare textiles, hygiene-sensitive fabric applications, and related technical textiles.

Key Strengths

- **Unmatched Diversity in Technical Yarns:** Ashutosh Fibre proudly declares itself as India's most diverse technical yarn manufacturer, offering an expansive product range that includes aramids, modacrylic, FR viscose, stainless steel, wool, polypropylene, PLA, high-tenacity polyester and more positioning it as an industry leader in yarn variety and innovation.

- **Proven Experience & Market Leadership:** With over 40 years of textile experience, including more than 15 years in technical textiles, the company has evolved into India's largest manufacturer of polypropylene spun yarns and a pioneer in filtering and technical textile solutions.

- **Modern Manufacturing & Technical Capability:** Operating out of Petlad, Gujarat, their facilities utilize advanced spinning technologies (including DREF II friction spinning lines) and state-of-the-art machinery to process challenging fibers into high-performance yarns. This enables precision-engineered products and reliable quality.

- **Commitment to Sustainability & Certified Recycling:** Ashutosh Fibre embraces environmental responsibility through its state-of-the-art recycling technology. They offer GRS-certified recycled yarns, reflecting their dedication to ecological stewardship and sustainable manufacturing practices

- **Strategic Use of Cutting-Edge Fibers from Renowned Suppliers:** The company emphasizes that it sources high-quality technical fibers from reliable global suppliers, ensuring consistency in performance combined with state-of-the-art spinning equipment (DREF systems and ring spinning), this enables the production of multiperformance yarns that deliver reliability and precision.

Sales Performance

The company exports to overseas countries such as China, Germany, Brazil, Italy Russia. It also caters to various industries across India located in various states. The below mentioned data represents the countries and the states to which they supply their products along with their revenue:

	FY 2026	FY 2025	FY 2024
Total Revenue (in Lakhs)	11,518.00	11,310.98	10,887.73
Domestic	59.15%	61.14%	55.50%
Export	38.99%	38.05%	43.59%

	FY 2026	FY 2025	FY 2024
Domestic Revenue	**6,942.14**	**6971.83**	6,098.22
Gujarat	3,419.88	3,383.55	3,411.12
Punjab	725.69	1,053.05	47.91
Maharashtra	728.40	789.54	790.91
West Bengal	508.66	491.22	640.56
Uttar Pradesh	908.45	341.83	512.56
Tamil Nadu	48.80	195.02	23.19
Telangana	96.91	134.90	192.31
Delhi	51.72	131.56	226.75
Haryana	190.52	106.08	2.94
Dadra and Nagar Haveli	25.46	103.66	0.00
Rajasthan	117.08	92.11	94.07
Madhya Pradesh	93.36	80.03	70.64
Andhra Pradesh	3.85	38.72	74.07
Karnataka	20.10	27.75	7.52
Uttarakhand	3.26	2.79	3.69
Export Revenue	**4,575.85**	**4,339.15**	**4,789.49**
Russia	0.00	299.97	377.87
Italy	124.22	117.94	69.07
Brazil	273.77	322.44	224.96
China	2,558.93	2,252.65	2,804.77
Germany	755.37	774.63	938.71
Hungary	730.43	571.52	322.13
Mexico	17.32	-	12.09
Poland	30.92	-	39.89

	FY 2026	FY 2025	FY 2024
South Africa	84.89	-	-
Taiwan	-	-	-

Operational KPIs:

Product	FY 2025-26			FY 2024-25			FY 2023-24		
	Installed Capacity (In MT)	**Actual Production (in MT)**	**Capacity Utilization (%)**	**Installed Capacity (In MT)**	**Actual Production (in MT)**	**Capacity Utilization (%)**	**Installed Capacity (In MT)**	**Actual Production (in MT)**	**Capacity Utilizatio n (%)**
Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (up to 50 NE)	3,750	3,619	96.51%	3,750	3,247	86.58%	3500	2809	80.24%
100% Polypropylene Yarn (Up to 2 NE)	1,025	656	63.95%	1,025	653	63.75%	1025	680	66.38%
Total	**4,775**	**4,275**	**89.52%**	**4,775**	**3,900**	**81.68%**	**4,525**	**3,489**	**77.10%**

Peer Financial KPIs

Particular	Unit	Ashutosh Fibre Limited			RSWM Limited		
		As at end for Fiscal			As at end for Fiscal		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total Income	₹ in lakhs	11,743.17	11,497.41	10,988.92	460,521.00	4,85,463.75	4,09,272.06
Revenue from Operations	₹ in lakhs	11,737.14	11,403.40	10,987.18	455,398.00	4,82,528.78	4,05,719.71
EBITDA	₹ in lakhs	3,107.15	1,783.58	1,614.38	26,532.00	20,344.63	23,388.67
EBITDA Margin	in %	26.47%	15.64%	14.69%	5.83%	4.22%	5.76%
Profit After Tax (PAT)	₹ in lakhs	1,604.23	850.92	704.94	5,198.00	-4,127.87	3,491.96
PAT Margin (%)	in %	13.67%	7.46%	6.42%	1.14%	-0.86%	0.86%
Debt - equity Ratio	In Times	0.92	1.60	1.27	1.10	1.24	1.36
Net worth	₹ in lakhs	5,189.54	3,585.31	2,755.39	137,165.00	1,30,783.21	1,30,928.71
Return on Equity (ROE)	in %	30.91%	23.73%	25.58%	3.79%	-3.16%	2.67%
Return on Capital Employed (ROCE)	in %	26.29%	16.27%	21.0%	5.78%	2.58%	3.88%
PE	In Times	-	-	-	19.35	-18.15	21.46
EPS (Per Share)	Per Share	10.19	5.40	4.48	11.04	-8.76	7.41
Interest Coverage Ratio	In Times	5.59	3.49	3.94	0.94	0.34	0.91

Particular	Unit	Reliance Chemotex			Garware Technical Textiles Limited			Cedaar Textile Limited		
		As at end for Fiscal			As at end for Fiscal			As at end for Fiscal		
		FY 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total Income	₹ in lakhs	36,583.52	36,876.71	37,145.45	146,422.25	1,52,545.90	1,32,262.33	16,466.15	20,933.55	19,077.58
Revenue from Operations	₹ in lakhs	36,200.58	35,859.78	36,718.80	141,898.37	1,48,868.01	1,27,992.34	16,280.04	20,786.87	18,928.62
EBITDA	₹ in lakhs	4,070.83	3,226.52	3,105.25	27,690.18	29,589.44	25,748.87	-8,288.47	3,025.32	2,901.77
EBITDA Margin	in %	11.25%	9.00%	8.46%	19.51%	19.88%	20.12%	-50.91%	14.55%	15.33%
Profit After Tax (PAT)	₹ in lakhs	526.15	404.52	320.99	21,126.53	21,407.49	19,894.11	-7,138.47	1,203.88	1,209.62
PAT Margin (%)	in %	1.45%	1.13%	0.87%	14.89%	14.38%	15.54%	-43.85%	5.79%	6.39%
Debt - equity Ratio	In Times	1.87	1.90	2.09	0.01	0.05	0.10	2.22	1.76	5.79
Net worth	₹ in lakhs	14,274.85	13,728.31	13,364.93	132,725.29	1,22,021.38	1,23,156.03	4,843.11	6,567.44	2,523.52
Return on Equity (ROE)	in %	3.69%	2.95%	2.40%	15.92%	17.54%	16.15%	-147.39%	18.33%	47.93%
Return on Capital Employed (ROCE)	in %	7.26%	6.97%	6.11%	21.59%	23.76%	20.33%	-55.12%	15.25%	15.66%
PE	In Times	18.37	29.85	37.56	35.39	37.63	40.69	-0.31	7.36	6.45
EPS (Per Share)	Per Share	6.97	5.36	4.26	21.28	21.56	19.94	- 56.16	14.13	16.13
Interest Coverage Ratio	In Times	1.04	0.73	1.07	22.75	14.19	13.84	-9.09	2.31	2.21

Formulas

Parameter	Formula
Total Income	Total Income includes Revenue from Operations and Other Income
Revenue From Operations	Revenue from operations means the revenue from operations as appearing in the restated statement of profit & loss for the relevant year/period.
EBITDA	PBT + Finance Cost + Depreciation
EBITDA Margin	EBITDA / Revenue from Operations
PAT	Profit After Tax
PAT (Net Comprehensive Income) Margin	PAT / Revenue from Operations
Net worth	Shareholder Equity
Debt Equity Ratios	(Short-term Borrowing + Long-term Borrowing) / Shareholder Equity
Return on Equity	PAT / Avg. Net Worth
Return On Asset	PAT / Avg. Total Asset
Interest Coverage Ratio	(EBITDA - Depreciation) / Finance Cost
Rate on Capital Employed (ROCE)	EBIT + Other Income / Avg. Capital Employed

OUR BUSINESS

*The following information is qualified in its entirety by and should be read together with, the more detailed financial and other information included in the Red Herring Prospectus, including the information contained in the chapter titled "**Risk Factors**" beginning on page 20. In this chapter, unless the context requires otherwise, any reference to the terms "We", "Us", "Company" and "Our" refers to our Company. Unless stated otherwise, the financial data in this section is as per our Restated Financial Statements prepared in accordance with Accounting Standard set forth in the Red Herring Prospectus.*

OVERVIEW

Our Company was originally incorporated on May 21, 1985 under the name "Ashutosh Fibre Private Limited" under the provisions of the Companies Act, 1956 and the Certificate of Incorporation was issued by Registrar of Companies, Ahmedabad, bearing Registration Number 007831 of 1985. Pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on July 29, 2024, our Company was converted from a private limited company to public limited company and consequently, the name of our Company was changed to "Ashutosh Fibre Limited" and a fresh certificate of incorporation dated April 21, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre, Manesar, Haryana. The present CIN of our Company is U24299GJ1985PLC007831. For details of change in registered office of our Company, please refer to chapter titled "***History and Certain Corporate Matters***" beginning on page 209.

In 1995, the ownership of the Company was transferred to the family of our current promoter through a transfer of shares. At the time, the Company was engaged in both manufacturing and trading activities. Trading continued to contribute significantly to the business until FY 2006–07; however, over time, manufacturing emerged as the primary area of focus. In 2010, Abhishek Rajendrakumar Agarwal, who possesses relevant industry experience, joined the Company through a transfer of shares and contributed to the further development and expansion of the Company's manufacturing capabilities. Currently, the business is managed by our promoters, Siddharth Prakash Patel and Abhishek Rajendrakumar Agarwal. Under their leadership, the Company has scaled its operations and established a manufacturing facility in Petlad, Gujarat, specializing in the production of various technical and synthetic yarns. For further details of our individual and corporate promoters, please refer chapter titled "***Our Promoters and Promoter Group***" at page 231.

Technical textiles products are specifically designed to deliver functional and performance-based characteristics. These are engineered to meet defined technical requirements such as high tensile strength, thermal resistance, flame retardancy, chemical stability, durability, lightweight characteristics, moisture management and more depending on their end-use application. They are widely used across various industrial, protective and specialized sectors where functional performance is the primary consideration.

We operate in four categories of technical textiles (i) Indutech, (ii) Protech, (iii) Hometech and (iv) Mobiltech. In the Indutech segment, our products cater to industrial applications such as filtration, geotextiles and process industry textiles. One of our key products in this segment is polypropylene spun yarn, manufactured from polypropylene fibres that are lightweight, chemically resistant, have low moisture absorption and provide good abrasion resistance. These properties make it suitable for use in filter cartridges, filter cloths, ropes, webbings and other industrial applications where chemical stability and dimensional integrity are required. In the Protech segment, we manufacture yarns and fabrics with inherent properties such as strength, flame retardancy and heat resistance, used in personal protective equipment, safety apparel and industrial thermal barriers. In the Hometech segment, our yarns are used in home furnishing textiles, carpets and home filtration media. In Mobiltech segment, we manufacture friction resistant yarns that are primarily used in the production of automotive friction materials such as brake pads, clutch facings and transmission components.

Our Company operates on a business to business (B2B) business model. We supply our yarns and fabrics directly to industrial manufacturers, processors and institutional buyers. We have engaged with 109, 130 and 128 customers in the Fiscal Years 2026, 2025 and 2024, respectively. Further, we have engaged with 49, 58 and 55 suppliers in the Fiscal 2026, 2025 and 2024 respectively. Our products are used as raw material inputs across industries such as filtration and pollution control (gas and liquid filter media, filter cartridges, filter cloths), construction and infrastructure (geotextiles, ropes, webbings), automotive (friction materials, thermal insulation, seat fabrics), packaging (antistatic FIBC), safety and protective equipment (flame-retardant clothing, industrial protective wear, PPE kits) and home furnishing (carpets, upholstery, curtains and home filtration media). We customize products based on client requirements and supply in accordance with technical specifications. Our business model emphasizes recurring supply to industrial clients rather than direct sales to retail consumers.

Our product range includes specialised yarns such as para-aramid yarn (high strength and heat resistance), meta-aramid yarn (flame retardancy), modacrylic-blended yarns (thermal stability and flame resistance), peroxidised PAN yarn (heat insulation), antistatic polypropylene yarn (to reduce static build-up in sensitive environments), FR Viscose blends (protective fabrics) and DREF-spun yarns with glass filament cores or aramid sheaths (industrial and protective uses). These products are manufactured either as part of our own product range or on a job work basis, depending on client requirements.

Our manufacturing operations consist of five distinct processing lines, dedicated to handling different types of yarns. We have three yarn manufacturing technologies installed at our facility: Ring Spun, DREF (Friction Spun) and Open-End Spinning. Ring spun yarns are produced in counts ranging from 2 Ne to 50 Ne and are available as single yarns or in multiple plies up to six (two-ply, three-ply, four-ply and six-ply), with applications ranging from Friction resistant parts, Heat and Flame retardant Protective wear, Anti-static Flexible Intermediate Bulk Containers ("FIBC") and Hight Tenacity Sewing Threads to Filter Bags.

DREF friction spun yarns are produced in counts ranging from 0.4 Ne to 2.5 Ne and are primarily used in filter cartridges. Open end yarns are produced in counts ranging from 2 Ne to 4 Ne with applications including the manufacture of Gas Filter Bags, Carpet Backing material and Friction Resistant parts. The facility is also equipped with two-for-one twisting technology for producing twisted yarns with enhanced strength and performance and splicing technology to interlock yarns without knots, ensuring smooth and uniform joints.

Our Company is primarily engaged in the manufacture of products, which contributed the largest share of our revenue during the last three financial years. In addition to manufacturing, the Company is also involved in trading of goods (yarn), job work services, wherein raw materials are provided by customers and the Company processes them into finished yarn. Overall, our business model is a combination of manufacturing, trading of goods (yarn) and job work services, with manufacturing forming the principal activity.

The Company has installed a 380 KW rooftop solar power system at its manufacturing unit in Petlad for captive consumption, aimed at reducing electricity costs and supporting sustainable operations. In addition, the Company has leased land for the development of a 4 MW solar power facility, also dedicated to captive consumption. These initiatives reinforce the Company's commitment towards sustainability, reduction of carbon footprint and long-term energy cost optimization. Future plans include enhancing capacity and capabilities in the Indutech and Protech segments, where demand for high-performance and application-specific textile materials is growing across industries such as chemicals, pharmaceuticals, safety equipment manufacturing and industrial filtration.

For quality control, electronic yarn clearing systems continuously inspect yarn during winding, detect faults such as thick or thin places, contamination, or foreign matter and automatically remove defective sections to ensure uniformity and compliance with specifications. We are registered with:

- ISO 9001:2015 for Quality Management System issued by Alcumus ISOQAR Limited.
- ISO 14001: 2015 for Environment Management System issued by Alcumus ISOQAR Limited.
- ISO 45001:2018 for Occupational Health & Safety Management System issued by Alcumus ISOQAR Limited.
- 5S Certification for Workplace Management System issued by 4C Consulting Private Limited.
- Oeko-Tax Standard 100 Certification for Textile Safety from Harmful Substances issued by Shirley Technologies Limited.

FINANCIAL KPIs OF OUR COMPANY

(₹ in Lakhs, unless otherwise stated)

Particular	**Ashutosh Fibre Limited**		
	As at end for Fiscal		
	FY 2026	**FY 2025**	**FY 2024**
Total Income	11,743.17	11,497.40	10,988.92
Revenue from Operations	11,737.14	11,403.40	10,987.18
EBITDA	3,107.15	1,783.58	1,614.38
EBITDA Margin (in %)	26.47%	15.64%	14.69%
Profit After Tax (PAT)	1,604.23	850.92	704.94
PAT Margin (%)	13.67%	7.46%	6.42%
Debt - equity Ratio (in times)	0.92	1.60	1.27
Net worth	5,189.54	3,585.31	2,755.39
Return on Net Worth (RoNW) (in %)	30.91%	23.73%	25.58%
Return on Capital Employed (ROCE) (in %)	26.29%	16.27%	21.00%

OPERATIONAL KPIs OF THE COMPANY

Particulars	**For the year ended**		
	FY26	**FY25**	**FY24**
Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose			

Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (up to 50 NE)			
Installed Capacity* (In MT) (A)	3,750	3,750	3,500
Actual Production (in MT) (B)	3,619	3,247	2,809
% utilization (B)/(A) x100	96.51%	86.58%	80.24%
100% Polypropylene Yarn (Up to 2 NE)			
Installed Capacity (In MT) (C)	1,025	1,025	1,025
Actual Production (in MT) (D)	656	653	680
% utilization (D)/(C)x100	63.95%	63.75%	66.38%

#Annualised

**The installed capacity and utilized capacity have been certified by B.P. Oza & Associates (Chartered Engineer Registration No: M131433-5), Independent Chartered Engineer vide their certificate dated July 28, 2026.*

*** For the manufacture of 100.00% Polypropylene Yarn (up to 2 NE), the Company is required to deploy a distinct set of machinery, which is neither interchangeable nor compatible with the machinery used for the manufacture of synthetic yarns such as Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly-Poly Core Spun Yarn and Stainless-Steel Yarn (up to 50 NE). Based on the prevailing market demand for 100.00% Polypropylene Yarn (up to 2 NE) at the time of installation, the Company had installed dedicated machinery with an installed capacity of 1,025 MT per annum and commenced production accordingly. Initially, the demand for this product was adequate. However, subsequent entry of additional players in this segment and the resulting increase in competition have led to a marginal decline in demand for the product, as disclosed in the RHP. Further, since the machinery deployed for the production of 100.00% Polypropylene Yarn (up to 2 NE) cannot be utilised for the manufacture of other yarn variants, the capacity utilisation for this product line has consequently exhibited a declining trend.*

(₹ in Lakhs unless stated otherwise)

Revenue Split between different Product / Service of the Company						
Particulars	**March 31, 2026**	**% of revenue form Operation**	**March 31, 2025**	**% Of revenue From Operation**	**March 31, 2024**	**% Of revenue From Operation**
Sale of products	10,457.29	89.10%	10,301.89	90.34%	9,925.21	90.34%
Sales of Services (Job work Income)	1,060.70	9.04%	1,009.09	8.85%	962.51	8.76%
Other Operating Revenue*	219.15	1.87%	92.42	0.81%	99.46	0.91%
Revenue from operation	**11,737.14**	**100.00%**	**11,403.40**	**100%**	**10,987.18**	**100%**

* The detailed bifurcation of the constituents of "Other Operating Revenue" is as given below:

(In ₹ lakhs)

Other operating revenue	**2025-26**	**2024-25**	**2023-24**
RoDTEP Scheme Income^	27.86	25.08	11.13
Forex Gain	191.28	66.46	88.32
Special Discount Income	-	0.87	-
Total other operating revenue	**219.15**	**92.42**	**99.46**

^Remission of Duties and Taxes on Exported Products.

(₹ in Lakhs unless stated otherwise)

Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers						
Particulars	**March 31, 2026**	**% Of revenue from Operation**	**March 31, 2025**	**% Of revenue From Operation**	**March 31, 2024**	**% Of revenue From Operation**
Top 1 Customers	2,558.93	21.80%	2,252.65	19.75%	2,804.77	25.53%
Top 3 Customers	4,620.60	39.37%	4,535.56	39.77%	5,257.12	47.85%
Top 5 Customers	6,083.41	51.83%	5,881.71	51.57%	6,362.56	57.91%
Top 10 Customers	8,080.70	68.85%	7,685.55	67.40%	7,922.44	72.11%
Contribution to purchases of top 1 / 3 / 5 / 10 Suppliers						
Particulars	**March 31,**	**% of total**	**March 31,**	**% of total**	**March 31,**	**% of total**

	2026	purchase	2025	Purchase	2024	Purchase
Top 1 Suppliers (%)	1,038.41	15.81%	962.32	13.19%	1,061.88	14.69%
Top 3 Suppliers (%)	2,230.23	33.96%	2,605.79	35.71%	3,099.20	42.88%
Top 5 Suppliers (%)	2,933.13	44.66%	3,813.84	52.26%	4,162.71	57.60%
Top 10 Suppliers (%)	4,251.66	64.73%	5,131.24	70.31%	5,644.87	78.10%

REVENUE BIFURCATION

The revenue bifurcation of our Company for the financial year ended March 31, 2026, 2025 and 2024 as per Restated Financial Statements is as follows:

(₹ in Lakhs unless stated otherwise)

Particulars	For the year ended March 31, 2026	% of revenue from operation	For the year ended March 31, 2025	% of revenue From Operation	For the year ended March 31, 2024	% of revenue From Operation
Sale of Products						
Sale of Manufactured Products	10,457.29	89.10%	9,996.61	87.66%	9,741.98	88.67%
Sale of Trading goods	-	-	305.28	2.68%	183.23	1.67%
Sales of Services						
Job Work Income	1,060.70	9.04%	1,009.09	8.85%	962.51	8.76%
Revenue from Other Activities						
Other Operating Revenue*	219.15	1.87%	92.42	0.81%	99.46	0.91%
Revenue from operation	**11,737.14**	**100%**	**11,403.40**	**100%**	**10,987.18**	**100%**

* The detailed bifurcation of the constituents of "Other Operating Revenue" is as given below:

(In ₹ Lakh unless stated otherwise)

Other operating revenue	2025-26	2024-25	2023-24
RoDTEP Scheme Income^	27.86	25.08	11.13
Forex Gain	191.28	66.46	88.32
Special Discount Income	-	0.87	-
Total other operating revenue	**219.15**	**92.42**	**99.46**

^Remission of Duties and Taxes on Exported Products.

PRODUCT WISE REVENUE

(₹ in Lakhs unless stated otherwise)

Particulars	For the year ended March 31, 2026	% Of revenue From operation	For the year ended March 31, 2025	% of revenue From Operation	For the year ended March 31, 2024	% of revenue From Operation
Sale of Product						
Sale of Para Aramid Based Spun Yarn	3,246.12	27.66%	2,722.31	23.87%	3,526.73	32.10%
Sale of 100% Polypropylene Yarn	2,693.38	22.95%	2,581.87	22.64%	2,337.29	21.27%
Sale of Meta Aramid / Viscose/Para aramid Based Spun Yarn	949.97	8.09%	1,441.28	12.64%	405.72	3.69%
Sale of High Tenacity Polyester Yarn	1,316.34	11.22%	1,267.18	11.11%	1,593.33	14.50%
Sale of Milled Aramid	489.68	4.17%	622.39	5.46%	404.25	3.68%
Sale of 100% Acrylic Spun Yarn	660.43	5.63%	546.86	4.80%	426.24	3.88%
Sale of Modacrylic Based Yarn	742.82	6.33%	493.04	4.32%	604.12	5.50%
Sale of Stainless Steel Yarn	232.88	1.98%	117.17	1.03%	131.69	1.20%
Sale of Meta aramid Based Spun Yarn	31.99	0.27%	61.52	0.54%	24.44	0.22%

Sales of 100% Viscose Spun Yarn	44.14	0.38%	29.30	0.26%	56.73	0.52%
Sale of Acrylic Based Spun Yarn	-	-	28.18	0.25%	-	-
Other Technical Yarn	40.51	0.35%	77.00	0.68%	223.04	2.03%
Waste & Scrap	9.06	0.08%	8.50	0.07%	8.40	0.08%
Sale of service						
Technical Yarn	611.09	5.21%	577.74	5.07%	525.45	4.78%
Polypropylene Yarn	449.61	3.83%	431.35	3.78%	437.06	3.98%
Trading of goods						
Trading of yarn	-	-	305.28	2.68%	183.23	1.67%
Revenue from Other Activities						
Other Operating Revenue	219.15	1.87%	92.42	0.81%	99.46	0.91%
Revenue from operations	**11,737.14**	**100.00%**	**11,403.40**	**100.00%**	**10,987.18**	**100.00%**

TECHNICAL TEXTILE SEGMENT WISE BIFURCATION

The technical textile segment wise bifurcation of our Company for the financial year ended March 31, 2026, 2025 and 2024 as per Restated Financial Statements is as follows:

(₹ in Lakhs unless stated otherwise)

Particulars	For the year ended March 31, 2026	% of revenue from Operation	For the year ended March 31, 2025	% of revenue From Operation	For the year ended March 31, 2024	% of revenue From Operation
Sale of Manufactured Products						
Indutech	17.52	0.15%	4,091.33	35.88%	4,303.20	39.17%
Mobiltech	4,296.09	36.60%	3,920.86	34.38%	4,413.94	40.17%
Protech	4,440.36	37.83%	1,934.45	16.96%	1,016.37	9.25%
Hometech	1,694.26	14.44%	41.47	0.36%	0.07	0.00%
Waste & Scrap	9.07	0.08%	8.50	0.07%	8.40	0.08%
Total (A)	**10,457.29**	**89.10%**	**9,996.61**	**87.66%**	**9,741.98**	**88.67%**
Sale of Service – Job Work						
Indutech	459.63	3.92%	484.19	4.25%	462.19	4.21%
Protech	601.07	5.12%	520.05	4.56%	499.33	4.54%
Hometech	-	-	4.85	0.04%	0.99	0.01%
Mobiltech	-	-	-	-	-	-
Total (B)	**1,060.70**	**9.04%**	**1,009.09**	**8.85%**	**962.51**	**8.76%**
Sale of Trading goods						
Trading	-	-	305.28	2.68%	183.23	1.67%
Total (C)	**-**	**-**	**305.28**	**2.68%**	**183.23**	**1.67%**
Revenue from Other Activities						
Other Operating Revenue	219.15	1.87%	92.42	0.81%	99.46	0.91%
Total (D)	**219.15**	**1.87%**	**92.42**	**0.81%**	**99.46**	**0.91%**
Revenue from operations (A+B+C+D)	**11,737.14**	**100.00%**	**11,403.40**	**100.00%**	**10,987.18**	**100.00%**

GEOGRAPHY WISE REVENUE BIFURCATION

The geography wise revenue bifurcation of our Company for the financial year ended March 31, 2026, 2025 and 2024 as per Restated Financial Statements is as follows:

(₹ in Lakhs unless stated otherwise)

Particulars	For the year ended March 31, 2026	% of revenue from Operation	For the year ended March 31, 2025	% of revenue From Operation	For the year ended March 31, 2024	% of revenue From Operation
Domestic Revenue*	6,942.14	59.15%	6,971.83	61.14%	6,098.23	55.50%
Export	4,575.85	38.99%	4,339.15	38.05%	4,789.49	43.59%

Revenue						
Revenue from operations	**11,517.99**	**98.14%**	**11,310.98**	**99.19%**	**10,887.73**	**99.09%**

* *Including sale of services i.e. Job work services.*

STATE WISE REVENUE BIFURCATION

The State wise revenue bifurcation of the issuer company for the financial year ended March 31, 2026, 2025 and 2024 as per Restated Financial Statements are as follows:

(₹ in Lakhs unless stated otherwise)

Particulars	For the year ended March 31, 2026	% of revenue from Operation	For the year ended March 31, 2025	% of revenue From Operation	For the year ended March 31, 2024	% of revenue From Operation
Gujarat	3,419.88	29.14%	3,383.55	29.67%	3,411.12	31.05%
Punjab	725.69	6.18%	1,053.05	9.23%	47.91	0.44%
Maharashtra	728.40	6.21%	789.54	6.92%	790.91	7.20%
West Bengal	508.66	4.33%	491.22	4.31%	640.56	5.83%
Uttar Pradesh	908.45	7.74%	341.83	3.00%	512.56	4.67%
Tamil Nadu	48.80	0.42%	195.02	1.71%	23.19	0.21%
Telangana	96.91	0.83%	134.90	1.18%	192.31	1.75%
Delhi	51.72	0.44%	131.56	1.15%	226.75	2.06%
Haryana	190.52	1.62%	106.08	0.93%	2.94	0.03%
Dadra and Nagar Haveli	25.46	0.22%	103.66	0.91%	-	-
Rajasthan	117.08	1.00%	92.11	0.81%	94.07	0.86%
Madhya Pradesh	93.36	0.80%	80.03	0.70%	70.64	0.64%
Andhra Pradesh	3.85	0.03%	38.72	0.34%	74.07	0.67%
Karnataka	20.10	0.17%	27.75	0.24%	7.52	0.07%
Uttarakhand	3.26	0.03%	2.79	0.02%	3.69	0.03%
Total Domestic Revenue	**6,942.14**	**59.15%**	**6,971.83**	**61.14%**	**6,098.23**	**55.50%**

COUNTRY WISE REVENUE BIFURCATION

The country wise revenue bifurcation of our Company for the financial year ended March 31, 2026, 2025 and 2024 as per Restated Financial Statements is as follows:

(₹ in Lakhs unless stated otherwise)

Particulars	For the year ended March 31, 2026	% of revenue from Operation	For the year ended March 31, 2025	% of revenue From Operation	For the year ended March 31, 2024	% of revenue From Operation
Russia	-	-	299.97	2.63%	377.87	3.44%
Italy	124.22	1.06%	117.94	1.03%	69.07	0.63%
Brazil	273.77	2.33%	322.44	2.83%	224.96	2.05%
China	2,558.93	21.80%	2,252.65	19.75%	2,804.77	25.53%
Germany	755.37	6.44%	774.63	6.79%	938.71	8.54%
Hungary	730.43	6.22%	571.52	5.01%	322.13	2.93%
Mexico	17.32	0.15%	-	-	12.09	0.11%
Poland	30.92	0.26%	-	-	39.89	0.36%
South Africa	84.89	0.72%	-	-	-	-
Total Export revenue	**4,575.85**	**38.99**	**4,339.15**	**38.05%**	**4,789.49**	**43.59%**

OUR COMPETITIVE STRENGTH

Recycling and Sustainable Fibre Solutions

We have developed capabilities in recycling and re-engineering para-aramid fabrics, which are difficult to process due to their high tensile strength, thermal resistance and non-biodegradable nature. Para-aramid yarns, widely used in safety and protective applications such as bulletproof vests, are imported by us at the end of their usable life. We process these expired materials through our proprietary recycling system and convert them into high-quality secondary raw materials. The table below provides the percentage of recycled para-aramid fibre in relation to total raw material purchases for the last three fiscals:

(₹ in Lakhs unless stated otherwise)

Particulars	**FY 2025-26**	**FY 2024-25**	**FY 2023-24**
Para Aramid Fabric Waste	1,409.18	1,429.71	2,509.24
Total Purchase	6,568.07	7,295.41	7,227.68
% recycling of fibre of total purchase	**21.46%**	**19.60%**	**34.72%**

We have installed a dedicated regenerating machine for high-strength fibres, which supports our proprietary "Fabric-to-Fibre" recycling process. This enables us to carefully break down and reconstitute aramid fabrics while retaining critical performance properties such as tensile strength and thermal resistance. The recycled fibres produced through this process are utilised in high-performance applications, including brake pads, clutch facings, filtration media and protective textiles. By undertaking this recycling, we extend the life cycle of aramid fibres and provide our customers with sustainable, cost-efficient and reliable alternatives to virgin fibres.

Our recycling initiative is aligned with circular economy principles and supports the sustainability expectations of global customers. At the same time, it creates operational advantages for us by reducing dependence on imported virgin fibres and lowering raw material costs. By converting discarded high-performance waste into reusable inputs, we are able to combine environmental responsibility with operational efficiency, strengthening our position in the technical yarn segment.

Positioning in Polypropylene Spun Yarns

We are engaged in the manufacture of polypropylene (PP) spun yarns, which form a key part of our product portfolio and are used in both household and industrial applications. Polypropylene fibres are valued for their properties of light weight, high strength-to-weight ratio, resistance to chemicals and low moisture absorption, making them well-suited for filtration media, geotextiles, insulation products and protective technical textiles.

Our polypropylene yarns are manufactured using advanced spinning technologies that enable us to offer a wide range of counts and plies in both single and multiple-end formats. This flexibility allows us to cater to varied customer specifications across industries that demand durability, consistency and technical performance. Our Company has developed a presence in the polypropylene yarn segment in India, supported by its production capabilities and customer relationships.

The polypropylene yarn segment contributes materially to our revenues, particularly from customers in the filtration and technical textile sectors. For the Financial Years ended March 31, 2026, 2025 and 2024, sales of polypropylene yarns accounted for approximately 22.95%, 22.64% and 21.27% of our revenue from operations, respectively.

We expect demand for polypropylene yarns to grow in line with the increasing use of water filtration systems, infrastructure-related applications such as geotextiles and specialised industrial textiles.

Established Customer and Supplier Relationships

We rely on an established base of suppliers to source the raw materials required for our technical yarn operations, including para-aramid inputs that are essential to our recycling and regeneration process. Sourcing of such technical fibres is highly specialised and access to consistent supply is critical for ensuring uninterrupted production. Our supplier relationships help us secure timely deliveries, maintain quality standards and optimise procurement costs. A significant portion of our raw material requirements is met through our top 5 supplies. We have not entered into any long-term or exclusive supply agreements with any of its suppliers.

On the customer side, our emphasis on quality, process reliability and timely delivery has enabled us to build and maintain long-standing relationships across industries such as household and industrial water filtration, automotive friction materials and protective technical textiles. These industries are characterised by stringent compliance requirements and our ability to consistently meet these benchmarks has resulted in a high proportion of repeat business. A significant portion of our revenues is derived from our top 5 customers, reflecting stability in our business while also demonstrating a balanced distribution of revenues across our customer portfolio.

We have maintained long-standing relationships with several of its key business partners. The average period of our relationships with our major customers is approximately 6 years, and the average period of our relationships with our major suppliers is approximately 5.5 years. These relationships, both on the supply and customer side, provide us with stability in raw material procurement, visibility of revenues through recurring orders and opportunities to scale our operations in a sustainable manner.

Strong focus on quality control and product consistency

We maintain a strong emphasis on quality control across our manufacturing processes, which are aligned with stringent standards required for technical yarns. Our production facility is equipped with advanced testing and monitoring equipment, including the Mesdan Evenness Tester for real-time measurement of yarn uniformity, tensile strength and other performance parameters. We also employ the Pinter Hard Core attachment system, which enhances core yarn strength and enables the production of specialty and high-torque yarns.

Our focus on quality control enables us to deliver yarns with consistent technical performance, reducing wastage and ensuring compliance with customer specifications. This capability is particularly important in industries such as filtration, automotive friction materials and protective textiles, where reliability and safety are critical. By minimising defects and rejections, we are able to improve customer satisfaction while also achieving better operating margins.

In India, the Bureau of Indian Standards (BIS) has issued specifications relevant to synthetic fibres and yarns, including IS 17265:2019 (Polypropylene Multifilament Yarns), IS 13344:1992 (High Tenacity Industrial Yarn), IS 667:1981 (Textile Yarns Count Method), among others. Compliance with such standards is often required for supply to institutional or industrial customers.

For the Financial Years ended March 31, 2026, 2025 and 2024, we have maintained defect and rejection rates at 0.13 %, 0.40% and 0.03% of revenue from operation respectively.

Alignment with global sustainability and ESG mandates

We have undertaken several sustainability and compliance initiatives across our operations to align with global environmental, social and governance (ESG) practices and to meet the expectations of our customers in technical yarn markets.

The Company has successfully commissioned a 380 KW rooftop solar power system at its manufacturing unit in Petlad for captive consumption, aimed at reducing electricity costs and supporting sustainable operations. The solar connection was released by MGVCL on January 19, 2022, pursuant to an agreement dated January 03, 2022. This initiative demonstrates the Company's commitment to renewable energy adoption and long-term cost efficiency. Further, one of our key initiatives has been the successful commissioning of a 4 MW solar power plant for captive consumption, aimed at reducing electricity expenses and minimizing carbon emissions. The solar plant is located on leased land bearing Survey No. 843/72/01, 843/73/01 and 843/74/01, situated at Village Kankanpur, Taluka Godhra, District Panchmahal, Gujarat. For further details on the properties refer "***Our Business – Immovable Property***" at page 184.

The Company received the Erection and Commissioning Certificate from Gujarat Energy Transmission Corporation Limited (GETCO) on February 07, 2025 and the Certificate of Commissioning from the Gujarat Energy Development Agency (GEDA) on April 30, 2025, confirming successful commissioning. The 4 MW solar power plant has substituted a significant portion of our electricity requirements from Financial Year 2025-26 onwards, thereby contributing to cost savings and sustainability objectives. As part of its responsibility towards the environment, the Company continues to explore initiatives that lower its carbon footprint and promote long-term sustainability.

In addition, our commitment to quality, environmental responsibility and occupational health and safety is validated by the certifications we hold:

- ISO 9001:2015 – Quality Management System, issued by Alcumus ISOQAR Limited.
- ISO 14001:2015 – Environmental Management System, issued by Alcumus ISOQAR Limited.
- ISO 45001:2018 – Occupational Health & Safety Management System, issued by Alcumus ISOQAR Limited.
- 5S Certification – Workplace Management System, issued by 4C Consulting Private Limited.
- OEKO-TEX® Standard 100 Certification – for textile safety from harmful substances, issued by Shirley Technologies Limited.

These certifications provide assurance that our processes are aligned with globally recognised standards for quality, environmental stewardship, occupational health and safety and product safety.

We have also introduced digital systems for financial and operational management, which improve traceability, compliance monitoring and reporting. This digital integration is increasingly valued by global customers who demand supply chain transparency and adherence to ESG principles.

Through renewable energy adoption, sustainable fibre recycling, workplace safety practices and internationally recognised certifications, we are reliable partner to the industries where compliance with ESG and sustainability mandates is becoming an essential requirement for supplier selection.

BUSINESS STRATEGY

Production Capacity Enhancement and Cost Optimization

Our Company aims to scale up its production capacity by expanding operations within our existing facility in Petlad, Gujarat. As a manufacturer of technical yarns in India, we currently cater to diverse end-use industries such as defence, filtration, protective clothing, automotive and composites. To meet growing demand, especially in the technical and high-performance yarn segments, we plan to deploy additional compact spinning systems and high-value yarn attachments such as the Pinter Hard Core system, which will allow for the manufacture of core-spun and specialty yarns.

By expanding within the existing industrial framework, we aim to optimise capital expenditure while leveraging shared resources such as infrastructure, skilled workforce and administrative functions. This will help us reduce overhead duplication, lower logistics costs and ensure agile allocation of machinery and staff across operations.

For details with respect to capital expenditure proposed to be taken by the issuer company please refer to the chapter titled "***Objects of the Issue***" beginning on page 90 of this Red Herring Prospectus.

Expand Global Market Reach

Our Company has established a diversified manufacturing base that includes five processing lines and three distinct yarn production technologies, namely Ring Spun, DREF (Friction Spun) and Open-End. This mix of capabilities provides the flexibility to cater to a wide range of customer requirements in both domestic and international markets.

As part of our business strategy, we propose to invest in capital expenditure that will increase our installed capacity. The objective of this expansion is to scale production volumes in order to address growing customer demand, improve efficiency and enhance our ability to service international markets. The additional capacity is also expected to support product diversification and strengthen our competitive positioning in the technical yarn industry.

Our efforts to increase manufacturing capabilities are aligned with a broader goal of improving export potential. By leveraging existing operational strengths and expanding production infrastructure, we seek to increase our presence in global markets and gradually grow the proportion of revenue generated from exports. This approach is designed to support long-term, export-led growth while maintaining a balance between domestic and international sales.

For the periods under review, exports contributed ₹ 4,575.85 Lakhs, ₹ 4,339.15 Lakhs and ₹ 4,789.49 Lakhs to our revenue from operations, representing 38.99%, 38.05% and 43.59% during the Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively.

In parallel, we plan to diversify our revenue base by targeting additional export markets, particularly those with demand for specialised technical yarns. This approach will reduce dependence on domestic cycles and position us as a reliable and innovation-driven supplier in the global technical textile industry.

Expansion into Manufacture and Sale of Modacrylic-Based Fabrics

The Company is engaged in the manufacture of a diversified range of synthetic yarns, including technical textile yarns. As part of its existing operations, the Company manufactures modacrylic-based yarn, which is supplied to its customers, including which is supplied to its customers for manufacturing high performance fabric.

With a view to leveraging its existing product portfolio and responding to increasing demand from both existing and prospective customers for fabrics manufactured using modacrylic-based yarn, the Company proposes to expand its operations into the manufacturing and sale of modacrylic-based fabrics. In furtherance of this strategy, the Company has commenced manufacture of such fabrics on a trial basis through job work arrangements with third-party weaving and processing units.

Based on the initial market response, including market acceptance of trial samples and repeat enquiries from customers, the Company expects to achieve sales of approximately 20,000 meters of modacrylic-based fabric per month. The proposed operations will involve captive consumption of the Company's modacrylic-based yarn, with weaving carried out at third-party facilities and subsequent processing undertaken at designated process houses, prior to sale of the finished fabrics to customers.

This proposed expansion is intended to enable the Company to enhance value addition, strengthen its product offerings, deepen customer relationships, and improve overall margins by moving further up the value chain.

Automation, Digitization and Export-Led Growth

To further improve efficiency and competitiveness, our Company intends to expand the adoption of automation and digital tools across manufacturing and administrative processes. We aim to incorporate solutions such as integrated planning systems, automated inventory management and data-driven monitoring and analytics to optimise production visibility and operational control.

BUSINESS PROCESS

1. MANUFACTURING PROCESS FLOW CHART

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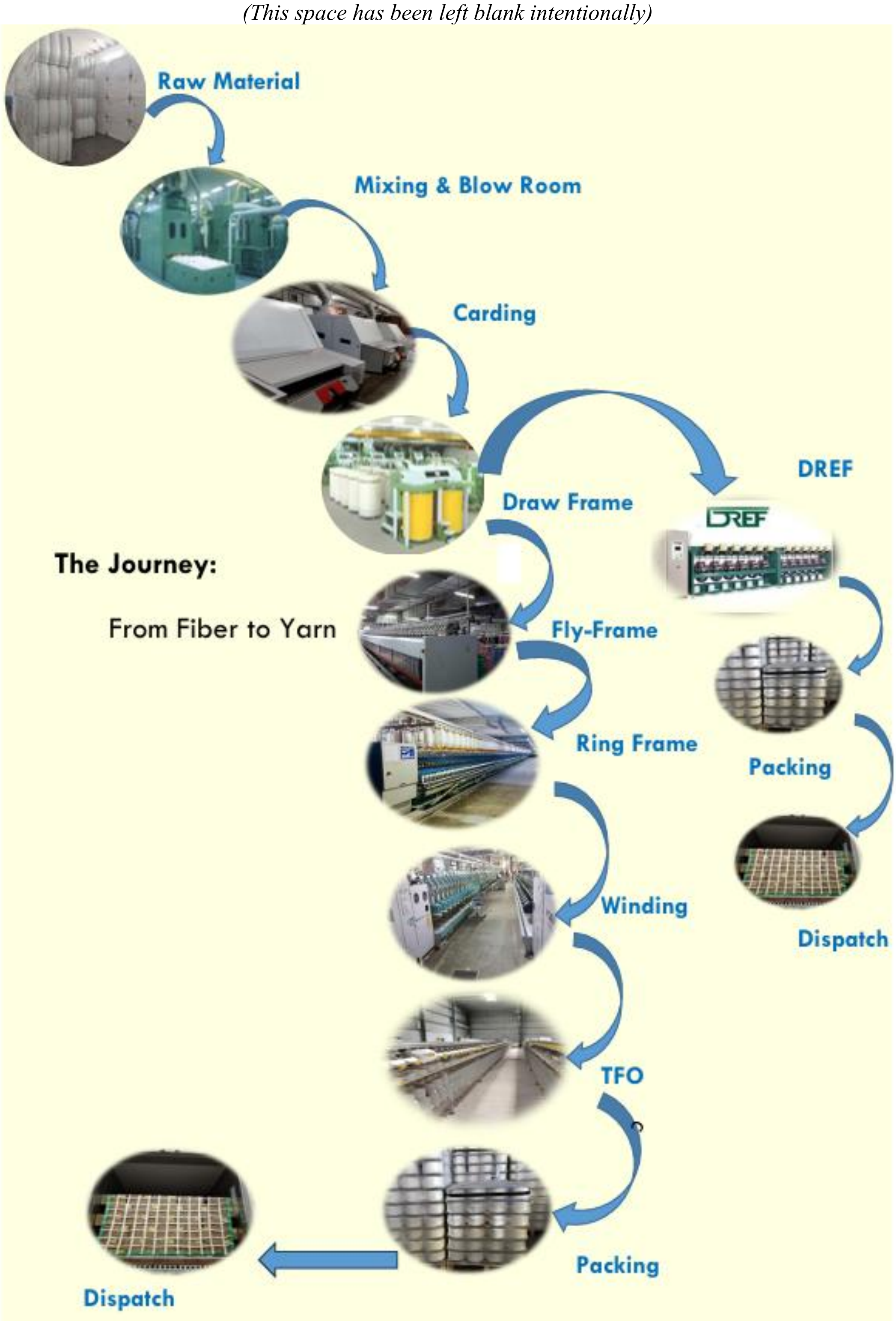

THE STEPS UNDERTAKEN DURING THE MANUFACTURING PROCESS

<table>
<tr><th>PROCESS</th><th>MACHINES USED</th></tr>
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Raw Material

The manufacturing process begins with the receipt of raw fibre inputs, which include para-aramids, polypropylene and other technical fibres depending on the end-use requirements. Upon arrival at our facility, the raw materials are subjected to an initial cleaning process to remove dust, impurities, or any external contaminants that may affect further processing.

Following cleaning, the raw material undergoes a quality control check using the Baer Sorter manual machine, which is employed to determine the length of the fibres. While synthetic fibres are generally manufactured to standardised lengths, variations may occur due to handling or supplier differences. Fibre length uniformity is a critical quality parameter, as it directly influences spinnability, yarn strength and overall process stability. Inconsistent fibre lengths can cause issues such as uneven yarn formation, increased breakages and inefficiencies during spinning.

By conducting this preliminary quality check at the raw material stage, we ensure that only fibre batches meeting our specifications are admitted into the spinning line. This step not only supports process reliability and product consistency, but also reduces the risk of wastage and downstream defects, thereby optimising overall production efficiency.

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Baer Sorter Manual Machine

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Mixing and Blowroom:

Once the raw material quality is checked and approved, the fibre lots are weighed and mixed in the required proportions to achieve the desired properties of the final yarn. This blending process ensures that the physical and mechanical characteristics of the yarn—such as tensile strength, uniformity and elongation—are consistent with end-use specifications.

The blowroom is the first major stage of the spinning operation, where the mixed fibres undergo a sequence of mechanical treatments. The key functions of this stage include:

- *Opening*: Fibres are opened into smaller tufts to facilitate downstream processing.
- *Cleaning*: Impurities, micro dust and foreign particles are removed.
- *Blending*: Different raw materials are homogenised to achieve uniform fibre distribution.
- *Even Feeding*: Material is fed evenly to the carding machine, minimising variation and delivering consistent & even weighted feed of opened and cleaned material to the carding machine minimising variations.

The blowroom process is designed to achieve these objectives while minimising fibre damage. Care is taken to avoid excessive fibre rupture, neps (entangled fibre knots) and loss of good fibres, while also removing broken seed particles and contaminants. This balance is critical in ensuring both product quality and raw material efficiency.

Quality Testing: Following the blowroom process, quality checks involve visually assessing the opening efficiency to ensure there are no excessive large clumps of fibre. It is also important to analyse waste collected from blowroom to determine the percentage of impurities removed and to ensure minimal fiber loss. Fibre is also collected from different stages of blowroom particularly after beaters to check for fibre breakage/damage, if any. This testing provides early detection of deviations, allowing for corrective measures before fibres proceed further into subsequent processes into spinning.

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Blowroom

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<table>
<tr><th>PROCESS</th><th>MACHINES USED</th></tr>
<tr><td>

Carding:

After the blowroom stage, fibres still contain clumps and locks that must be opened for further processing. Carding is a critical step in yarn manufacturing, as it transforms the mass of fibre tufts into a more uniform strand by disentangling, cleaning and aligning the fibres.

The purpose of carding is twofold:

- To individualise the fibres by separating them from clumps and impurities.
- To consolidate the fibres into a continuous web, which is then condensed into a sliver of the required count.

In practice, the carding stage in mills involves the following key operations:

- *Lapping*: Removal of fine dust, neps and impurities to improve cleanliness and fibre integrity.
- *Willowing*: Loosening of fibres into an open state, ensuring easier handling and minimising stress on the fibres in subsequent processes.
- *Carding Proper*: Mechanical combing action that individualises the strands, eliminates neps and improves fibre alignment.
- *Drawing*: Consolidation of the carded web into a sliver, enabling uniform density and consistent feed for the next stage of spinning.

Quality: After the carding process, fibers are converted from entangled tufts into uniform, parallel and clean bulk form called a Sliver, which is suitable for spinning in subsequent stages. The Card Sliver is tested for Evenness U%, CV% and Hank (Count).

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Carding Machine

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Drawing:

At the drawing stage the manufacturing process, significantly enhances the uniformity and quality of the sliver prepared during carding. It serves as the foundation for achieving consistency and strength in the yarn that follows. The key objectives of the drawing process are as follows:

1. Drafting: It reduces the weight per yard of the sliver while proportionally increasing its length, ensuring finer and more workable fibre strands.
2. Equalization: Minimises irregularities present in the carded sliver by doubling and overlapping multiple slivers, thereby achieving greater uniformity.
3. Parallelization: Aligning and straightening fibres within a sliver, improving strength and cohesion.
4. Blending: Combines fibres from different sources or batches to create a homogeneous mix and maintain product consistency.
5. Dust Removal: Extracts any residual fine dust or impurities that may remain after carding.

This stage is generally repeated *two to three times*, with each passage progressively reducing variability and ensuring that the sliver is well-blended and consistent, thereby preparing it for further processing.

Quality Testing: Upon the completion of the drawing process, quality parameters are carefully monitored using the Mesdan Evenness Tester, a globally recognised standard in yarn testing.

- Unevenness (U%) - mass variation across the sliver length.
- Coefficient of Variation of Mass (CVm%) - precision of weight consistency.

By maintaining these parameters within narrow tolerance ranges, we ensure

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Draw Frame

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PROCESS	MACHINES USED
that downstream spinning operations face fewer breakages and the final yarn delivers superior strength, durability and aesthetic performance.	**Yarn Evenness Testing (Mesdan Evenness Tester)**
Friction (DREF) spun yarn: In the case of Friction Spun Yarn (as opposed to Ring Spun Yarn), the process diverges after Carding. Instead of passing through the subsequent three stages Roving Frame, Ring Frame and Doubling the fibres move directly into the friction spinning system. In this method, fibres are fed onto a rotating drum or perforated surface, where air suction and surface friction twist them together to form yarn. This technology offers several advantages. • *Versatility in blending*: Enables the combination of diverse fibre types, including metallic, synthetic and natural fibres. • *High bulk and strength*: Produce yarns with enhanced bulk and strength, suitable for demanding applications. • *Specialty end-uses*: Particularly effective for yarns used in filtration, protective clothing and industrial textiles. After this step, friction spun yarns are subjected directly to quality testing, bypassing the conventional intermediate spinning processes.	 **DREF Spinning Machine**
Roving Frame: The Roving Frame is the next step in the manufacture of Ring Spun Yarn. The sliver emerging from the draw frame is relatively thick and, in its existing form, is unsuitable for direct conversion into yarn. The primary purpose of this stage is to prepare an input package that can be efficiently handled in the subsequent Ring Frame process. At this stage, the sliver is further drafted to reduce its thickness while maintaining fibre alignment and uniformity. Simultaneously, a small amount of twist is inserted to impart strength, preventing fibre breakage during handling. The roving thus formed is wound onto bobbins, which are designed for secure placement on Ring Frames for the final spinning operation. The material produced at this stage is referred to as roving and it serves as a crucial intermediate between drawing and final yarn spinning. **Quality Testing**: During the roving process, quality testing is done by checking U% Evenness, Hank and Hank variation, consistency of the roving thickness and weight and count testing to ensure that roving is suitable for next spinning stage.	 **Roving Frame**

PROCESS	MACHINES USED
Ring Frame: This stage is the defining process for Ring Spun yarn and differentiates it from Friction Spun yarn production. In the ring frame, the roving obtained from the previous stage is drafted (further attenuated) to the desired fineness and then imparted with twist to achieve the required yarn count, tensile strength and durability. The twist introduced at this stage is crucial for enhancing the yarn's strength, abrasion resistance and overall performance in end-use applications. Once twisted, the yarn is wound onto bobbins or cop packages, making it suitable for subsequent processes such as doubling, winding, or weaving. The ring spinning process is valued for its ability to produce fine, uniform and strong yarns with superior appearance and touch, making it ideal for technical textiles, protective clothing and high-performance industrial applications.	 **Ring Frame Machine**
Winding After yarn is produced on the Ring Frame, it is wound onto larger packages (cones, cheeses, or spools) to make it suitable for subsequent processing and weaving/knitting. **Functions of Winding:** • Removal of yarn faults (thin/thick places) using yarn clearers. • Formation of uniform packages with proper density, aiding efficient downstream use. • Joining broken ends (splicing/knotting) to ensure continuity.	 **Winding machine**
Doubling: At this stage, based on customer specifications, multiple single yarns are twisted together to form doubled yarn. This is carried out using the Two-for-One Twister (TFO) machine.	 **Yarn Doubling Machine**
Final Winding/ Rewinding and Packaging **Rewinding**- Once yarn is doubled or left as single (depending on product), it undergoes a final rewinding step for uniform package formation. This ensures removal of any residual faults and prepares yarn in customer-specified package size and shape (cones, tubes, cheeses). **Packaging**- After winding, the yarn is packed in protective material (cartons, HDPE bags, or shrink-wraps) to preserve quality during storage and transport. The yarn packages are labeled with count, ply, lot/batch number and other specifications for traceability.	 

<table>
<tr><th>PROCESS</th><th>MACHINES USED</th></tr>
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Quality Testing: Once the yarn manufacturing process is complete, it undergoes a comprehensive series of quality checks to ensure that only material conforming to customer specifications and industry standards is packed and dispatched. These tests include:

1. **Wrap Reel Test:** It is used to determine the count and weight of yarn. This process ensures that the yarn produced corresponds to the specific weight and count necessary to achieve the customer's desired fabric weight. Accurate count verification guarantees that woven or knitted fabrics meet both performance and quality requirements.

2. **Lea Strength / CSP / RKM – Strength Testing:** This test evaluates the tensile strength of both single yarn and lea yarn (a standard bundle of yarn). It is conducted using the CSP–RKM Strength Testing Machine, which measures critical strength parameters such as Count Strength Product (CSP) and Resistance per Kilometer (RKM). These parameters ensure that the yarn possesses sufficient strength to endure subsequent textile processes such as weaving, knitting and dyeing, while also meeting the durability and performance expectations of the end product.

3. **Yarn Twist Testing:** This test measures the number of twists per unit length in the yarn and is conducted using a Yarn Twist Tester Machine. Twist plays a critical role in binding fibres together, directly influencing yarn strength, elasticity and durability. Proper assessment through this machine ensures that the yarn has adequate structural integrity to endure downstream textile operations such as weaving, knitting, or dyeing without compromising the quality and performance of the final fabric.

4. **Yarn Evenness Testing:** This test is carried out using the Mesdan Evenness Tester. At the final stage of production, the machine provides a second check on the quality of yarn by measuring parameters such as unevenness, thick and thin places, neps and hairiness. Ensuring minimal unevenness is critical, as high variability can reduce yarn strength, increase breakages during weaving or knitting and negatively impact the overall appearance and performance of the final fabric.

5. **Yarn Fault Classification:** This test is conducted using the Classimat Machine, which employs advanced sensors to detect and classify yarn faults. It measures defects such as thick places, thin places, neps and other irregularities and evaluates their severity and length. The data generated provides valuable insights into the origins of faults during the spinning process and offers predictive information on how these faults may affect the appearance and performance of the final fabric.

6. **Splice Strength Testing:** This test is conducted using the Splice Scanner Machine to evaluate the strength and reliability of yarn splices created during the winding stage. In yarn manufacturing, joining yarn ends is an essential step, typically performed by pneumatic, mechanical, or electrostatic splicers. The test ensures that the splices have sufficient strength to withstand subsequent weaving or knitting operations, thereby preventing breakages and preserving the integrity, appearance and performance of the final fabric.

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Wrap Reel

CSP-RKM Strength Testing Machine

Yarn Twist Tester Machine

Mesdan Evenness Tester

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PROCESS	MACHINES USED
	 **Classimat Machine**  **Splice Scanner**

2. RENDERING OF SERVICES PROCESS

We are also engaged in providing job work services for polypropylene yarn. The raw materials are received from the customers/principals for the purpose of processing. Upon receipt, such materials are subjected to requisite checks, testing and verification to ensure conformity with the prescribed specifications and quality parameters. Post completion of the inspection process, the materials are processed in accordance with the requirements and specifications provided by the customers, following our established production process detailed from page 166. We ensure that these operations are carried out in adherence to applicable quality, safety and process standards.

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SWOT ANALYSIS

Strength	Weakness	Opportunities	Threats
Skilled, experienced and trained manpower to spin challenging technical fibres	Installed capacity is presently at a limited scale	New growth area in the field of technical Textile	New spinners who can replicate our business model and enter technical spinning
Diverse product portfolio	Less capacity in preparatory stage	Increase in international revenue	Economic and Market Volatility
Almost 20 years of experience in spinning technical fibre	Highly specific and niche market	Government initiatives promoting technical textiles sector	Change in geo-political situations
Proven export track record	Dependence on players to source raw materials		

OUR PRODUCTS

The table below sets forth certain information on our key products, their description and pictures:

1. ***Products Manufactured –*** Our Company is a technical yarn manufacturer, specializing in the production of engineered yarns designed for high-performance industrial applications. In addition to manufacturing for our own product portfolio, we also undertake job work services for customers under which raw materials are supplied by them and we process such materials into yarn. The following table provides a comprehensive overview of our product portfolio:

Product	Description	Pictures
Para Aramid Based Spun Yarn	Our Company manufactures Para-Aramid Based Spun Yarn from 100% para-aramid staple fibres. These yarns are characterised by their ability to withstand heat, flame, abrasion and cutting, while being relatively lightweight and flexible. We operate a dedicated fibre recycling facility for para-aramid. Through this facility, we recycle end-of-life para-aramid fabrics into usable fibres and produce yarns that are used in high-stress applications. The principal end-use applications of our Para-Aramid Based Spun Yarn include: • Automotive friction materials: yarns for use in clutch plates and brake pads. • Protective textiles: yarns for knitted gloves designed for handling glass and sharp objects.	
High Tenacity Polyester Yarn	Our Company manufactures High Tenacity (HT) Polyester Yarn, which is produced from polyester polymer engineered for higher tensile strength and dimensional stability. HT polyester yarns exhibit low shrinkage and resistance to abrasion, making them suitable for applications where consistent performance under stress is required. We manufacture and sell HT Polyester Yarn, using specialised spinning and processing machinery installed at our manufacturing facility. The primary end-use application of our HT Polyester Yarn is in the production of sewing threads, which are widely utilised across the apparel, upholstery and industrial stitching industries.	

Product	Description	Pictures
Meta Aramid and FR Viscose Yarn	Our Company manufactures blended yarns using meta-aramid and flame-retardant (FR) viscose fibres. Meta-aramid fibres provide resistance to heat and flame, while FR viscose fibres contribute moisture absorbency and comfort, making the blend suitable for protective and industrial textile applications. The principal end-use applications of our Meta Aramid and FR Viscose Yarn include: • **Protective clothing**: gloves, sleeves and garments designed for industrial workers. • **Specialised uniforms**: firefighter uniforms and defence uniforms. • **Industry-specific apparel**: garments used in the oil and gas industry, where flame resistance is a critical requirement. • **Export markets**: our yarns are also supplied for use in the manufacture of garments for the armies of certain foreign countries having strategic relationships with India.	 
100% Polypropylene Yarn	Our Company manufactures yarn made entirely from polypropylene fibres. Polypropylene is a synthetic polymer characterised by low density, low moisture absorption and resistance to a wide range of chemicals. These inherent properties make it suitable for functional as well as technical textile applications. The primary end-use applications of our polypropylene yarn include: • **Filtration industry**: used in filter fabrics and cartridges for water treatment, chemical processing and air purification systems. • **Automotive sector**: applied in the manufacture of air and fuel filters. • **Medical sector**: used in masks, sterile filter materials and related healthcare applications. Polypropylene continues to be one of the most widely adopted synthetic raw materials in industrial and commercial filtration due to its hydrophobic nature, chemical resistance and cost-effectiveness.	 
Modacrylic Based Yarn	Our Company manufactures yarns made from modacrylic fibres, which are inherently flame-retardant and dimensionally stable. These yarns are resistant to chemicals, UV radiation and abrasion and are designed to provide consistent performance in industrial and protective textile applications. The primary end-use applications of our	

Product	Description	Pictures
	modacrylic yarns include: • **Oil and Gas industry**: protective apparel used in high-risk environments. • **Electrical utilities**: flame-retardant fabrics and equipment covers. • **Firefighting, military and defence**: protective clothing and gear. • **Transportation and industrial workwear**: uniforms and safety textiles for industries with elevated fire and chemical exposure risks.	
Poly Poly Corespun Yarn	Poly poly corespun yarn is manufactured by combining a continuous filament polyester core with an outer covering of polyester staple fibres. This structure provides higher tensile strength, abrasion resistance and seam performance compared to conventional spun yarns, while also ensuring processability across diverse textile applications. With increasing demand in India as an import substitute for similar products from China, this yarn allows our Company to cater to domestic buyers with locally manufactured material that provides improved cost efficiency and margins. The primary applications of poly poly corespun yarn include the manufacture of: • Sewing threads for denim and workwear • Uniforms and leather goods • Other heavy-duty textiles requiring strength and seam reliability	
Stainless Steel Yarn	This yarn is produced by incorporating fine stainless steel filaments into a textile fibre blend. The presence of stainless steel imparts enhanced cut resistance, heat resistance, durability and electromagnetic shielding properties to the yarn, making it suitable for technical and protective applications. It is primarily used in the defence and military sector, where it contributes to the manufacture of protective gear, anti-static garments and shielding textiles. The yarn plays an important role in high-performance defence clothing and other specialised industrial fabrics where strength and functional protection are required.	

OUR MANUFACTURING FACILITY

Machinery	Storage

PLANT AND MACHINERIES

Below is the List of primary equipment's used for manufacturing of our products as on date:

Particulars	Owned/Leased	Count of Item
Blender (Mixing and Bale Opener)	Owned	10
Carding	Owned	21
Draw frame	Owned	16
Speed frame	Owned	8
Ring frame	Owned	19
Autoconer -winding	Owned	9
Assembly winder	Owned	18
Two for one (TFO)	Owned	28
Dref -friction spinning machine	Owned	1
Pinter core yarn attachment	Owned	3
Compressor	Owned	5
Yarn conditioning plant (YCP)	Owned	1
Nestling Make I Scan	Owned	1
Automatic Metal Detection & Spark Detection & Suction Blower	Owned	1
Comber	Owned	1
Lap Former	Owned	1
Quality Control Laboratory Machine		
Premier tester -7000	Owned	1
Premier classi -7000	Owned	1
Auto twist- tester	Owned	1
CSP - RKM Combo	Owned	1
Eveness & hairiness tester	Owned	1

Note: *The list of machineries at our plant have been certified by B.P. Oza & Associates (Chartered Engineer Registration No: M131433-5), Independent Chartered Engineer vide their certificate dated July 28, 2026.*

OUR CUSTOMERS

The following are the details of Revenue earned from our top 10 customers along with the percentage of the same to the Revenue from Operations:

(₹ in Lakhs)

Sr. No.	Details of Customer	FY 2026	% of revenue from operations	Details of Customer	FY 2025	% of revenue from operation	Details of Customer	FY 2024	% of revenue from operation
1.	Customer 1	2,558.93	21.80%	Customer 1	2,252.65	19.75%	Customer 1	2,804.77	25.53%
2.	Polyspin Thread Mills	1,306.31	11.13%	Polyspin Thread Mills	1,263.76	11.08%	Polyspin Thread Mills	1,513.65	13.78%
3.	Customer 3	755.37	6.44%	Shingora Textiles Private Limited	1,019.15	8.94%	Customer 3	938.71	8.54%
4.	Customer 4	732.38	6.24%	Customer 4	774.63	6.79%	Customer 4	640.38	5.83%
5.	Customer 5	730.43	6.22%	Customer 5	571.52	5.01%	Customer 5	465.05	4.23%
6.	Shingora Textiles Private Limited	594.44	5.06%	Customer 6	491.22	4.31%	Customer 6	442.38	4.03%
7.	Customer 7	508.66	4.33%	Customer 7	464.47	4.07%	Customer 7	377.87	3.44%
8.	Customer 8	357.43	3.05%	Customer 8	299.97	2.63%	Customer 8	322.13	2.93%
9.	Customer 9	294.98	2.51%	NEO Enterprise	282.79	2.48%	Customer 9	216.98	1.97%
10.	Customer 10	241.78	2.06%	Customer 10	265.39	2.33%	Customer 10	200.52	1.83%
Revenue from Top Ten Customers		**8,080.70**	**68.85%**	-	**7,685.55**	**67.39%**	**-**	**7,922.44**	**72.11%**

Note: *The above details have been confirmed by our Statutory Auditors, M/s. Shah & Patel, Chartered Accountants, vide their Certificate dated August 24, 2026.*

For the risk involved related to our customers, please refer to Risk Factor No. 02 under section titled "***Risk Factors***" at page 20.

OUR SUPPLIERS

The following are the details of our total purchases from our top 10 suppliers along with the percentage of the same from total purchases.

(₹ in Lakhs)

Sr. No.	Details of Suppliers	FY 2026	% of total purchase	Details of Suppliers	FY 2025	% of total purchase	Details of Suppliers	FY 2024	% of total Purchase
1.	Merit Fibres	1,038.41	15.81%	Merit Fibres	962.32	13.19%	Davy Textiles Inc	1061.88	14.69%
2.	Neo Enterprise	686.22	10.45%	Teijin India Private Limited	916.55	12.56%	Neo Enterprise	1032.99	14.29%

3.	Supplier 3	505.60	7.70%	Davy Textiles Inc	726.92	9.96%	Merit Fibres	1004.33	13.90%
4.	Supplier 4	355.95	5.42%	Neo Enterprise	677.36	9.28%	Supplier 4	716.11	9.91%
5.	Supplier 5	346.96	5.28%	Supplier 5	530.69	7.27%	Supplier 5	347.40	4.81%
6.	Teijin India Private Limited	324.79	4.95%	Supplier 6	335.90	4.60%	Supplier 6	342.82	4.74%
7.	Supplier 7	270.07	4.11%	Supplier 7	286.10	3.92%	Chandak Expo Internatio nal	323.01	4.47%
8.	Davy Textiles Inc	253.71	3.86%	Supplier 8	252.73	3.46%	Supplier 8	319.50	4.42%
9.	Supplier 9	243.77	3.71%	Supplier 9	225.35	3.09%	Supplier 9	295.07	4.08%
10.	Supplier 10	226.18	3.44%	Supplier 10	217.32	2.98%	Jayprabhu Insustries LLP	201.76	2.79%
Total Purchase from Top Ten Suppliers -		**4,251.66**	**64.73%**	**-**	**5,131.24**	**70.31%**	**-**	**5,644.87**	**78.10%**

Note: *The above details have been confirmed by our Statutory Auditors, M/s. Shah & Patel, Chartered Accountants, vide their Certificate dated August 24, 2026.*

We source our raw materials from various locations, including Gujarat, Maharashtra, China, USA, Thailand, Brazil and other regions.

For the risk involved related to our supplier, please refer to Risk Factor No. 01 and 05 under section titled "***Risk Factors***" at page 20.

Our Revenue from operation is generated from the top 10 customers and we avail 70.34% of our total raw material purchased from the top 10 suppliers. We cannot disclose the name of individual entity under these top 10 customers and top 10 suppliers due to confidentiality clauses in our business with them.

COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

MARKETING & DISTRIBUTION

Our marketing strategy for technical and synthetic yarns focuses on both the Indian and international markets through a balanced approach of market expansion and customer retention. We actively participate in major industry exhibitions organized by Messe Frankfurt Exhibition GmbH in Germany, Mumbai and Russia to showcase our wide range of products, connect with potential buyers and stay aligned with global industry developments. These exhibitions serve as key platforms for strengthening our presence and opening up new business avenues. At the same time, we place strong emphasis on maintaining long-term relationships with our existing customers by ensuring continuity of their orders, delivering consistent quality and providing reliable customer support. This approach helps us build trust, drive sustainable growth and position our company as a dependable and innovative supplier in the global technical and synthetic yarn market.

END USERS

Our products are primarily used in the following segments of the technical textile industry:

- **Indutech:** Technical textiles used in industrial applications such as filtration, conveying and abrasion resistance. Typical products include filter fabrics, conveyor belts, coated fabrics and machine components, which are engineered to withstand high pressure, temperature and chemical exposure. These materials cater to industries such as metallurgy, chemicals, cement and mining.

- **Protech:** Protective textiles designed to safeguard against physical, chemical, thermal, or biological hazards. Examples include flame-retardant garments, cut-resistant gloves, chemical protection suits and firefighter uniforms. These applications are critical for defense, fire services, metallurgy and hazardous industries and are aligned with the increasing focus on defense indigenization in India.

- **Hometech:** Technical textiles applied in home and interior furnishing. Products include mattress covers, upholstery, sofa linings, carpets, curtains and fiberfill, offering properties such as flame retardancy, stain resistance and thermal insulation. Hometech, applications are also in demand in international markets, contributing to the broader global consumption of value-added home textiles.

- **Mobiltech**: We manufacture friction resistant yarns that are primarily used in the production of automotive friction materials such as brake pads, clutch facings and transmission components. These yarns provide thermal stability, durability and resistance to abrasion, making them suitable for use in applications that require consistent performance under high mechanical stress and elevated temperatures.

COMPETITION

The technical textile industry in which we operate is highly competitive and characterised by the presence of both organised and unorganised players, ranging from small-scale manufacturers to large integrated companies. Competition is based on factors such as product quality, consistency, technology adoption, pricing, customer relationships and ability to meet specialised technical requirements. While large enterprises benefit from scale and wider distribution networks, smaller manufacturers often compete on price and flexibility. Our Company competes with other manufacturers of technical and synthetic yarns in domestic markets.

The industry is also exposed to competition from substitute materials and evolving manufacturing processes that may affect demand for existing products. In this environment, our focus remains on maintaining product quality, ensuring timely delivery, expanding our product portfolio and leveraging our operational efficiency to retain and grow our customer base. We face competition from listed peers like RSWM Limited, Reliance Chemotex, Garware Technical Fibres Limited, Cedaar Textile Limited. (S*ource: D&B Report*)

RAW MATERIAL

The primary raw materials required for our products include Polypropylene Fibre, Modacrylic Fibre, Para-Aramid Fibre and Flame Retardant (FR) Viscose Fibre, which are sourced from diversified suppliers. The company's raw material procurement process is a critical function managed by the Purchase and Supply Chain Department. The process involves a structured approach from sample acquisition to final quality confirmation, ensuring all materials meet the technical specifications required for manufacturing.

Our sourcing network comprises both domestic and international suppliers. By maintaining a vendor base across geographies, the Company is able to ensure a stable and reliable supply chain while reducing dependency on any single source. This balanced approach allows us to mitigate risks relating to availability, quality and pricing and ensures continuity in production to meet customer requirements.

The company holds an Advance License issued by the Joint Director General of Foreign Trade, Ministry of Commerce & Industry, Government of India, authorizing the import of various raw materials, including fibres and chemicals, for the manufacture of technical textiles for export purposes. This license ensures the company can procure high-quality raw materials globally while maintaining compliance with all regulatory requirements. For further information on regulatory requirements, please refer to chapter *"**Government and Other Statutory Approvals**"* at page 267 of this Red Herring Prospectus

TECHNOLOGY

Our Company employs a range of technologies across its operations to support manufacturing efficiency, product quality and sustainability.

a. **Compact Spinning Systems**: These systems compact the fibre strand prior to twisting, which helps reduce hairiness, improve yarn strength and enhance finish quality, making the yarn suitable for various applications.

b. **Core Yarn Spinning Attachments**: The Company has incorporated systems that enable the production of core yarns by binding different fibre types around a central filament. This facilitates the manufacture of yarns with improved elasticity, durability and strength.

c. **Automatic Winding Technology**: Advanced winding systems are used to support defect-free winding with reduced human intervention. These systems contribute to consistent yarn package quality, support high-speed production and improve efficiency in the production line.

d. **Fabric-to-Fibre Recycling Technology**: The Company has adopted recycling processes that allow the recovery of high-tenacity fibres, including para-aramid, from end-of-life fabrics. This supports circularity in operations, reduces dependence on virgin raw material and contributes to sustainability initiatives.

e. **Quality Control Equipment**: Instruments such as yarn evenness testers are used to evaluate the uniformity and consistency of yarn, helping maintain quality standards and identify potential defects.

f. **Spinning and Doubling Systems**: The Company utilises ring frame technology and two-for-one doubling with electronic draft systems to support precise yarn formation, reduce yarn faults and enable high-speed production.

g. **Enterprise Management Tools**: For financial and operational management, the Company uses integrated accounting and resource tracking software that supports inventory management, billing, compliance and related functions.

HEALTH AND SAFETY

Our Company places strong emphasis on the health and safety of its employees and has implemented policies and procedures to minimize occupational hazards. We provide a safe working environment through installation of fire protection systems such as hydrants, extinguishers, emergency lighting and exit signage, as well as regular training of workers in handling fire and emergency situations. Employees are provided with personal protective equipment, including masks in high-risk areas such as the blow room, to reduce exposure to fibre particles. We also undertake periodic health and safety training, user friendly assessments and emergency preparedness drills to ensure compliance with applicable workplace safety standards and to safeguard the well-being of our workforce. There have been no reported instances of occupational hazards or workplace accidents in our operations till date

UTILITIES & INFRASTRUCTURE FACILITIES

INFRASTRUCTURE FACILITIES

Our registered office is located at Shop No. 111, New Cloth Market, Raipur, Ahmedabad – 380002, Gujarat, India. Our manufacturing unit is situated at Building No 27, 28 and 29, City Survey No.156, Station Road, Village Petlad, Ahmedabad-388450, Gujarat, India. The registered office and manufacturing facility are equipped with necessary machinery, computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smooth conduct of our business operations.

POWER

The requirement of power for our operations, like power for lighting and operating the plant/machinery/equipment is met through the state electricity board i.e. Madhya Gujarat Vij Company Ltd. We have applied to Madhya Gujarat Vij Company Limited for enhancement of our power load in order to meet the additional requirements arising from our proposed expansion. For further details of the expansion of equipment and machinery, please refer to the section titled "***Objects of the Issue***" beginning on page 90 of this Red Herring Prospectus.

WATER

Adequate arrangements have been made to meet our Company's water requirements. Drinking water is sufficiently provided at the offices, ensuring employee safety and hydration. For industrial purposes, water is supplied via tankers from a local supplier to support operational needs.

HUMAN RESOURCES

As of June 30, 2026, our Company has a team of approximately 169 permanent employees, including skilled, semi-skilled and unskilled staff, working in various roles and departments. As on June 30, 2026, our Company has 119 employees registered with the Employees' Provident Fund and the amount deposited by our Company with the Employee Provident Fund Organisation for the month of June 30, 2026 was ₹3.50 lakhs. Our Company does not employ contract labour under the Contract Labour (Regulation & Abolition) Act, 1970. For further details, on the certificates/ licenses of the Company please refer "***Government and Other Statutory Approvals***" at page 267.

Bifurcation of permanent employees is provided below:

Sr. No.	Category of Employees	No. of Employees
1.	Executive Directors	2
2.	Finance & accounts, administrative personnel	8
3.	Legal and secretarial	1
4.	Technical staff	5
5.	Quality management	5
6.	Sales and marketing staff	2
7.	Supervisors & in-charges	14
8.	Skilled and unskilled staff	132
	Total	**169**

EXPORTS & EXPORTS OBLIGATIONS

Our Company is subject to export obligations arising from certain duty exemption schemes availed under Indian foreign trade policy. These obligations are as follows:

1. Export Obligation against Advance License

We import raw materials such as para-aramid fabric waste, viscose fibre and acrylic fibre under Advance Authorisation (Advance License) issued by the Directorate General of Foreign Trade (DGFT). The license permits duty-free import of specified quantities of such textile inputs, subject to the condition that the resultant product, i.e., yarn manufactured using these inputs, is exported within a prescribed time frame. Accordingly, our Company has an obligation to export a fixed quantity of yarn corresponding to the raw materials imported under each license.

2. Export Obligation against EPCG Scheme

Our Company has also imported certain capital goods under the Export Promotion Capital Goods (EPCG) Scheme without payment of applicable customs duties. In accordance with the scheme requirements, we are required to fulfil a stipulated export obligation by exporting goods of a specified value, within the time frame prescribed under the scheme, equivalent to a multiple of the duty saved on such capital goods imports.

Compliance with these export obligations is essential to retain the benefits availed under the Advance Authorisation and EPCG schemes. Failure to meet the prescribed obligations may result in penalties, including the requirement to pay applicable duties along with interest. Our management continuously monitors and tracks fulfilment of such obligations to ensure compliance with applicable laws and regulations.

INTELLECTUAL PROPERTY

Following are the details of the Trademarks applied in the name of our Company, in India:

Sr. No.	Brand Name/Logo Trademark	Class	Trademark Type	Registration/ Application No.	Date of Application	Current Status
1.		23	Device	6624884	September 14, 2024	Accepted

DOMAIN NAME

Sr. No.	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name	Creation Date	Registry Expiry Date
1.	www.ashutoshfibre.com	BigRock Solutions Ltd IANA ID: 1495	www.bigrock.in/	February 03, 2011	February 03, 2027

CAPACITY AND CAPACITY UTILIZATION

Installed production capacity of the Manufacturing Utility

(i) The following table sets forth details of the Company's aggregate Existing installed production capacity:

<table>
<tr><th>Sr. No.</th><th>Manufacturing Unit location</th><th>Area covered by the facility (in square meters)</th><th>Products</th><th>No. of Days of Operations in a year</th><th>Installed Production Capacity per annum (in MT)</th></tr>
<tr><td>1</td><td rowspan="2">Building No 27, 28 and 29, City Survey No.156, Station Road, Village Petlad, Ahmedabad 388450, Gujarat, India</td><td rowspan="2">20,570.89*</td><td>Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (up to 50 NE)</td><td rowspan="2">~310</td><td>3,750</td></tr>
<tr><td>2</td><td>100% Polypropylene Yarn (Up To 2 NE)</td><td>1,025</td></tr>
</table>

** The current installed facility at the aforesaid location occupies 20,570.89 sq. mt. out of the total area of 53,988.88 sq. mt.*

(ii) The following table sets forth details of the Company's proposed installed production capacity with installation of new equipment and machineries:

Sr. No.	Manufacturing Unit location	Area covered by the facility (in square meters)	Products	No. of Days of Operations in a year	Installed Production Capacity per annum (in MT)
1	Building No 27, 28 and 29, City Survey No.156, Station Road, Village Petlad, Ahmedabad 388450, Gujarat, India	3,886.20*	Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (From 22 To 50 NE)	~310	1,250

** The proposed facility shall be installed at the aforesaid location occupying 3,886.20 sq. mt. out of the total area of 53,988.88 sq. mt.*

The following table sets forth the capacity utilization of the Company's products at the Company's manufacturing facilities for the specified periods:

Particulars	**For the year ended**		
	FY26	**FY25**	**FY24**
Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (up to 50 NE)			
Installed Capacity (In MT) (A)	3,750	3,750	3,500
Actual Production (in MT) (B)	3,619	3,247	2,809
% utilization (B)/(A) x100	96.51%	86.58%	80.24%
100% Polypropylene Yarn (Up to 2 NE)			
Installed Capacity (In MT) (C)	1,025	1,025	1,025
Actual Production (in MT) (D)	656	653	680
% utilization (D)/(C)x100	63.95%	63.75%	66.38%

#Annualised

***Note**: The installed capacity and utilized capacity have been certified by B.P. Oza & Associates (Chartered Engineer Registration No: M131433-5), Independent Chartered Engineer vide their certificate dated July 28, 2026.*

The information relating to the actual production as of the dates included above are based on the examination of the Miracle software / internal production records provided by the Company, explanations provided by the Company, the period during which the manufacturing facilities operate in a fiscal year, expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies.

***Note**:*

- *The company has increased its additional capacity by 250 MT effective from April 21, 2024.*
- *Assumption is also based on the three (3) shifts that the Company is running for eight (8) hours a day. The assumptions and estimates taken into account include the following:*
  - vi. *Number of working days in a fiscal year – 310 To 320;*
  - vii. *Number days in a month - 26;*
  - viii. *Number of shifts in a day – 3*
  - ix. *Number of hours - 8 and*
  - x. *Schedule preventive maintenance days — 40 to 50 days.*

CORPORATE SOCIAL RESPONSIBILITY

Our Company has adopted a corporate social responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended. The CSR policy lays down the framework and guiding principles for selection, implementation, monitoring and reporting of CSR activities to be undertaken by our Company.

In accordance with the said policy, our Company has been undertaking CSR activities in areas such as Child Education, Women

Empowerment, feed to needy people, Old Age Home, Gau-shala, Drug - free Nation. These initiatives are aimed at contributing towards the overall development of the communities in which we operate.

The following table sets forth details of our CSR expenditure for the periods indicated:

Particulars	FY 2026	FY 2025	FY 2024
Amount required to be spent (₹ in lakhs)	17.50	13.00	Nil
Amount actually spent (₹ in lakhs)	17.50	13.00	Nil

IMMOVABLE PROPERTY

Sr. No.	Details of the Property	Actual Use	Area	Owned/Leased/ Rented	Details of the Lessor/Licensor & Vendor	Adequately Stamped	Registered
1.	Shop No. 111, New Cloth Market, Raipur, Ahmedabad - 380002, Gujarat, India*	Registered Office	107.51 square metres	Leased	The Lease Deed dated October 29, 2022, was executed between (i) Pitex Corporation (**Lessor**) and (ii) Our Company (**Lessee**) for a lease term commencing from April 1, 2025 for a period of ten (10) years. **Duration:** 5 years **Consideration:** ₹ 50,000 (Rupees Five Thousand Only) Monthly	Yes	Yes
2.	Building No 27, 28 and 29, City Survey No.156, Station Road, Village Petlad, Ahmedabad-388450, Gujarat, India#	Factory Unit	Totals are - 53,988.88 square meters out of which 20,570.89 is being utilized by the existing manufacturing unit.	Leased	The Lease Deed amended dated June 15, 2023, was executed between (i) M/s Shyam Prakash Spinning Mills Limited (**Lessor**) and (ii) Our Company (**Lessee**) commencing from April 01, 2023, till March 31, 2033. **Duration:** 10 years **Consideration:** ₹ 75,000/- (Rupees Seventy-Five Thousand Only) monthly.	Yes	Yes

3.	Survey no 843/72/1, Khata No. 2023, village Kankanpur, taluks - Godhra, district-Panchmahal - 389001, Gujarat, India	Land used for Solar Purpose	18,403 square meters	Leased	The Lease Deed dated October 25, 2024, was executed between (i) Niraliben Arvindkumar Patel, Meenaben, Arvindbhai Prabhatsinh Baria, Maunil Arvind bhai Patel, Mahi Arvindbhai Patel (Minor), Patel Krunal Bhupendrakumar, Patel Urval Bhupendrakumar (**Lessor)** and (ii) our Company (**Lessee)** commencing from October 01, 2024, till February 02, 2054. **Duration:** 29 years 5 Month **Consideration:** ₹40,000/- (Rupees Forty Thousand only) per acre per month, with a 5% increase after every three years.	Yes	Yes
4.	Survey no 843/73/1, Khata No. 192, village Kankanpur, taluks - Godhra, district-Panchmahal - 389001, Gujarat, India	Land used for Solar Purpose	50,586 square meters	Leased	The Lease Deed dated October 25, 2024, was executed between (i) Niraliben Arvindkumar Patel, Meenaben, Maunil Arvindbhai Patel, Mahi Arvindbhai Patel, Patel Krunal Bhupendrakumar, Patel Urval Bhupendrakumar (**Lessor)** and (ii) our Company (**Lessee)** commencing from October 01, 2024, till February 02, 2054. **Duration:** 29 years 5 Month **Consideration:**	Yes	Yes

					₹40,000/- (Rupees Forty Thousand only) per acre per month, with a 5% increase after every three years.		
5.	Survey no 843/74/1, Khata No. 955, village Kankanpur, taluks - Godhra, district-Panchmahal - 389001, Gujarat, India	Land used for Solar Purpose	24,755 square meters	Leased	The Lease Deed dated October 25, 2024, was executed between (i) Arvind bhai Prabhatsinh bariya, Maunil Arvindbhai Patel, Mahi Arvindbhai Patel(minor), (**Lessor)** and (ii) our Company (**Lessee)** commencing from October 01, 2024, till February 02, 2054. **Duration:** 29 years 5 Month **Consideration:** ₹40,000/- (Rupees Forty Thousand only) per acre per month, with a 5% increase after every three years.	Yes	Yes

** The registered office of our Company is leased from Pitex Corporation, in which Anar Patel, the wife of Siddharth Prakash Patel, holds a 25% partnership interest. This lease has been entered into on a long-term basis at commercial terms and on an arm's length basis.*
 # Our factory premises are leased from Shyamprakash Spinning Mills Limited, in which Siddharth Prakash Patel holds a 6.11% equity stake. Shyamprakash Spinning Mills Limited is a group company of our Company. This lease has also been entered into on a long-term basis at commercial terms and on an arm's length basis.

***Note**: For properties listed under serial numbers 1 and 2, we hereby confirm that the related party transactions are on an arm's-length basis. With respect to properties under serial numbers 3, 4 and 5, please note that the lease payments made to un-related parties are based on independently negotiated, market driven terms, which inherently establish arm's-length conditions.*

INSURANCE

Our Company has obtained various insurance policies to safeguard its assets, stock, vehicles and business operations. These include Burglary Insurance, Standard Fire & Special Perils Insurance, Marine Export Import Insurance (Open Policy), Marine Inland Declaration Policy, Industry Protector Insurance and Saral Bharat Sookshma Udyam Suraksha Policy, covering risks such as fire, burglary, allied perils, machinery and stock at third-party job-work locations. Further, the Company has secured motor vehicle insurance policies for its passenger cars, two-wheelers and commercial vehicles including forklift trucks. The Company also maintains marine insurance for exports, imports, indigenous sales and purchases and transit of goods. These policies provide coverage against a wide range of risks including fire, burglary, marine transit losses, electronic equipment breakdown and damage to vehicles.

Our insurance portfolio is reviewed periodically to ensure adequacy of coverage and alignment with industry practices. While we believe that the insurance coverage maintained is appropriate and consistent with industry norms, such policies are subject to standard exclusions and limitations and there can be no assurance that all potential losses or claims will be fully covered. For the risk involved, please refer to Risk Factor No. 21 under section titled "***Risk Factors***" starting from page 20.

We have not incurred any loss and have not claimed any insurance in last three years.

Presently, our Company has following Insurance Policies:

Sr. no.	Particular	Policy no.	Insurer	Insured (Our Company) Insured Asset/ Risk Location	Period	Sum Insured (₹ In lakhs)	Premium (₹ In lakhs)
1.	Burglary Insurance Policy	0000000041718178-01	SBI General Insurance Company Limited	Mill compound Station, Shyamprakash Spinning, Anand, 388001-Gujarat	From November 21, 2025 to November 20, 2026	7,850.83	0.28
2.	Standard Fire & Special Perils Insurance	0000000041762464-01	SBI General Insurance Company Limited	Mill compound, Shyamprakash Spinning, Station Road, Anand-388001, Gujarat	From November 21, 2025 to November 20, 2026	9,850.83	8.36
3.	Industry Protector insurance Policy	47F46343	IFFCO - Tokio General Insurance Co. Ltd	Shyamprakash Spg Mill Compound, Station Road, Petlad	From November 17, 2025 to November 16, 2026	**Fire and Allied Perils**: 95.26 **Burglary:** 95.26 **Electronic Equipment:** 14.98 **Public Liability:** 0.1	**Fire and Allied Perils**: 0.09 **Burglary:** 0.01 **Electronic Equipment:**0.05 **Public Liability:** 0.00 **Total Premium:** 0.19
4.	Auto Secure - Standalone Own Damage Private Car Policy	6203132620 01 00	Tata AIG General Insurance Company	**Vehicle:** GJ01WM5041 (Skoda/ Kodiaq)	From July 21, 2025 to July 20, 2026	31.29	0.52
5.	Auto Secure - Standalone Own Damage Private Car Policy	0164408573 00 000	Tata AIG General Insurance Company	**Vehicle:** GJ01WP0910 (BMW/X5 Series)	From December 04, 2025 to December 03, 2026	81.87	0.99
6.	Digit Commercial Vehicle Liability Only Policy	D226021942 /05122025	Go Digit General Insurance Limited	**Vehicle:** Fork Lift - GJ23BC0376	From December 09, 2025 to December 08, 2026	NIL	0.08
7.	Auto Secure - Standalone	6204354840 00 00	Tata AIG General	**Vehicle:** GJ01WQ801	From March 19,	83.19	1.59

	Own Damage Private Car Policy		Insurance Company	3 (Mercedes-Benz)	2026 to March 18, 2027		
8.	Two Wheeler Vehicles Package Policy	3005/400091763/00/000	ICICI Lombard General Insurance Company Limited	**Vehicle:** GJ01PQ6557 (Honda Motorcycle)	From July 17, 2026 to July 16, 2027	0.16	0.01
9.	Marine Open Inland Declaration Policy	2001/421654453/00/000	ICICI Lombard General Insurance Company Limited	Textile Machinery (Mixing Bale Opener LB3/2, Monocylinder LB4/2, Flexiclean LB5/6, Ventilator LA5/4, LA5/6, others)	From December 18, 2025 to December 17, 2026	2,13.00 (Total Sum Insured); **Limit per Sending**: 70.00; **Limit per Location**: 70.00	0.094
10.	Consequential Loss (Fire) Policy	202601276247000-00	SBI General Insurance Company Limited	Ashutosh Fibre Limited – Sainath Farm House, Opp. Shree Nathji Crackers, Veganpur, Panch Mahals, Gujarat (**Solar Power Station**)	From February 13, 2026 to February 12, 2027	400.00	0.315
11.	Burglary Insurance Policy	202601275899000-00	SBI General Insurance Company Limited	Ashutosh Fibre Limited – Sainath Farm House, Opp. Shree Nathji Crackers, Veganpur, Panch Mahals, Gujarat (**Solar Power Station contents, furniture, fixtures, office equipment**)	From February 13, 2026 to February 12, 2027	1,288.27 (**First Loss Limit**: 322.07, i.e., 25%)	0.018
12.	Electronic Equipment Insurance Policy	0000000044367654	SBI General Insurance Company Limited	Ashutosh Fibre Limited – Sainath Farm House, Opp. Shree Nathji	From February 13, 2026 to February 12, 2027	1,288.27	0.380

				Crackers, Veganpur, Panch Mahals, Gujarat (**Electronic equipment including computers, biomedical, audio/visual systems, system software**)			
13.	Plant & Machinery Insurance (Saral Bharat Laghu Udyam Suraksha)	0000000044354578	SBI General Insurance Company Limited	Ashutosh Fibre Limited – Sainath Farm House, Opp. Shree Nathji Crackers, Veganpur, Panch Mahals, Gujarat (**Solar Power Station – Plant & Machinery, contents**)	From February 13, 2026 to February 12, 2027	1,920.00 (**Plant & Machinery + Contents**)	1.513
14.	Two Wheeler Vehicles Liability Policy	3005/A/437048949/00/000	ICICI Lombard General Insurance Company Limited	**Vehicle**: GJ01FZ7453 (TVS Scooty Pep Plus, 2016, 90 CC, 2-seater)	From April 22, 2026 to April 21, 2027	NIL (Liability-only cover, no OD/IDV)	0.008
15.	Marine Export Import Insurance Policy	2002/437862636/00/000	ICICI Lombard General Insurance Company Limited	All kinds of finished textile goods/ fibres, f.p cotton bales, Yarns and other fibres wastes pertaining to insured trade	From April 13, 2026 to April 12, 2027	**Indigenous Sales**: 7,000 **Indigenous SRCC**: 7,000 **Export Sales**: 5,500 **Export War and SRCC**: 5,500 **Import Purchase**: 2,500 **Indigenous Purchase**: 3,500	0.46
16.	Employees	3114208571393400000	HDFC	Employees	From May	406. 85	0.90

	Compensation Insurance		ERGO General Insurance Company Limited	(145 workers, 10 clerical staff, 88 contractors) at Shyamprakash Mill Compound, Petlad, Anand, Gujarat	16, 2026 to May 15, 2027		
17.	Marine Single Transit Inland Policy	2005/447780777/00/000	ICICI Lombard General Insurance Company Limited	New machinery (Two-for-One Twisters, Vandewiele-Savio India, Model SIRIUS EDS 252 AF, 192 spindles)	July 09, 2026, till termination of transit (**as per duration clause**)	92.81	0.07

KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and the respective bye-laws framed by the local bodies and others incorporated under the laws of India. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The statements produced 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 and may not be exhaustive and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled "Government and Other Approvals" of this Red Herring Prospectus. The following is an overview of some of the important laws, policies and regulations that are pertinent to our business.

INDUSTRY RELATED LAWS AND REGULATIONS

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 Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprises with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in the first schedule to the Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises, has issued a notification dated March 21, 2025 revising the definition and criterion and the same came into effect from April 01, 2025. The notification revised the definitions as "Microenterprise", where the investment in plant and machinery or equipment does not exceed two crore fifty lakh rupees and turnover does not exceed ten crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed twenty five crore rupees and turnover does not exceed one hundred crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed one hundred twenty five crores and turnover does not exceed five hundred crore rupees.

NATIONAL TEXTILE POLICY, 2000

The National Textile Policy, 2000 ("**NTP**") aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. The objective is sought to be achieved by liberalising controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of its objectives, the strategic thrust of the NTP is on technological upgradation, enhancement of productivity, quality consciousness, product diversification, maximising employment opportunities and so on. The NTP also envisages certain sector-specific initiatives, including the sector of raw materials, spinning, weaving, power loom, handloom, jute and textile. The Policy also lays down certain delivery mechanisms for the implementation of the policy and to enable the Indian textile industry to realise its full potential and achieve global excellence.

The salient objective of NTP is as follows –

- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Develop a strong multi-fiber base with thrust on product up-gradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose, to revitalize the institutional structure;
- Make Information Technology (IT), an integral part of the entire value chain of textile;
- Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing; and
- Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfilment of these objectives, vide the NTP, the Government has conveyed its commitment towards providing a conducive environment to enable the Indian textile industry to realise its full potential, achieve global excellence and fulfil its obligation to different sections of society.

THE TEXTILE COMMITTEE ACT, 1963

The Textile Committee Act, 1963 (the "Act") was enacted in 1963 to provide for the establishment of a committee for ensuring the quality of textiles and textile machinery and for matters connected therewith. The Act prescribes for establishment of a textile committee (hereinafter referred to as the "Textile Committee") with the general objective of ensuring a standard quality of textiles both for internal marketing and export purposes as well as standardisation of the type of textile machinery used for manufacture. In addition to the general objection as mentioned above, the function of the Textile Committee inter alia include, to undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery, promotion of export of textile and textile machinery, establishing or adopting or recognising standard specifications for textile and packing materials used in the packing of textiles or textile machinery for purpose of export and internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials, specify the type of quality control or inspection which will be applied to textile or textile machinery, provide for training in the techniques of quality control to be applied to textiles or textile machinery, provide for inspection and examination of textiles, textile machinery and packing material used in the packing of textile and textile machinery, establishing laboratories and text houses for testing of textiles and data collection and such other matters related to the textile industry.

TEXTILE DEVELOPMENT AND REGULATION ORDER, 2001 ("TEXTILE ORDER")

The Central Government in exercise of the powers conferred upon it under section 3 of the Essential Commodities Act, 1955 and in supersession of the Textile (Development and Regulation) Order, 1993 brought in force the Textile Order. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles is required to maintain books of accounts, data and other records relating to the business in the matter of production, processing, import, export, supply, distribution, sale, consumption etc. and shall furnish such returns or information in respect to the business as and when required by the Textile Commissioner. The Textile Order confers upon the Textile Commissioner powers to issue directions by notification with the prior approval of Central Government to any manufacturer regarding the specification or class of textiles which shall not be manufactured, dyes and chemicals which shall not be used in the manufacture of textile, maximum and minimum quantity of textiles which shall be manufactured, maximum ex-factory or wholesale or retail price at which textiles shall be sold, markings to be made on textiles by manufacturers and the time and manner of such markings and direct the officer in charge of any laboratory to carry out or cause to be carried out such tests relating to any textiles as may be specified by the Textile Commissioner.

PROTECTIVE TEXTILES (QUALITY CONTROL) ORDER, 2022

The Central Government, in exercise of the powers conferred under section 16 of the Bureau of Indian Standards Act, 2016, notified the Protective Textiles (Quality Control) Order, 2022. The Protective Textiles QCO mandates that specified protective textile products, as listed in the Schedule to the Order, must conform to the corresponding Indian Standards as notified by the Bureau of Indian Standards (BIS).

Under the Protective Textiles QCO, no person shall manufacture, import, store for sale, sell, or distribute the notified protective textile products unless they bear the Standard Mark (ISI Mark) under a license from BIS. The Order covers a range of products including flame retardant textiles, high-visibility warning clothing, protective clothing for firefighters, bullet-resistant jackets and other technical textiles used for personal and industrial protection. The QCO is not applicable to goods meant for export.

IMPORTER-EXPORTER CODE

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

GENERAL LEGISLATIONS APPLICABLE TO THE COMPANY

THE FACTORIES ACT, 1948

The Factories Act, 1948 ("Factories Act") aims at regulating labour employed in factories. A "factory" is defined as "any premises…whereon ten or more workers are working or were working on any day of the preceding twelve months and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on…". The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

LEGAL METROLOGY ACT, 2009 ("LEGAL METROLOGY ACT") AND THE LEGAL METROLOGY (PACKAGED COMMODITIES) RULES, 2011 ("PACKAGED COMMODITIES RULES")

The Legal Metrology Act establishes and enforces standards of weights and measures and regulates trade and commerce in weights, measures and other goods sold or distributed by weight, measure or number. The Legal Metrology Act prohibits quoting prices or charges, issuing or exhibiting any price list, invoice, cash memo or other document, publishing any advertisement, or indicating the net quantity of a pre-packaged commodity, otherwise than in accordance with the standard units of weight, measure or numeration. Manufacturers are required to maintain records and registers and make declarations on pre-packaged commodities, in the manner prescribed under the Legal Metrology Act. Penalties and punishments are prescribed for numerous offenses under the Legal Metrology Act, including selling or delivering commodities, articles or things by means other than the standard weight, measure or number, or using non-standard weights, measures or numeration.

The Packaged Commodities Rules were framed under Sections 52(2)(j) and (q) of the Legal Metrology Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. Pursuant to the advisory dated December 16, 2016, issued by the Director of Legal Metrology (the "Advisory"), the mandatory labelling requirements applicable to pre-packaged commodities under the Packaged Committees Rules are not applicable to garments sold in loose form. The Advisory clarifies that the labelling requirements for garments sold in loose form include the name/description of the product, the size of the product in internationally recognizable size indicators (such as S, M, L, XL, etc.) along with details in metric notation in centimeters or meters, the maximum retail price and the name, full address and customer care number of the manufacturer.

PUBLIC LIABILITY INSURANCE ACT, 1991 ("PUBLIC LIABILITY ACT")

The Public Liability Act, as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substance. A list of hazardous substances covered by the Public Liability Act has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

THE INFORMATION TECHNOLOGY ACT, 2000 (THE "INFORMATION TECHNOLOGY ACT") AND CERTAIN RULES MADE THEREUNDER

The Information Technology Act seeks to: (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act provides for jurisdiction over any offence or contravention under the Information Technology Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the Information Technology Act empowers the Government to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009, specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The Information Technology Act also prescribes civil and criminal liability including fines and imprisonment for computer-related offenses including those relating to unauthorized access to computer systems, tampering with or unauthorized manipulation of any computer, computer system or computer network and damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto, among others. Further, the Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data.

The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**IT Security Rules**") prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 ("**IT Intermediary Rules**") require intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediary Rules and to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it. The IT Intermediary Rules specify the due diligence to be observed by intermediaries and further require the intermediaries to provide a grievance redressal mechanism and also appoint a nodal officer and a resident grievance officer.

INDUSTRIAL POLICY OF RELEVANT STATE

THE GUJARAT SHOPS AND ESTABLISHMENTS (REGULATION OF EMPLOYMENT AND CONDITIONS OF SERVICE) ACT, 2019

The Gujarat Shops & Establishments (Regulation of Employment and Conditions of Service) Act, 2019 ("2019 Act") was published in the gazette of the State of Gujarat on Mar 7, 2019 and has been in force from May 1, 2019. The shops and establishments already validly registered under the erstwhile 1948 Act are not required to register themselves afresh under the new Act until the expiry of the previous registration. Traders and businessmen having up to 9 workers are exempt from registration. Such employers are required to submit an online application along with self-certified documents within 60 days of commencement of business. As regards shops and establishments having 10 or more workers, an application for registration, self- declaration and self-certified documents must be submitted to the concerned Inspector along with prescribed fees within 60 days of commencement of business. Once registered under the 2019 Act, the shops/establishments shall remain validly registered until there is change in ownership or nature of business. This means the registration obtained shall not be required to be renewed.

THE GUJARAT FIRE PREVENTION AND LIFE SAFETY MEASURES ACT, 2013

A legislation is proposed to establish comprehensive measures ensuring fire prevention, safety and the protection of life and property in diverse structures such as buildings, temporary structures, shamiyanas, tents, or mandaps that pose a potential fire hazard in various areas within the State of Gujarat. This includes provisions for a fire service fee, the creation of a special fund and other related matters or occurrences. The enactment aims to address the need for effective safeguards against the risk of fire and to manage associated concerns in the specified regions of Gujarat.

GUJARAT FIRE PREVENTION AND LIFE SAFETY MEASURES (AMENDMENT) RULES, 2021

The Government of Gujarat has published the Gujarat Fire Prevention and Life Safety Measures (Amendment) Rules, 2021 to further amend the Gujarat Fire Prevention and Life Safety Measures Rules, 2014. It has come into force with effect from January 22, 2021. Salient features of the amendment are as under:

1. A certificate regarding the compliance of the fire prevention, life safety and fire protection measures in a building may be issued by a licensed agency in Form-B1.
2. The fire safety certificate issued under Rule 23 unless sooner cancelled shall be valid for a period of 3 years from the date of issuance of such certificate.
3. The fire safety officer shall inspect the building to verify the compliance of relevant rules and regulations and then issue a Fire Safety Certificate Renewal in Form-B13.

The owner or occupier of the building or premises and the fire safety officer shall declare after inspection every six months in Form- B15 that fire prevention, life safety and fire protection measures provided in the building.

GUJARAT STATE TAX ON PROFESSION, TRADES, CALLINGS AND EMPLOYMENT ACT, 1976

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 each State 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 incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. 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 person 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 person and employer has to obtain the registration from the assessing authority in the prescribed manner.

THE GUJARAT GOODS AND SERVICES TAX ACT, 2017

The Gujarat Goods and Services Tax Act, 2017 contains provisions for the levy and collection of tax on intra-state supply of goods or services or both. It lays down eligibility and conditions for taking input tax credit, provisions relating to audit, inspection, search, seizure, arrest, demands and recovery and also prescribes penalties for offences under the Act. It extends to the whole of Gujarat.

GUJARAT INDUSTRIAL POLICY, 2020

Gujarat is the most industrialized state in India and has been recognized nationally and globally for offering conducive business ecosystem that is supported by ease of doing business. The state has witnessed unprecedented growth in terms of investments, both FDI and domestic. With a vision to give additional thrust to "Atmanirbhar Bharat", the New Gujarat Industrial Policy 2020 is being introduced with added focus on key thrust sectors, strengthening integrated value chains, innovation and research. Besides this, the Gujarat Industrial Policy has provisions to promote industries focusing to adopt sustainable & cleaner manufacturing and innovative Industry 4.0 practices. It also lays objective to encourage entrepreneurship and strengthen MSMEs and facilitate cluster development.

'Make in India' initiative launched by Government of India aims at enhancing manufacturing through investment, innovation and best- in-class infrastructure. Gujarat has been successfully contributing to the initiative's objective of transforming India into a global design and manufacturing hub supported by conducive infrastructure and ease of doing business. The State Government has also introduced notable reforms in order to create a conducive business environment in the state.

The initiative ZED (Zero Defect in Manufacturing and Zero Effect to Environment) was launched to enhance the quality of the manufactured goods with the end goal of positioning India as the "World's Manufacturing Hub". Gujarat's manufacturing sector has imbibed ZED as a core pillar which has supported the Gujarat MSMEs carve a niche for themselves in the global supply chain.

Gujarat Industrial Policy 2020 is offering land on lease, de-linking of incentives from tax structure and replacing it with capital subsidy without any upper ceiling will attract many a soul to take the entrepreneurial path. Gujarat Industrial Policy 2020 spearheads balanced regional development and is the torchbearer for inclusive growth.

GUJARAT PROVINCIAL MUNICIPAL CORPORATION ACT 1949

The Gujarat Provincial Municipal Corporation Act, 1949 is a legislative framework that governs the establishment, administration and functioning of municipal corporations in the state of Gujarat. The Act provides guidelines for the management of urban areas, ensuring proper municipal services and infrastructure development. The Act prescribes for necessary licenses, permits and approvals for factory operations, ensuring lawful disposal of waste and adhering to regulations on structural safety and public nuisance prevention.

GUJARAT TEXTILE POLICY 2024

The Gujarat Textile Policy 2024 aims to encourage skilling and upskilling of workers under self-help groups. The policy also offers support for quality certification, energy and water conservation and technology acquisition. It includes enhanced fiscal subsidies tailored to labour- intensive units, with special incentives for those employing 4,000 or more workers. Beyond apparel, garments and technical textiles, the policy extends its focus to sectors like weaving, knitting, dyeing, texturizing, twisting and the production of yarn from polyester staple fiber (PSF) and viscose staple fiber (VSF), excluding cotton and synthetic filament yarn spinning.

GUJARAT ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS FOR GREEN ENERGY OPEN ACCESS) REGULATIONS, 2024

The Gujarat Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2024 ("Regulations") have been framed to provide a comprehensive framework for non-discriminatory open access to transmission and distribution networks for green energy consumers, generators and licensees in Gujarat. The Regulations define categories of open access as long-term (above 12 years up to 25 years), medium-term (above 3 months up to 3 years) and short-term (up to one month) and lay down eligibility criteria, including minimum contracted demand or sanctioned load of 100 kW for consumers (except captive users). They prescribe detailed procedures for application, grant and priority of access, including the requirement of bank guarantees for long-term and medium-term access and specify charges such as transmission and wheeling charges, cross-subsidy surcharge, additional surcharge, standby charges, metering and scheduling charges. Provisions have been made for banking of surplus energy on a time-block basis, compliance with grid codes and DSM regulations and mandatory installation of special energy meters. The Regulations further provide for transparent processing of applications on a first-come-first-serve basis, dispute resolution through hearings and appeals before the Commission and obligations on the State Nodal Agency to maintain a web portal and publish reports for transparency.

LABOUR RELATED LEGISLATIONS

PAYMENT OF BONUS ACT, 1965[1]

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

MINIMUM WAGES ACT, 1948[1]

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

PAYMENT OF WAGES ACT, 1936[1]

The Payment of Wages Act, 1936 as amended (the Payment of Wages Act) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than ₹ 6,500 per month.

EQUAL REMUNERATION ACT, 1976[1]

The Equal Remuneration Act, 1976, as amended (ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

INDUSTRIAL EMPLOYMENT STANDING ORDERS ACT, 1946[2]

The Industrial Employment Standing Orders Act, 1946 aims to provide for the fixation of minimum rates of wages, hours of work, holidays with pay and leave with pay in factories, workshops and other establishments or undertakings which employ ten or more workers.

It also provides for the regulation of facilities like medical aid and welfare schemes to be extended by employers to their employees. It was enacted to monitor and regulate the terms and conditions of industrial employment in India. It made provisions for the security of employment and payment of wages by cash or through cheque etc. The Act also provides for machinery for adjudicating disputes regarding violation of such terms and conditions. A Standing Order is a document setting out terms and conditions of employment for workers in an industry.

TRADE UNION ACT, 1926 AND TRADE UNION (AMENDMENT) ACT, 2001[2]

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non- employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

INDUSTRIAL DISPUTES ACT, 1947[2]

The Industrial Disputes Act, 1947 (Industrial Disputes Act) provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or layoff or retrenchment. (b) the procedure for prior permission of appropriate

Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

PAYMENT OF GRATUITY ACT, 1972[3]

The Payment of Gratuity Act, 1972 ("**PG Act**") applies to every factory and shop or establishment in which ten or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:
a) On his/her superannuation;
b) On his/her retirement or resignation;
c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

Gratuity is payable to the employee at the rate of 15 (fifteen) days' wages for every completed year of service or part thereof in excess of 6 (six) months.

THE EMPLOYEE COMPENSATION ACT, 1923[3]

The Employee Compensation Act, 1923, formerly known as the Workmen's Compensation Act, mandates employers to provide compensation to employees who suffer injuries, disabilities, or death due to workplace accidents. The Act aims to offer financial protection to workers and their families, ensuring that they receive fair compensation for any loss or injury sustained during employment. It outlines the employer's liability for compensation, including cases of occupational diseases and accidents arising out of and in the course of employment. The Act also specifies the amount of compensation based on the nature and severity of the injury, as well as the method for calculating wages and distributing compensation. By establishing a legal framework for employee compensation, the Act promotes safer work environments and ensures that workers are adequately protected in the event of workplace accidents.

MATERNITY BENEFIT ACT, 1961[3]

The Maternity Benefit Act, 1961, as amended, regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

EMPLOYEES' STATE INSURANCE ACT, 1948[3]

The Employees' State Insurance Act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. Whereas it is expedient to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto; this Act requires all the employees of the establishment to which this act applies to be insured to the manner provided there under. The Employer and Employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 ("EPF ACT")[3]

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such establishments to be registered with the State provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970, AS AMENDED (THE "CLRA ACT")[4]

The Contract Labour (Regulation and Abolition) Act, of 1970 (the "CLRA Act") requires a company to be registered as a principal employer and prescribes certain obligations with respect to the welfare and health of contract labourers. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to the establishment of canteens, restrooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

INTER-STATE MIGRANT WORKMEN (REGULATION OF EMPLOYMENT AND CONDITIONS OF SERVICE) ACT, 1979[(4)]

Inter-State Migrant Workmen Act is an act enacted by the Parliament of India to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. This Act is applicable to every establishment and contractor who has employed five or more inter-state of Pass-Book to every inter-state migrant workmen with full details, payment of displacement allowance equivalent to 50% of monthly wages of ₹ 75/-, whichever is higher, payment of journey allowance including payment of wage during the period of the journey, suitable residential accommodation, medical facilities and protective clothing, payment of wages, equal pay for equal work irrespective of sex, etc. The main responsibility for the enforcement of the provisions of the Inter-State Migrant Workmen Act lies with the Central Government and the State Governments/Union Territories in the establishments falling in the Central and State sphere, respectively.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, consolidating some of the above-mentioned statutes, namely:

(1) CODE ON WAGES, 2019 (with Central Rules, 2026)

The Code on Wages, 2019, which received Presidential Assent on 8 August 2019 and was notified on November 21, 2025, consolidates the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. It ensures uniform definitions and guarantees timely payment of wages, minimum wages as notified, and statutory bonuses across both organised and unorganised sectors. This code introduces a national floor wage to bring consistency across States, mandates approved modes of wage payment (coin, currency notes, cheque, or digital transfer), and strengthens enforcement through inspectors-cum-facilitators and a simplified claims process.
The Code on Wages (Central) Rules, 2026, which were notified on May 8, 2026, operationalize the provisions by prescribing detailed procedures for fixation and revision of minimum wages, payment of wages, and bonuses. They establish uniform formats for registers, records, and returns to ensure transparency, define the role of inspectors-cum-facilitators, streamline the claims process, and secure mechanisms for timely wage disbursement. By harmonizing wage-related procedures, the rules enhance accountability, reduce disputes, and safeguard statutory rights of employees across all sectors.

(2) INDUSTRIAL RELATIONS CODE, 2020 (With Central Rules, 2026)

The Industrial Relations Code, 2020, which received Presidential Assent on September 28, 2020 and was notified on November 21, 2025, consolidates the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946, and the Industrial Disputes Act, 1947 into a single framework. It promotes harmonious employer-employee relations by simplifying trade union registration, recognising negotiating unions or councils, and setting standards for grievance redressal. The code provides clear procedures for layoffs, retrenchment, and closure in industrial establishments, introduces fixed-term employment with proportionate benefits, and emphasises dispute resolution through conciliation, arbitration, and adjudication, balancing flexibility for employers with adequate worker protections.

The Industrial Relations (Central) Rules, 2026, which were notified on May 8, 2026, operationalize the Code by prescribing procedures for recognition of trade unions, settlement of disputes, and regulation of employment conditions. They detail the constitution and functioning of Works Committees, Grievance Redressal Committees, and Industrial Tribunals, and lay down formats for registers, returns, and notices to ensure transparency. By streamlining collective bargaining and dispute resolution processes, these rules strengthen participatory mechanisms, reduce litigation, and foster a balanced framework protecting both workers' rights and employers' interests.

(3) CODE ON SOCIAL SECURITY, 2020 (With Central Rules, 2026)

The Code on Social Security, 2020, which received Presidential Assent on September 28, 2020 and was notified on November 21, 2025, consolidates nine central labour laws including the EPF Act, ESI Act, Maternity Benefit Act, and Employees' Compensation Act. It extends social security benefits to employees in the organised sector, unorganised workers, gig workers, and platform workers. The Code provides for provident fund, pension, insurance, maternity benefits, gratuity, and compensation, empowers the government to frame schemes for the unorganised sector, and mandates employer registration and record-keeping. Employees are entitled to benefits such as sickness, maternity leave, disablement, and family pension depending on scheme coverage, while Social Security Organisations are established for administration and enforcement, with aggregators contributing to gig and platform worker welfare.

The Social Security (Central) Rules, 2026, which were notified on May 8, 2026, operationalize the Code by prescribing procedures for registration, contribution, and benefit disbursement under schemes like provident fund, pension, insurance, and maternity benefits. They clarify eligibility for employees and gig/platform workers, define the role of aggregators in contributing to social security funds, and establish formats for registers, returns, and compliance reporting. The rules strengthen enforcement through inspection protocols and claims processes, ensuring timely access to statutory benefits. By harmonizing procedures and extending coverage to new categories of workers, they create a comprehensive and inclusive framework for worker welfare and financial protection.

(4) OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS CODE, 2020 (With Central Rules, 2026)

The Occupational Safety, Health and Working Conditions Code, 2020, which received Presidential Assent on September 28, 2020 and was notified on November 21, 2025, consolidates 13 labour laws relating to safety, health, and working conditions in factories, mines, plantations, motor transport undertakings, and construction work. It mandates employers to provide safe working environments, annual health check-ups, welfare facilities, and protective equipment, while regulating working hours and ensuring hazard-free conditions. The Code also introduces portability-based registration for inter-state migrant workers, simplifies licensing for contractors and establishments through a single-registration system, and seeks to enhance workplace safety, reduce hazards, and promote humane working conditions across industries.
The Occupational Safety, Health and Working Conditions (Central) Rules, 2026, which were notified on May 8, 2026, operationalize the Code by prescribing detailed standards for workplace safety, health, and welfare. They specify procedures for registration of establishments, appointment of safety officers, and provision of facilities such as drinking water, sanitation, ventilation, and medical aid. The rules also regulate working hours, leave entitlements, and employment conditions for women and contract labour, while mandating compliance registers, reporting formats, and inspection protocols. By harmonizing safety procedures and strengthening enforcement, they safeguard workers' health, reduce occupational risks, and ensure humane working conditions across both organised and unorganised sectors.

TRANSITIONAL AND SAVINGS PROVISIONS

Upon commencement of the Labour Codes, the corresponding provisions of the repealed or subsumed enactments shall continue to apply to the extent of actions taken, liabilities incurred, contributions made, inspections conducted and proceedings initiated prior to such commencement, until the relevant rules, schemes and implementing notifications under the respective Labour Codes are fully notified and enforced. The Company shall continue to comply with applicable labour laws, including the provisions of the Labour Codes, erstwhile labour legislations (to the extent saved), and the rules, schemes and notifications issued thereunder, as applicable from time to time.

EMPLOYEES DEPOSIT LINKED INSURANCE SCHEME, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

THE EMPLOYEES' PENSION SCHEME, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines Sexual Harassment to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

APPRENTICES ACT, 1961

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the programme of training of apprentices and matters connected there with. The term Apprentice means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Apprenticeship Training means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

TAX-RELATED LEGISLATIONS

INCOME TAX ACT, 2025

The Income Tax Act, 2025 ("**Income Tax Act**") (effective from 1 April 2026) replaces the Income Tax Act, 1961 and is applicable to every domestic as well as foreign company whose income is chargeable to tax in India, based on its residential status and nature of income. The Income Tax Act continues to govern all major heads of income such as business income, capital gains, and other sources, while introducing a simplified structure and the concept of a single "tax year," instead of financial year and Assessment year thereby easing compliance and reporting for companies. Every company is mandatorily required to file its income tax return within the prescribed due date for each tax year, along with maintaining proper books of accounts and supporting documentation for accurate computation of income.

Further, companies are required to comply with key provisions relating to Tax Deducted at Source (TDS), advance tax payments, and Minimum Alternate Tax (MAT). The Income Tax Act also emphasized on digital compliance, including faceless assessments and electronic filings, ensuring greater transparency and efficiency. Additionally, enhanced disclosure requirements relating to financial transactions, foreign assets, and digital or virtual assets have been incorporated.

GOODS AND SERVICE TAX (GST)

Goods and Services Tax (GST) is levied on the supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for the imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

CUSTOMS REGULATIONS

All imports into India are subject to duties under the Customs Act, 1962 at the rates specified under the Customs Tariff Act, 1975. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

ENVIRONMENT RELATED LEGISLATIONS

ENVIRONMENTAL REGULATIONS

The Environmental Protection Act, 1986 ("Environment Protection Act"), Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") and the Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") provide for the prevention, control and abatement of pollution. Pollution Control Boards ("PCBs") have been constituted in all the States in India to exercise the authority provided under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain approvals of the relevant State PCBs for emissions and discharge of effluents into the environment. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 20016 ("Hazardous Waste Rules") The Hazardous Waste Rules define the term 'hazardous waste' to include any waste which by reason of physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive characteristics cause danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances including waste specified in the schedules to the Hazardous Waste Rules. In terms of the Hazardous Waste Rules, occupiers, being persons who have control over the affairs of a factory or premises or any person in possession of hazardous or other waste, have been, inter alia, made responsible for safe and environmentally sound management of hazardous and other wastes generated in their establishments and are required to obtain license/ authorization from the respective State PCB for handling, generation, collection, storage, packaging, transportation, usage, treatment, processing, recycling, recovery, pre-processing, co-processing, utlization, selling, transferring or disposing hazardous or other waste.

ENVIRONMENT (PROTECTION) RULES, 1986

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. Pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board ("PCB") an environmental statement for that financial year in the prescribed form.

THE ENVIRONMENTAL IMPACT ASSESSMENT NOTIFICATION, 2006 (THE "NOTIFICATION")

As per the Notification, any construction of new projects or activities or the expansion or modernization of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central Government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central Government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme 'Housing for All by 2022'and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant byelaws of the concerned State authorities.

THE NOISE POLLUTION (REGULATION & CONTROL) RULES 2000 ("NOISE REGULATION RULES")

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

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. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

THE MUNICIPAL SOLID WASTES (MANAGEMENT AND HANDLING) RULES, 2000 AS SUPERSEDED BY SOLID WASTE MANAGEMENT RULES, 2016 ("WASTE MANAGEMENT RULES, 2016")

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 make the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

FOREIGN INVESTMENT AND TRADE REGULATIONS

FOREIGN INVESTMENT REGULATIONS

Foreign Investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT and any modifications thereto or substitutions thereof, issued from time to time (the "FDI Policy").

FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992

Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate an EXIM policy; and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating EXIM policy and implementing the same. Every importer and exporter is required to obtain an 'Importer Exporter Code' from the Director General of Foreign Trade or from any other duly authorized officer.

FOREIGN TRADE POLICY

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP. Under the Foreign Trade (Development and Regulation) Act, 1992, the Central Government is empowered to periodically formulate the Export Import Policy (the ―EXIM Policy) and amend it thereafter whenever it deems fit. All exports and imports must be in compliance with the EXIM Policy. The iron and steel industry has been extended various schemes for the promotion of exports of finished goods and imports of inputs. The major schemes available are the Duty Exemption and Remission Scheme and the Export Promotion of Capital Goods (EPCG) Scheme. The Duty Exemption Scheme enables duty free imports of inputs required for the production of exports by obtaining an advance license. The Duty Remission Scheme enables post export replenishment/remission of duty on inputs used in the export product. This scheme consists of a Duty-Free Import Authorisation Scheme (―DFIA), the Duty Drawback Scheme (―DBK‖) and the Duty Entitlement Pass Book (the ―DEPB‖). DFIA enables duty free replenishment of inputs used in manufacture of exports. Under the DEPB Scheme, exporters on the basis of notified entitled rates are granted duty credit, which would entitle them to import goods, except capital goods, without duty.

FOREIGN EXCHANGE MANAGEMENT ACT, 1999 ("FEMA") AND REGULATIONS FRAMED THEREUNDER

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under and the policy prescribed by the Department of Promotion of Industry and Internal Trade. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations"), as amended from time to time to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA NDI RULES") RULES

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 (“FEMA Rules”) to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment (“FDI”) under the “automatic route” within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

THE FOREIGN TRADE (REGULATION AND DEVELOPMENT) ACT, 1992 AND THE RULES FRAMED THEREUNDER (“FTA”)

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with 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. As per the provisions of the FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the FTA, including formulation and implementation of the Export-Import (“EXIM”) Policy. The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number (“IEC”) granted by the Director General of Foreign Trade pursuant to Section 7 of the FTA. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. Failure to mention IEC number attracts a penalty of not less than ₹10,000 and not more than five times the value of the goods or services or technology in respect of which any contravention is made or is attempted to be made, whichever is made. The IEC shall be valid until it is cancelled by the issuing authority.

GENERAL STATUTORY LEGISLATIONS

COMPANIES ACT, 2013 (“COMPANIES ACT”)

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the director’s payable by the companies is under Part II of the said schedule.

COMPETITION ACT, 2002

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates combinations in India. The Competition Act also established the Competition Commission of India (the ―CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition and on all parties to the combination jointly in case of a merger or amalgamation. Further, the Competition (Amendment) Act, 2023, which came into effect in September 2024, marks a major overhaul of India’s competition law framework. One of its most significant changes is the introduction of a deal value threshold, requiring Competition Commission of India (CCI) approval for transactions of acquisition exceeding ₹2,000 crore if the target has substantial business operations in India.

INDIAN CONTRACT ACT, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge and agency.

SPECIFIC RELIEF ACT, 1963

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance‖ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The Insolvency and Bankruptcy Code (IBC), 2016, was enacted by the Indian government to consolidate and amend the laws relating to insolvency and bankruptcy of companies, partnerships and individuals. The primary objective of the IBC is to provide a time-bound resolution process for insolvency, thereby maximizing the value of the debtor's assets and promoting entrepreneurship. The Code introduces a streamlined institutional framework, including the Insolvency and Bankruptcy Board of India (IBBI), insolvency professionals, information utilities and adjudicatory authorities like the National Company Law Tribunal (NCLT) and its appellate body, the NCLAT. The IBC outlines a two-step process for corporate insolvency: the Insolvency Resolution Process, which involves the active participation of creditors in assessing the viability of the debtor's business and Liquidation, where the debtor's assets are sold to repay creditors if revival is not feasible. The Code also provides for individual insolvency resolution and bankruptcy.

SALE OF GOODS ACT, 1930

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

THE REGISTRATION ACT, 1908 (“REGISTRATION ACT”)

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

CONSUMER PROTECTION ACT, 2019 (“CONSUMER PROTECTION ACT”) AND RULES MADE THEREUNDER

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“Ministry of Consumer Affairs”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade and appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures. Further, in 2023 a “Guidelines for Prevention and Regulation of Dark Patterns,” issued by India's Central Consumer Protection Authority (CCPA), aims to protect consumers from deceptive design practices in digital interfaces that mislead users into actions they did not intend, thereby undermining their autonomy and violating consumer rights. These guidelines apply to all platforms systematically offering goods or services in India, including advertisers and sellers. They define "dark patterns" as deceptive user interface or user experience designs intended to mislead users, amounting to misleading advertisements or unfair trade practices. The guidelines identify and prohibit 13 specific types of dark patterns, such as "false urgency," which creates a fake sense of scarcity to prompt immediate action and "basket sneaking," which includes additional items in a user's cart without consent. By establishing these regulations, the CCPA seeks to enhance transparency and fairness in digital consumer interactions, ensuring that users can make informed choices without manipulation

CODE OF CIVIL PROCEDURE, 1908

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

PREVENTION OF MONEY LAUNDERING ACT, 2002

Money laundering is the processing of criminal proceeds to disguise its illegal origin. Terrorism, illegal arms sales, financial crimes, smuggling and the activities of organized crime, including drug trafficking and prostitution rings, generate huge sums. Embezzlement, insider trading, bribery and computer fraud also produce large profits and create an incentive to legitimise the ill-gotten gains through money laundering. When a criminal activity generates substantial profits, the individual or group involved in such activities route the funds to safe heavens by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention.

BHARTIYA NYAYA SANHITA, 2023

This act supersedes the Indian Penal Code, 1860, this comprehensive legal framework addresses various facets of criminal law, including offenses, penalties, defenses and procedural guidelines. The Bhartiya Nyaya Sanhita Act largely retains provisions from the Indian Penal Code, 1860, but also introduced new offences including but not limited to cybercrimes, environmental violations and removed invalidated offences that were earlier there and enhances penalties for certain offences. Notably, community service replaced the sedition as a form of punishment and terrorism is also explicitly recognizes as an offence. The Bhartiya Nyaya Sanhita Act streamlines legal procedures, ensuring faster trials and emphasizes on witness protection and evidence collection.

BHARTIYA NAGRIK SURAKSHA SANHITA ACT, 2023

This act superseded the Code of Criminal Procedure, 1973 and became the main legislation on procedure for administration of substantive criminal law in India, this act received assent from the president of India on December 25, 2023 and came into effect from July 01, 2024. The Bhartiya Nagrik Suraksha Sanhita Act, introduces specific timelines for investigation and trial, ensures timely FIR registration for complaints submitted through electronic communication, mandates forwarding medical examination reports of rape victims within seven days and empowers courts to conduct trial in absentia against proclaimed offenders. Additionally, the Act emphasizes prompt judgment pronouncement and requires audio-video recording of search and seizure during investigations. Notably, proceeds of crime can be attached by the court and distributed among victims. The Bhartiya Nagrik Suraksha Sanhita Act aims to expedite proceedings and enhance transparency in the criminal justice system.

BHARTIYA SAKSHYA ADHINIYAM ACT, 2023

This act superseded the Indian Evidence Act, 1872, this act modernizes evidence handling within the Indian legal system, addressing digital evidence and other contemporary issues. This act focuses on procedural aspect of law, governing how rights may be enforced before a court of law. This act introduces changes related to electronic evidence definitions and admissibility procedures. This act received presidential assent on December 25, 2023 and came into effect from July 01, 2024, this act has omitted certain terms which were earlier present in the Indian Evidence Act and the major change was to include electronic evidence as part of the definition of documentary records and also included the possibility of giving oral evidence electronically.

ARBITRATION & CONCILIATION ACT, 1996

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

NEGOTIABLE INSTRUMENTS ACT, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

INDIAN STAMP ACT, 1899

Under the Indian Stamp Act, 1899 (the "Stamp Act") stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

LIMITATION ACT, 1963

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, 'period of limitation' means the period of limitation prescribed for any suit, appeal or application by the Schedule and 'prescribed period' means the period of limitation computed in accordance with the provisions of this Act.

THE DIGITAL PERSONAL DATA PROTECTION ACT, 2023 ("DPDP ACT")

The DPDP Act was notified on August 11, 2023 and is yet to come into effect. It replaces the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the DPDP Act. The DPDP Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the DPDP Act. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the "DPB") and affected persons in the event of a breach and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The DPDP Act imposes certain additional obligations on a significant data fiduciary, such as appointment of a data protection officer, appointment of an independent data auditor and undertaking of other measures namely, periodic data protection impact assessment, periodic audit and such other measures as may be prescribed under the DPDP Act. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

THE DIGITAL PERSONAL DATA PROTECTION (DPDP) RULES, 2025,

The DPDP Rules, 2025 is a comprehensive framework for the responsible handling of digital personal data in India. These rules are applicable to any entity—whether based in India or abroad—that processes the personal data of individuals located in India. This includes data collected directly in digital form or converted into digital format after being collected offline. The rules are designed to ensure that personal data is processed in a lawful, transparent and secure manner. However, they do not apply to data processed by individuals for personal or domestic purposes, or to information that has been made publicly available by the individual or under legal obligation. Certain exemptions are also provided for specific sectors, such as education and healthcare, particularly when processing children's data for safety or welfare purposes. Overall, the DPDP Rules aim to build trust in digital systems by enforcing accountability and giving individuals greater control over their data, making it essential for all organizations handling such data to understand and comply with these regulations.

THE ENERGY CONSERVATION (AMENDMENT) ACT, 2022

The Energy Conservation Act, 2001 was enacted to provide for efficient use of energy, its conservation and for matters connected therewith and/ or incidental thereto. The amended Act provides for regulation of energy consumption by equipment, appliances, vehicles, vessels, industrial units, buildings or establishments that consume, generate, transmit or supply energy. With special focus on promotion of new and renewable energy and the National Green Hydrogen Mission, the amendment seeks to (i) facilitate the achievement of "Panchamrit" — the five nectar elements presented by India in COP-26 (Conference of Parties -26) in Glasgow 2021. In addition to facilitating the achievement of 'Panchamrit', the amended Act aims to promote renewable energy and develop the domestic carbon market to combat climate change and introduce new concepts such as carbon trading and mandate the use of non-fossil sources to ensure faster decarbonisation and help achieve sustainable development goals in line with the Paris Agreement and various other actions related to climate change.

BUREAU OF INDIAN STANDARDS ACT, 2016 ("BIS ACT")

The BIS Act provides for the establishment of the Bureau of Indian Standards ("BIS") for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard marks for any goods or process if it finds it expedient to do so in the public interest. The BIS Act also provides penalties in case there is a contravention of the provisions of the BIS Act.

BUREAU OF INDIAN STANDARDS RULES, 2018 (THE "BUREAU OF INDIAN STANDARDS RULES")

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

INTELLECTUAL PROPERTY RELATED LEGISLATIONS

In general, the Intellectual Property Rights include but are not limited to the following enactments:

1. Trademarks Act, 1999
2. Indian Copyright Act, 1957
3. The Patents Act, 1970
4. Design Act, 2000

TRADE MARKS ACT, 1999 ("TRADE MARKS ACT")

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants and can be made on the basis of either actual use or intention to use a trade mark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act.

The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

COPYRIGHT ACT, 1957

Copyright protection in India is governed by the Copyright Act and the Rules made thereunder. Although obtaining or enforcing a copyright in an otherwise protectable work does not require copyright registration, registration under the copyright laws serves as prima facie evidence of the information entered therein and speeds up infringement proceedings by minimizing delays brought on by evidentiary considerations. According to the Copyright Act, infractions are punishable by a fine, imprisonment, or both, with the severity of the penalty increasing for repeat offenders.

THE PATENTS ACT, 1970 ("PATENTS ACT")

The Patents Act governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights and recognizes both product as well as process patents. The Patents Act provides for, inter alia, the following:

- Patent protection period of 20 years from the date of filing the patent application;
- Recognition of product patents in respect of food, medicine and drugs;
- Import of patented products will not be considered as an infringement; and
- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

THE DESIGN ACT, 2000

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined which in the finished article appeal to and is judged solely by the eye. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

OTHER LAWS

POLICE LAWS

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

MUNICIPALITY LAWS

Pursuant to the Constitution (Seventy-Fourth Amendment) Act,1992 the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was originally incorporated on May 21, 1985 under the name **"Ashutosh Fibre Private Limited"** at Ahmedabad, Gujarat, under the provisions of the Companies Act, 1956 and the Certificate of Incorporation was issued at Ahmedabad by Registrar of Companies, Gujarat bearing Registration Number 007831 of 1985. Pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on July 29, 2024, our Company was converted from a private limited company to public limited company and consequently, the name of our Company was changed to **"Ashutosh Fibre Limited"** and a fresh certificate of incorporation dated April 21, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The present CIN of our Company is U24299GJ1985PLC007831.

Corporate Profile of the Company

For information on the Company's business profile, activities, services, managerial competence and customers, please refer to chapters titled ***"Our Business"*** and ***"Our Management"*** beginning on pages 157 and 212 respectively, of this Red Herring Prospectus.

Changes in the registered office of our Company

The details of the changes in the registered office of our Company since the date of incorporation is set out below:

Effective Date	From	To	Reason for Change
Upon Incorporation	119, New Cloth Market, Ahmedabad- 380002, Gujarat, India		
April 03, 1995	119, New Cloth Market, Ahmedabad- 380002, Gujarat, India	11-B, New Cloth Market, Outside Raipur Gate, Ahmedabad-380002. Gujarat, India	For operational efficiency
November 15, 2022	11-B New Cloth Market Outside Raipur Gate, Ahmedabad – 380002, Gujarat, India	111-New Cloth Market, Raipur, Ahmedabad – 380002, Gujarat, India	For operational efficiency

Main Objects of our Company

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 the business as manufacturers, dealers, importers, exporters, agents, spinners, weavers, finishers and designers of raffia tapes, films woven sacks, fishing nets ropes carpets, cloths and other products required in or used for industrial, commercial, agricultural and other domestic purposes and made from polypropylene, polythene, jute, cotton coir and other natural and synthetic fibers, strips and materials and substitute thereof.*

2. *To carry on the business as manufacturers, spinners, weavers, laminators, printers, designers stickers, importers, exporters, dealers, stock list, job workers, suppliers, wholesalers, traders, retailers, buyers, sellers, merchants, distributors, commission agents, concessionaries of commercial, industrial and domestic plastic and plastic products of any nature substance and from and of any raw material including terrene, polystyrene, vinyl, chloride poly vinyl, polyesters poly carbonates & polyether and epoxy resins and compositions, silicon resins and compositions P.F: U.F. and other thermoplastic molding composition including prefabricated sections and shapes, cellulosic plastic and other thermosetting and thermoplastic materials of synthetic and natural origin, coloring material, plastic and resinous material adhesive composition raffia tapes, films, woven sacks fishing nets, ropes, carpets clothes required in or used for packing, industrial, commercial agricultural and domestic purpose and made from polypropylene, polyethylene, jute, cotton coir and other natural and synthetic fibers or materials and composition.*

3. *To carry on the business as manufacturers, importers, exporters, dealers stockiest, suppliers, wholesalers, traders, retailers, buyers, sellers, merchants, distributors and concessionaries and job workers of laminated products namely of paper of cloth and fabrics of any substance and jute, ferrous and non-ferrous foils sheets and strips.*

4. *To facilitate and undertake secured destruction of Body Armor and in the said process to recover the core materials, recycle and reprocess the same for manufacturing non-ballistic products such as flame-retardant clothing, Automative Parts and sports goods.*

Amendments to the Memorandum of Association in the last 10 years

Except as stated below, there has been no change in the Memorandum of Association of our Company in the last 10 years:

Date of Meeting	Type of Meeting	Amendments
July 23, 2025	Extra-Ordinary General Meeting	Amendment in Clause V of the Memorandum of Association pursuant to increase in authorized share capital from ₹ 1,75,00,000/- comprising of 17,50,000 Equity Shares of ₹10/- each to ₹ 25,00,00,000/- comprising of 2,50,00,000 Equity Shares of ₹10/- each.
July 29, 2024	Extra-Ordinary General Meeting	Amendment in Clause I of the Memorandum of Association from "***Ashutosh Fibre Private Limited***" to "***Ashutosh Fibre Limited***" and adopting the provisions of Companies Act as applicable to a public limited Company pursuant to conversion from Private Limited to Public Limited.
June 14, 2024	Extra-Ordinary General Meeting	Amendment in Clause V of the Memorandum of Association due to sub-division of face value from ₹1,000 per share to ₹ 10 per share.

Major events and milestones including key awards, accreditations or recognition of our Company

The table below sets forth some of the key events in the history of our Company:

Year	Events and Milestones
2019	Company achieved a turnover of ₹ 50 Crore.
2023	Received the Silver Award from SRTEPC for Outstanding Export Performance in Specialty Yarns.
2024	i. Conversion of the company from Private Limited to Public Limited ii. Company achieved a turnover of ₹ 100 Crore
2025	i. Installation and Commissioning of a 5MW DC/4MW AC solar ground mounted plant. ii. Received the MATEXIL's Technical Textiles Export Awards in the Specialty Fibres (Gold) category for the financial years 2024-25 and 2023-24.

Significant financial and strategic partnerships

As on date of this Red Herring Prospectus, our Company does not have any significant financial or strategic partnership.

Time and Cost Overruns in Setting up Projects

There has been no time / cost overrun in setting up projects by our Company.

Launch of key products or services, capacity/facility creation, location of plants, entry into new geographies or exit from existing markets

For details of key services launched by our Company, entry into new geographies or exit from existing markets, see "***Our Business***" and ***"Major events and milestones including key awards, accreditations or recognition of our Company"*** in "***History and Certain Corporate Matters***" on pages 157 and 209 respectively of this Red Herring Prospectus.

Defaults or rescheduling / restructuring of borrowings with financial institutions / banks

There have been no instances of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation,any revaluation of assets, etc. in the last ten years

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years.

Capacity/facility creation, location of plants

For details in relation to capacity/facility creation, location of plants, see "***Our Business***" on page 157.

Holding Company

As on the date of this Red Herring Prospectus, our Company does not have any holding company.

Our Subsidiaries

As on the date of this Red Herring Prospectus, our Company does not have any subsidiary company.

Joint Venture of our Company

As on date of this Red Herring Prospectus, Our Company does not have any joint venture.

Shareholders Agreements

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of this Red Herring Prospectus.

Collaboration Agreements

As on date of this Red Herring Prospectus, our Company is not a party to any collaboration agreements.

Details of Agreements required under Clause 5A of paragraph A of part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As on the date of this Red Herring Prospectus, there are no agreements entered into by our Shareholders, Promoters, entities forming part of the Promoter Group, related parties, Directors, Key Managerial Personnel, employees of our Company with our Company or amongst themselves, solely or jointly, which either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company.

Other Agreements

i. Non-Compete Agreement

Our Company has entered into non-compete agreements with our Group Companies Shri Bajrangbali Intermediate and Dyechem Pvt. Ltd., Shyamprakash Spinning Mills Limited and Shree Prakash Textiles (Gujarat) Private Limited, on December 03, 2025.

Except for the above mentioned, our Company has not entered into any Non- compete Agreement as on the date of filing of this Red Herring Prospectus.

ii. Joint Venture Agreement

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Red Herring Prospectus.

Key terms of other subsisting material agreements

The Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

Agreements with Key Managerial Personnel or a Senior Management or a Director or the Promoters or any other employee of the Company

There are no agreements entered into or by with the Key Managerial Personnel or Senior Management or the Directors or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Details of guarantees given to third parties by the Promoters offering the Equity Shares in the Issue

As on date of this Red Herring Prospectus, the Promoters have not given any guarantees, on behalf of our Company, to third parties offering the equity shares in issue that are outstanding as of the date of this Red Herring Prospectus.

Further, our Promoters have given personal guarantees respectively, towards financial facilities availed from the Bankers of our Company, therefore, they are interested to the extent of the said guarantees. For further information, see ***"Financial Indebtedness"*** on page 245 and ***"Financial Information"*** on page 242.

Other Confirmation

There are no material clauses of the Articles of Association that have been left out from disclosures having bearing on this Issue of this Red Herring Prospectus.

OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company, currently has 5 Directors on our Board (including 2 Women Directors), which Includes 1 chairman and Managing Director, 1 Whole-time Directors and 3 are Independent Directors.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations.

1. Siddharth Prakash Patel - Managing Director and Chairman
2. Abhishek Rajendrakumar Agarwal - Whole-time Director
3. Piyush Ravishanker Bhatt - Independent Director
4. Dhwani Lalitbhai Nagar - Independent Director
5. Jayshree Vikram Patel - Independent Director

The Following table sets forth details regarding the Board as on the date of this Red Herring Prospectus:

Siddharth Prakash Patel	
Father's Name	Prakashbhai Purshottamdas Patel
DIN	01477471
Date of Birth	November 09, 1978
Age	47 years
Designation	Managing Director and Chairman
Status	Executive
Qualification	Bachelor of Commerce from Gujarat University and Master of Business Administration from University of South Carolina
No. of Years of Experience	He has over 18 years of experience in the textile industry, handling yarn manufacturing operations, leading process improvements, quality control and overall management of business of the Company.
Address	Six Bunglows, Nr. Mithakhali six Road, Ellisbridge, Ahmedabad, Gujarat- 380006, India
Occupation	Business
Nationality	Indian
Date of Appointment	He has been the Director and Promoter of the Company since August 01, 2007. Pursuant to the Extra-Ordinary General Meeting held on July 23, 2025 his designation was changed as Managing Director and Chairman for a period of 5 years with effect from July 23, 2025 to July 22, 2030
Term of Appointment and date of expiration of current term of office.	Appointed as Managing Director and Chairman for a period of 5 years with effect from July 23, 2025 to July 22, 2030
Other Directorships	**Listed Companies** Nil **Unlisted Companies** 1. Shree Prakash Textiles (Gujarat) Private Limited

Abhishek Rajendrakumar Agarwal	
Father's Name	Rajendra Shankerlal Agarwal
DIN	01567158
Date of Birth	December 13, 1984
Age	41 years
Designation	Whole-time Director
Status	Executive
Qualification	Bachelor of Commerce from Gujarat University and Post- Graduate Diploma in Business Entrepreneurship and Management from Entrepreneurship Development Institute of India, Ahmedabad
No. of Years of Experience	He has over 15 years of experience in the textile industry, handling yarn manufacturing operations, quality control, process improvements and overall management of the business of the Company
Address	A/602, Sundarvan Epitome, Near Red Briks School, Jodhpur, Manekbag, Ahmedabad, Gujarat- 380015, India

Occupation	Business
Nationality	Indian
Date of Appointment	He has been the Director and Promoter of the Company since June 05, 2010. Pursuant to the Extra-Ordinary General Meeting held on July 23, 2025 his designation was changed as Whole-Time Director for a period of 5 years with effect from July 23, 2025 to July 22, 2030
Term of Appointment and date of expiration of current term of office.	Appointed as a Whole-Time Director for a period of 5 years with effect from July 23, 2025 to July 22, 2030
Other Directorships	**Listed Companies** Nil **Unlisted Companies** 1. Terra Biofuels Private Limited 2. Agrawal Club Limited **LLPs** 3. Rajdhani Craft Agro LLP 4. Goodwill Landcon LLP 5. Prabhuji Advisory LLP

Piyush Ravishanker Bhatt	
Father's Name	Ravishanker Jayshanker Bhatt
DIN	10143807
Date of Birth	January 26, 1962
Age	63 years
Designation	Independent Director
Status	Non-Executive
Qualification	Qualified Company Secretary from the Institute of Company Secretaries of India and Master of Commerce from Gujarat University
No. of Years of Experience	He has over 38 years of experience in banking industry
Address	B. No. 30, Madhur CO OP HSL, Nirman Twins Bunglows, Ghatlodiya, Chandlodiya, Ghatlodia, Ahmedabad, Gujarat-38006, India
Occupation	Business
Nationality	Indian
Date of Appointment	He was appointed as an Additional Independent Director at the Board Meeting held on July 14, 2025. Pursuant to the Extra-ordinary General meeting held on July 23, 2025 his appointment was regularised as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.
Term of Appointment and date of expiration of current term of office.	Appointed as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.
Other Directorships	**Listed Companies** 1. Bulkcorp International Limited 2. Aditya Ultra Steel Limited **Unlisted Companies (Public)** 1. Alpine Texworld Limited 1.

Dhwani Lalitbhai Nagar	
Father's Name	Lalitbhai Nagar
DIN	10874632
Date of Birth	September 30, 1998
Age	27 years
Designation	Independent Director
Status	Non- Executive

Qualification	Qualified Company Secretary from The Institute of Company Secretaries of India, Bachelor of Laws from Gujarat University and Bachelor of Commerce from Gujarat University
No. of Years of Experience	She has over 2 years of experience as a Company Secretary
Address	A-001, Sagun Castle, Near Jay Ma Society, Star Bazar Satelite Road, Ambawadi Vistar, Ahmedabad, Gujarat- 380015, India
Occupation	Business
Nationality	Indian
Date of Appointment	She was appointed as an Additional Independent Director at the Board Meeting held on July 14, 2025. Pursuant to the Extra-ordinary General meeting held on July 23, 2025 her appointment was regularised as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.
Term of Appointment and date of expiration of current term of office.	Appointed as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.
Other Directorships	**Listed Companies** 1. VMS Industries Limited **Unlisted Companies** 1. Azure Energycon Private Limited 2. Delaware Street Advisors Private Limited

Jayshree Vikram Patel	
Father's Name	Shivlal Dhanjibhai Kadiya
DIN	10940066
Date of Birth	June 16, 1984
Age	42 years
Designation	Independent Director
Status	Non- Executive
Qualification	Bachelor of Laws (Special) from Saurashtra University, Bachelor of Laws (General) from Saurashtra University and Bachelor of Arts from Bhavnagar University
No. of Years of Experience	She has over 9 years of experience as an Advocate, handling both criminal and civil matters.
Address	Flat No. E-401, Sahaj Prime, Opp. Gokul Hotel, Sola Bhagwat Temple 100 feet road, Off S.G. Highway, Sola Bhagwat Temple, Sola, Ahmedabad, Gujarat- 380060, India
Occupation	Business
Nationality	Indian
Date of Appointment	She was appointed as an Additional Independent Director at the Board Meeting held on July 14, 2025. Pursuant to the Extra-ordinary General meeting held on July 23, 2025 her appointment was regularised as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.
Term of Appointment and date of expiration of current term of office.	Appointed as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.
Other Directorships	**Listed Companies** Bulkcorp International Limited **Unlisted Companies (Public)** Alpine Texworld Limited

As on the date of the Red Herring Prospectus:

A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
B. None of the Promoter, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
C. None of the Promoter, Directors or persons in control of our Company, has been or is involved as a promoter, directoror person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Red Herring Prospectus.

E. None of Promoter or Directors of our Company are a fugitive economic offender as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018
F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.
H. None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on any of the stock exchange during their directorship in such companies.
I. 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 they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.
J. There are no nominee Directors, KMPs or any other persons appointed on behalf any of the shareholders or any other person.

RELATIONSHIP BETWEEN THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

As on the date of Red Herring Prospectus, there is no relationship between any of the Directors, Key Managerial Personnel and Senior Management of our Company.

ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS

Our Company has entered into Pricing and Supply Agreement with one of our customers on November 19, 2024. Except for above mentioned, there is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors was selected as director or member of senior management.

SERVICE CONTRACTS

None of our directors have entered into any service contracts with our Company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our Company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the Directors, Key Managerial Personnel and Senior Management, are entitled to any benefits upon termination of employment.

BORROWING POWERS OF THE BOARD OF DIRECTORS

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on September 10, 2014 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 7,500 lakhs.

BRIEF PROFILE OF OUR DIRECTORS

Siddharth Prakash Patel

Siddharth Prakash Patel aged 47 years is a Promoter, Managing Director and Chairman of the Company. He holds Bachelor of Commerce from Gujarat University and Master of Business Administration from University of South Carolina. He has over 18 years of experience in the textile industry, handling yarn manufacturing operations, leading process improvements, quality control and overall management of business of the Company. He has been the Director and Promoter of the Company since August 01, 2007. Pursuant to the Extra-Ordinary General Meeting held on July 23, 2025 his designation was changed as Managing Director and Chairman for a period of 5 years with effect from July 23, 2025 to July 22, 2030.

Abhishek Rajendrakumar Agarwal

Abhishek Rajendrakumar Agarwal aged 41 years is a Promoter and Whole-Time Director of the Company. He holds Bachelor of Commerce from Gujarat University and Post-Graduate Diploma in Business Entrepreneurship and Management from Entrepreneurship Development Institute of India, Ahmedabad. He has over 15 years of experience in the textile industry, handling yarn manufacturing operations, quality control, process improvements and overall management of the business of the Company. He has been the Director and Promoter of the Company since June 05, 2010. Pursuant to the Extra-Ordinary General Meeting held on July 23, 2025 his designation was changed as Whole-Time Director for a period of 5 years with effect from July 23, 2025 to July 22, 2030

Piyush Ravishanker Bhatt

Piyush Ravishanker Bhatt aged 63 years is an Independent Director of the Company. He is a Qualified Company Secretary from the Institute of Company Secretaries of India and holds Master of Commerce from Gujarat University. He has over 38 years of experience in banking industry. He was appointed as an Additional Independent Director at the Board Meeting held on July 14, 2025. Pursuant to the Extra-ordinary General meeting held on July 23, 2025 his appointment was regularised as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.

Dhwani Lalitbhai Nagar

Dhwani Lalitbhai Nagar aged 27 years is an Independent Director of the Company. She is a Qualified Company Secretary from The Institute of Company Secretaries of India and holds Bachelor of Laws from Gujarat University and Bachelor of Commerce from Gujarat University. She has over 2 years of experience as a Company Secretary. She was appointed as an Additional Independent Director at the Board Meeting held on July 14, 2025. Pursuant to the Extra-ordinary General meeting held on July 23, 2025 her appointment was regularised as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.

Jayshree Vikram Patel

Jayshree Vikram Patel aged 42 years is an Independent Director of the Company. She holds Bachelor of Laws (Special) from Saurashtra University, Bachelor of Laws (General) from Saurashtra University and Bachelor of Arts from Bhavnagar University. She has over 9 years of experience as an Advocate, handling both criminal and civil matters. She was appointed as an Additional Independent Director at the Board Meeting held on July 14, 2025. Pursuant to the Extra-ordinary General meeting held on July 23, 2025 her appointment was regularised as Independent Director for a period of 5 years with effect from July 14, 2025 to July 13, 2030.

COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR AND WHOLE-TIME DIRECTOR ARE AS FOLLOWS:

Name	Siddharth Prakash Patel	Abhishek Rajendrakumar Agarwal
Designation	Chairman and Managing Director	Whole-Time Director
Date of Appointment/ Change in Designation	July 23, 2025	July 23, 2025
Period	Appointed as Managing Director and Chairman for a period of 5 years with effect from July 23, 2025 to July 22, 2030	Appointed as a Whole-Time Director for a period of 5 years with effect from July 23, 2025 to July 22, 2030
Salary	Up to ₹ 5,50,000/- per month (Basic Salary and Dearness allowances up to ₹ 1,40,000/-)	Up to ₹ 5,00,000/- per month (Basic Salary and Dearness allowances up to ₹ 1,40,000/-)
Bonus paidduring the F.Y. 2025-26	₹5.50 Lakhs	₹5.00 Lakhs
Perquisite/Benefits	**Medical Reimbursement:** Reimbursement of medical expenses actually incurred for self and family, subject to the celling of one-month salary in a year with the right to carry forward. **Leave and leave travel concession:** Leave and leave travel concession for self and family shall be paid once in three years. Earned privilege leaves on full pay and allowance as per the rules of the Company. Subject to the conditions that leave	**Medical Reimbursement:** Reimbursement of medical expenses actually incurred for self and family, subject to the celling of one-month salary in a year with the right to carry forward. **Leave and leave travel concession:** Leave and leave travel concession for self and family shall be paid once in three years. Earned privilege leaves on full pay and allowance as per the rules of the Company. Subject to the conditions that leave

	accumulated but not availed shall not be allowed to be encashed. **Telephone and car** The Company will reimburse Siddharth Prakash Patel for expenses incurred by him for travelling and other expense in connection with the business of the Company. Personal long-distance call and use of car for private purpose shall be billed by the Company to the Managing director. **Special allowances** Special allowance of ₹ 4,10,000/- per month will be provided along with basic salary that has been determined by the Board from time to time.	accumulated but not availed shall not be allowed to be encashed. **Telephone and car** The Company will reimburse Abhishek Rajendrakumar Agarwal for expenses incurred by him for travelling and other expense in connection with the business of the Company. Personal long-distance call and use of car for private purpose shall be billed by the Company to the whole-time director. **Special allowances** Special allowance of ₹ 3,60,000/- per month will be provided along with basic salary that has been determined by the Board from time to time.
Commission:	NA	NA
Remuneration and Sitting Fee (F.Y. 2025-26)	₹ 66 Lakhs per annum	₹ 60 Lakhs-per annum

SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Till date, our Company has not paid any sitting fees to any of the Independent Directors (Non-Executive Director) for attending any of the Board or Committee Meetings. Further, the Board of Directors in its meeting held on July 14, 2025 approved sitting fees as mutually agreed between the board to Independent Directors for attending any of the Board or Committee Meetings.

BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS

Our Company does not have any performance-linked bonus or profit-sharing plan for our Directors.

CONTINGENT AND/OR DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS

There are no contingent or deferred compensation payable to our Directors which does not form part of his remuneration.

SHAREHOLDING OF DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT

The shareholding of our directors, Key Managerial Personnel and Senior Management as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of Directors	No. of Equity Shares held	% of Equity Shares held	Category/ Status
1.	Siddharth Prakash Patel	12,71,700	8.07	Chairman and Managing Director
2.	Abhishek Rajendrakumar Agarwal	23,40,000	14.86	Whole-time Director

INTEREST OF DIRECTORS

All the Executive Directors are interested to the extent of remuneration paid to them for services rendered to the Company. The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

All the Independent Directors of the Company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

Except as stated under "***Annexure - XXXIV: Restated Statement of Related Party Disclosures***" under Chapter titled ***"Restated Financial Statements"*** beginning on page 242 of the Red Herring Prospectus, our Company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which our directors are interested directly or indirectly.

Interest in promotion/formation of our Company

Our Promoters are interested in the promotion of our Company to the extent (i) that they have promoted our Company; (ii) their shareholding and the shareholding of their relatives in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company. For further details, please refer to the chapter titled ***"Capital Structure"*** on page 70 and ***"Our Promoters and Promoters Group"*** on page 231.

Additionally, our Directors may be interested in transactions entered into by our Company with other entities (i) in which our Directors hold shares, or (ii) controlled by our Directors. For details of the Directors' shareholding in our Company, see ***"Capital Structure"*** on page 70 and ***"Our Promoters and Promoters Group"*** on page 231.

Interest in the property of our Company

None of our Directors are interest in any property acquired or proposed to be acquired of our Company.

Loan to Directors

Our Directors have not availed any loans from our Company.

Interest as Creditor of our Company

Our Company has not availed loans from Directors of our Company as on the date of this Red Herring Prospectus.

Interest in the business of our Company

Further, save and except as stated otherwise in ***"Statement of Related Parties' Transactions"*** in the chapter titled ***"Restated Financial Statements"*** of this Red Herring Prospectus, our directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue, or any such intermediaries registered with SEBI.

Other Interests

Except as stated under ***"Annexure - XXXIV: Restated Statement of Related Party Disclosures"*** under Chapter titled ***"Restated Financial Statements"*** beginning on page 242 of this Red Herring Prospectus, our company has not entered into any contracts, agreements or arrangements as on the date of this Red Herring Prospectus in which our directors are interested.

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respectively, in cash or shares or otherwise by any person either to induce him / her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

There are no conflicts of interest between any lessors of immovable properties taken on lease by our Company (crucial for the operations of the Company) and our Directors and Key Managerial Personnel.

CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of Director	Date of Event	Nature of Event	Reason for the changes in the board
Dhwani Lalitbhai Nagar	July 23, 2025	Regularisation	Regularisation as Independent Director with effect from July 14, 2025
Jayshree Vikram Patel	July 23, 2025	Regularisation	Regularisation as Independent Director with effect from July 14, 2025
Abhishek Rajendrakumar Agarwal	July 23, 2025	Change in designation	He was re-designated as Whole-time Director of the Company with effect from July 23, 2025.
Piyush Ravishanker Bhatt	July 23, 2025	Regularisation	Regularisation as Independent Director with effect from July 14, 2025
Siddharth Prakash Patel	July 23, 2025	Change in designation	He was re-designated as Managing Director and

			Chairman of the Company with effect from July 23, 2025.
Malav Pravinchandra Patel	July 14, 2025	Cessation	Resignation as per section 168 of Companies Act, 2013 due to pre-occupation
Vinodkumar Shankarlal Agarwal	July 14, 2025	Cessation	Resignation as per section 168 of Companies Act, 2013 due to pre-occupation
Dhwani Lalitbhai Nagar	July 14, 2025	Appointment	Appointment as an Additional Independent Director with effect from July 14, 2025
Jayshree Vikram Patel	July 14, 2025	Appointment	Appointment as an Additional Independent Director with effect from July 14, 2025
Piyush Ravishanker Bhatt	July 14, 2025	Appointment	Appointment as an Additional Independent Director with effect from July 14, 2025

CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our Company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Red Herring Prospectus , as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company in terms of the Regulation 15(2)(b) of the SEBI LODR Regulations, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavours to comply with the good Corporate Governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Composition of Board of Directors

Currently our Board consists of 5 directors on our Board, out of which 2 are Executive Directors and 3 are Independent Directors including 2 women directors.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Directors	Designation	Status	DIN
1.	Siddharth Prakash Patel	Managing Director	Executive Director	01477471
2.	Abhishek Rajendrakumar Agarwal	Whole-Time Director	Executive Director	01567158
3.	Piyush Ravishanker Bhatt	Independent Director	Non-Executive Director	10143807
4.	Dhwani Lalitbhai Nagar	Independent Director	Non-Executive Director	10874632
5.	Jayshree Vikram Patel	Independent Director	Non-Executive Director	10940066

Constitution of Committees

Our Company has constituted the following Committees of the Board;

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. IPO Committee

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

1. Audit Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on August 01, 2025 constituted Audit Committee.

The constitution of the Audit Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Piyush Ravishanker Bhatt	Chairman	Independent Director
Jayshree Vikram Patel	Member	Independent Director
Siddharth Prakash Patel	Member	Managing Director

A. **Tenure of the Committee:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. **Meetings of the Committee:** The committee shall meet at least four times in a year and not more than one hundred and twenty day shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

C. Power of the Committee:

The Audit Committee shall have powers, including the following:

a. to investigate any activity within its terms of reference;
b. to seek information from any employee;
c. to obtain outside legal or other professional advice;
d. to secure attendance of outsiders with relevant expertise, if it considers necessary and
e. such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.
f. To approve the key performance indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company and to confirm that verified and audited details for all the key performance indicators pertaining to the Company that have been disclosed to the earlier investors at any point of time during the three years period prior to the date of filing of the draft red herring prospectus / red herring prospectus are disclosed under 'Basis for Issue Price' section of the offer document;

D. Role of the Committee:

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation and Companies Act, 2013 shall be as under:

The role of the Audit Committee shall include the following:

1. Overseeing the Company's financial reporting process examination of the financial statement and the auditors' report thereon and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

2. Recommending to the Board the appointment, re-appointment, replacement, removal, remuneration and terms of appointment of the statutory auditor of the Company including the internal auditor, cost auditor and statutory auditor or any other external auditor of the Company and fixation of the audit fee and approval for payment for any other services;

3. Reviewing and monitoring the statutory auditor's independence and performance and effectiveness of audit process;

4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;

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 utilised for purposes other than those stated in the issue document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue 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. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed; Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

9. Scrutinising of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;

11. Evaluating of internal financial controls and risk management systems;

12. Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

13. 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;

14. Discussing with internal auditors on any significant findings and follow up thereon;

15. 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;

16. Discussing 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;

17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. Reviewing the functioning of the whistle blower mechanism;

19. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013, the SEBI Listing Regulations or by any other regulatory authority;

21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law;

22. Formulating a policy on related party transactions, which shall include materiality of related party transactions;

23. 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;

24. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

25. Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

26. Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

27. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

28. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and

29. Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Further, the Audit Committee shall mandatorily review the following:

1. management discussion and analysis of financial condition and results of operations;

2. management letters / letters of internal control weaknesses issued by the statutory auditors;

3. internal audit reports relating to internal control weaknesses;

4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and

5. statement of deviations:

a) Half-yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of Regulation 32(1) of the SEBI Listing Regulations; and
b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

6. The financial statements, in particular, the investments made by unlisted subsidiary, & such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

Quorum and Meetings
The audit committee shall meet as often as necessary subject to minimum 4 times in financial years. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

1. Stakeholders Relationship Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on August 01, 2025 constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Jayshree Vikram Patel	Chairman	Independent Director
Siddharth Prakash Patel	Member	Managing Director
Abhishek Rajendrakumar Agarwal	Member	Whole-time Director

A. Tenure of the committee:

The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Meetings of the committee:

The Stakeholder Relationship Committee shall meet at least once in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

C. Scope and terms of reference:

The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:

1. Redressal of shareholders' and investors' complaints, including and in respect of:

a) Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
b) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
c) Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

4. 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;

5. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

6. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and rematerialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

8. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.

9. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting and

10. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

2. Nomination and Remuneration Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on August 01, 2025 constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Dhwani Lalitbhai Nagar	Chairman	Independent Director
Piyush Ravishanker Bhatt	Member	Independent Director
Jayshree Vikram Patel	Member	Independent Director

A. **Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. **Meetings of the committee:** The committee shall meet as and when the need arises, subject to at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. **Scope and Terms of reference:** The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director’s performance;

2. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
iii. 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;

3. 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 Nomination and Remuneration Committee may:

i. use the services of any external agencies, if required;
ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
iii. consider the time commitments of the candidates.

4. Formulating of criteria for evaluation of the performance of the independent directors and the Board;

5. Devising a policy on Board diversity;

6. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

7. Evaluation and recommendation of termination of, appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;

8. Determining 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;

9. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors

10. Determine our Company’s policy on specific remuneration package for the Managing Director /Executive Director including pension rights;

11. Recommending to the Board the remuneration, in whatever form, payable to the senior management and other staff (as deemed necessary);

12. Analysing, monitoring & reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

13. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

14. Decide the amount of Commission payable to the Whole Time Directors;
    - Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
    - To formulate, administer and monitor detailed terms and conditions of the Employee Stock Option Scheme of the Company.

15. Framing suitable policies and systems to ensure that there is no violation of securities laws, by an employee of any applicable laws in India or overseas, including:
i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

16. Periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;

17. 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;

18. Developing a succession plan for the Board and senior management and regularly reviewing the plan;

19. 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

20. Recommend to the Board, all remuneration, in whatever form, payable to non-executive directors, senior management and other staff.

3. IPO Committee

The Board of Directors of our Company has constituted IPO Committee for the purpose of giving effect to the initial public offer in its Meeting held on September 16, 2025.

The constitution of the IPO Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Siddharth Prakash Patel	Chairman	Managing Director
Abhishek Rajendrakumar Agarwal	Member	Whole Time Director
Jayshree Vikram Patel	Member	Independent Director

A. **Meetings of the committee:** Two members shall form the quorum for a meeting of the IPO Committee members present and voting and meetings may be convened and held at the discretion of the IPO Committee.

B. Scope and Terms of reference: The terms of reference of the IPO Committee shall be as follows:

1. To decide, negotiate and finalize the pricing, the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead manager appointed in relation to the Issue ("BRLM") and in accordance with applicable laws;

2. To decide in consultation with the BRLM the actual size of the Issue and taking on record the number of equity shares (the "Equity Shares") and/or reservation on a competitive basis and/or any rounding off in the event of any oversubscription and/or any discount to be offered to individual bidders or eligible employees participating in the Issue, if any and to decide on other matters in connection with or incidental to the Issue, timing, pricing and terms of the Equity Shares, the Issue price, the price band, the size and all other terms and conditions of the Issue including the number of Equity Shares to be offered and transferred in the Issue, the bid / Issue opening and bid/Issue closing date, discount (if any), reservation, determining the anchor investor portion, issue price for anchor investors and allocating such number of Equity Shares to anchor investors in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and to do all such acts and things as may be necessary and expedient for and incidental and ancillary to the Issue including to make any amendments, modifications, variations or alterations in relation to the Issue and to constitute such other committees of the Board, as may be required under Applicable Laws, including as provided in the SEBI Listing Regulations;

3. To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, SEBI, the ROC and any other governmental or statutory authorities as may be required in connection with the Issue and accept on behalf of the Company such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications

/alterations / amendments/corrections as may be required in the draft red herring prospectus (the "DRHP"), the red herring prospectus (the "RHP") and the Prospectus (Collectively known as Offer Documents) as applicable;

4. To finalize, settle, approve, adopt, deliver and file in consultation with the BRLM where applicable, the DRHP, the RHP and any amendments (including dating of such documents), addendums, supplements, notices, addenda or corrigenda thereto and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;

5. To appoint and enter into, amend and/or terminate arrangements with the BRLM and appoint and enter into and terminate arrangements in consultation with the BRLM with various intermediaries/agencies in connection with the Issue including with underwriters to the Issue, syndicate members to the Issue, brokers to the Issue, escrow collection bankers to the Issue, refund bankers to the Issue, registrars, public offer account bankers to the Issue, sponsor bank, legal advisors, auditors, independent chartered accountants, advertising agency, registrar to the Issue, depositories, custodians, grading agency, monitoring agency, industry expert, credit rating agencies, printers and any other agencies or persons or intermediaries whose appointment is required in relation to the Issue including any successors or replacements thereof and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLM and negotiation, finalization, execuo9tion and, if required, amendment or termination of the Issue agreement with the BRLM;

6. To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any,

7. To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, Issue agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow and sponsor bank agreement, ad agency agreement, agreements with the registrar to the issue and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Issue, legal advisors, auditors, stock exchange(s), BRLM and any other agencies/intermediaries in connection with the Issue with the power authorize one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Issue;

8. To authorise the maintenance of a register of holders of the Equity Shares;

9. To seek, if required, the consent and/or waiver of the lenders of the Company, customers, suppliers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India and any other consents and/or waivers that may be required in relation to the Issue or any actions connected therewith;

10. To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

11. To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

12. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Issue;

13. To accept and appropriate the proceeds of the Issue in accordance with the Applicable Laws;

14. To approve code of conduct as may be considered necessary or as required under Applicable Laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;

15. To implement any corporate governance requirements that may be considered necessary by the Board or the any other committee or as may be required under the Applicable Laws, including the SEBI Listing Regulations and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;

16. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorize one or more officers of the Company or the Registrar to the Issue to sign all or any of the aforestated documents;

17. To authorize and approve notices, advertisements in relation to the Issue, in accordance with the SEBI ICDR Regulations and other Applicable Laws, in consultation with the relevant intermediaries appointed for the Issue;

18. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, in accordance with the relevant rules, in consultation with the BRLM;

19. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore-stated documents;

20. To make applications for listing of the Equity Shares in one or more stock exchanges for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchanges in connection with obtaining such listing including without limitation, entering into listing agreements;

21. To settle all questions, difficulties or doubts that may arise in regard to the Issue, including such issues or allotment, terms of the Issue, utilisation of the Issue proceeds and matters incidental thereto as it may deem fit;

22. To authorize any concerned person on behalf of the Company to give such declarations, affidavits, undertakings, certificates, consents and authorities as may be required from time to time in relation to the Issue or provide clarifications to the SEBI, the RoC and the relevant stock exchanges where the Equity Shares are to be listed;

23. To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the Board or any other committee thereof may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Issue and any documents or instruments so executed and delivered or acts and things done or caused to be done by the Board or any other committee thereof shall be conclusive evidence of their authority in so doing;

24. To approve suitable policies on insider trading, whistle-blowing, risk management and any other policies as may be required under the SEBI Listing Regulations or any other Applicable Laws;

25. To approve, amend, identify or finalise the materiality policies and the disclosure thereto in the DRHP, RHP or Prospectus or any amendments, addendum, modification or correction thereto;

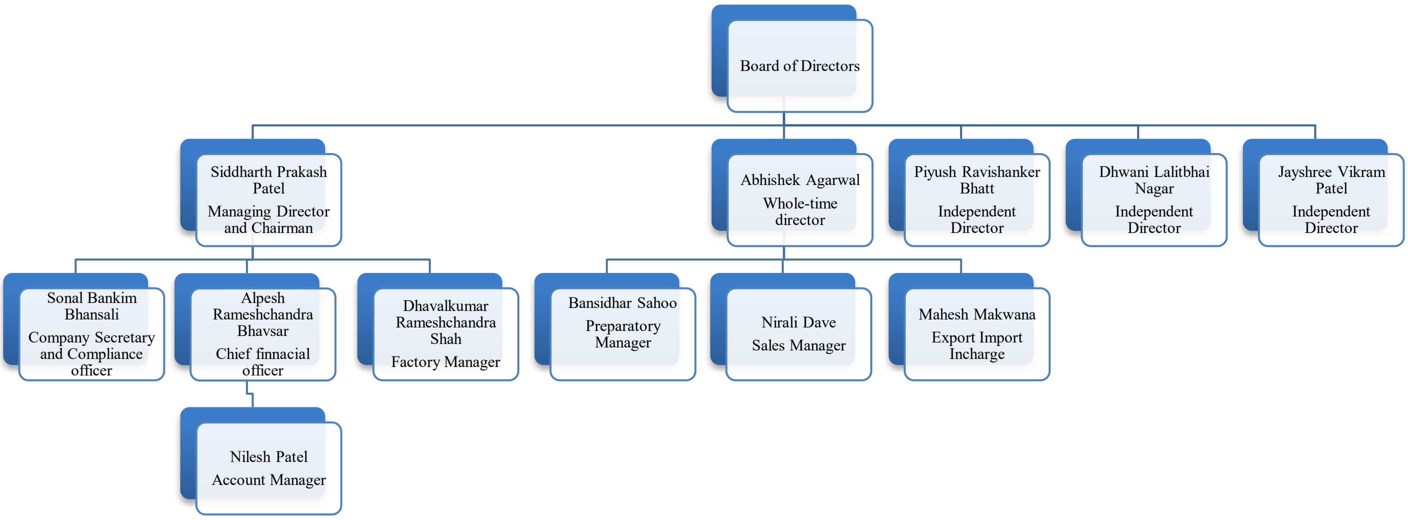
26. To approve the list of 'group companies' of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP;

27. To authorise, approve and pay, in consultation with the BRLM(s), any expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Issue;

28. To withdraw the DRHP or the RHP or to decide to not proceed with the Issue at any stage in accordance with Applicable Laws and in consultation with the BRLM; and

29. To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

MANAGEMENT ORGANIZATION STRUCTURE



OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

In addition to Siddharth Prakash Patel, our Chairman and Managing Director, Abhishek Rajendrakumar Agarwal, our Whole-time Director, whose details have been provided under the paragraph "***Our Management- Brief profile of our Directors***" on page 215, the details of our other Key Managerial Personnel, in terms of the SEBI ICDR Regulations, as on the date of this Red Herring Prospectus, are as follows:

Name, Designation and Date of Appointment		Qualifications	Previous Employment	Salary paid in F.Y. 2025-26
Name	Alpesh Rameshchandra Bhavsar	Bachelor of Commerce from Gujarat University	Shree Prakash Textiles (Gujarat) Private Limited	₹5,25,000 /- per annum
Age	57 years			
Designation	Chief Financial Officer			
Date of Appointment	September 11, 2025			
Overall Experience	He has more than 35 years of experience in the field of finance and accounting.			
Functions and areas of experience	He has been associated with our Company since September 11, 2025, as the Chief Financial Officer (CFO). As CFO, he is responsible for managing the Company's overall financial operations.			

Name, Designation and Date of Appointment		Qualifications	Previous Employment	Remuneration paid in F.Y. 2025-26
Name	Sonal Bankim Bhansali	Company Secretary from Institute of Company Secretaries of India having membership number – F3016 and Bachelor of Commerce from Gujarat University	Shree Prakash Textiles (Gujarat) Private Limited	₹3,85,000/- per annum
Age	65 years			
Designation	Company Secretary and Compliance Officer			
Date of Appointment	August 01, 2025			
Overall Experience	She has more than 20 years of experience in the field of secretarial compliance as a Company Secretary**.**			
Functions and areas of experience	She was appointed as the Company Secretary and Compliance Officer of our Company on August 01, 2025. In her role as company secretary and compliance officer, she ensures adherence to corporate laws, secretarial standards and applicable regulatory requirements. She also oversees secretarial functions, supports effective corporate governance practices and assists the Board in fulfilling their legal and			

The Senior Management of the Company are as follows:

Name, Designation and Date of Appointment		Qualifications	Previous Employment	Remuneration paid in F.Y. 2025-26
Name	Banshidhar Sahoo	High School Certificate from Board of Secondary Education, Orissa	NA	₹ 8,55,910/- per annum
Designation	Preparatory Manager			
Date of Appointment	April 01, 2010			
Overall Experience	He has over 15 years of experience in spinning department, quality management and production management			
Functions and areas of experience	He has been associated with the Company since April 01, 2010 as Preparatory Manager and is responsible for managing spinning activities ensuring maximum use of machines, maintenance of quality and consistency in production and overall production and quality management			
Name	Dhavalkumar Rameshchandra Shah	No Qualification	NA	₹ 7,27,113/- per annum
Designation	Factory Manager			
Date of Appointment	April 01, 2010			
Overall Experience	He has over 15 years of experience in production department.			
Functions and areas of experience	He has been associated with the Company since April 01, 2010 as Factory Manager and is responsible for production management, recruitments and liaising with government authorities			
Name	Mahesh G Makwana	No Qualification	NA	₹ 6,06,983/- per annum
Designation	Export-Import Incharge			
Date of Appointment	April 01, 2018			
Overall Experience	He has more than 7 years of experience in the field of Import and Export department			
Functions and areas of experience	He has been associated with the Company since April 01, 2018, as Export-Import Incharge and is responsible for import and export management.			
Name	Nilesh Bipinchandra Patel	Bachelor of Commerce from Gujarat University	NA	₹ 5,32,985/- per annum
Designation	Account Manager			
Date of Appointment	May 01, 2017			
Overall Experience	He has more than 8 years of experience in the field of accounts management.			
Functions and areas of experience	He has been associated with the Company since May 01, 2017, as Account Manager and is responsible for accounts management and server maintenance			
Name	Niraliben Umang Dave	Bachelor of Commerce from Gujarat University	Prahash Fin-stock Private Limited	₹ 3,25,967/- per annum
Designation	Sales Manager			
Date of Appointment	May 01, 2017			
Overall Experience	She has more than 19 years of experience in accounts management			
Functions and areas of experience	She is associated with the Company since May 01, 2017, as Assistant to Sales Manager and is responsible for sales and purchases management			

BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Currently, our Company does not have any bonus or profit-sharing plan for our Key Managerial Personnel or Senior Management. In future, discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance and other relevant factors subject to maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

CHANGES IN THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN LAST THREE YEARS

Other than the Managing Director and Whole-time Directors, the following are the changes in the Key Managerial Personnel/ Senior Management in the last three years preceding the date of filing this Red Herring Prospectus, otherwise than by way of retirement in due course.

Name of Key Managerial Personnel/ Senior Management	Date of Event	Nature of Event	Reason for the changes
Dhyan Narendra Vyas	September 01, 2025	Appointment	Appointment as Chief Financial Officer with effect from September 01, 2025
Sonal Bankim Bhansali	August 01, 2025	Appointment	Appointment as Company Secretary and Compliance Officer with effect from August 01, 2025
Dhyan Narendra Vyas	September 05, 2025	Cessation	Resignation as Chief Financial Officer with effect from September 05, 2025 due to pre-occupation
Alpesh Rameshchandra Bhavsar	September 11, 2025	Appointment	Appointment as Chief Financial Officer with effect from September 11, 2025

EMPLOYEE STOCK OPTION SCHEME/EMPLOYEE STOCK PURCHASE SCHEME/ STOCK APPRECIATION RIGHTS

As on the date of filing of Red Herring Prospectus, our Company does not have any ESOP/ESPS/SAR Scheme for its employees.

INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel or Senior Management has any interest in our Company except to the extent of their remuneration, benefits and reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel or Senior Management may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except the statutory payments made by our Company, in the last two years preceding the date of this Red Herring Prospectus, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.
Notes:

- All the Key Managerial Personnel and Senior Management mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
- None of our Key Managerial Personnel/ Senior Management has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel/ Senior Management has entered into any service contracts with our Company. No benefits are granted upon their termination from employment other than statutory benefits provided by our company and Our company has not executed any formal service contracts; although they are abide by their terms of appointments.

CONTINGENT AND DEFFERED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management which forms part of their remuneration.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI PIT Regulations) will be applicable to our Company immediately upon the listing of its Equity Shares on the EMERGE Platform of National Stock Exchange. We shall comply with the requirements of the SEBI PIT Regulations on the listing of Equity Shares on stock exchanges. Further, the Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

OUR PROMOTERS AND PROMOTERS GROUP

Our Promoters

The Promoters of our Company are:

Individual Promoters:

1. Siddharth Prakash Patel
2. Abhishek Rajendrakumar Agarwal

Corporate Promoter:

1. Prahash Fin-Stock Private Limited

As on date of this Red Herring Prospectus, Our Promoters, collectively hold 63,57,600 Equity shares of our Company, representing 40.37% of the issued, subscribed and paid-up Equity Share capital of our Company. For details see *"**Capital Structure**"*, on page 70 of this Red Herring Prospectus.

Brief Profile of our Promoters is as under:

1. Individual Promoters

Siddharth Prakash Patel, Managing Director and Chairman

Siddharth Prakash Patel, aged 47 years, is the Managing Director and Chairman of our Company.

For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past and other directorships, see ***"Our Management"*** on page 212.

Other ventures of our Promoters: Except as set out in this chapter under heading "***Other ventures of our Promoters"*** and the chapter titled "***Our Management"***, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.

His PAN is AEJPP0287M.

Abhishek Rajendrakumar Agarwal, Whole-time Director

Abhishek Rajendrakumar Agarwal, aged 41 years, is the Whole-time Director of our Company.

For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past and other directorships, see ***"Our Management"*** on page 212.

Other ventures of our Promoters - Except as set out in this chapter under heading "***Other ventures of our Promoters"*** and the chapter titled "***Our Management"***, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.

His PAN is AEWPA7442N.

Our Company confirms that the Permanent Account Numbers, Bank Account numbers, Passport numbers, Aadhaar Card numbers and Driving License numbers of our individual promoters shall be submitted to NSE at the time of filing of this Red Herring Prospectus.

2. Corporate Promoter

PRAHASH FIN-STOCK PRIVATE LIMITED

Prahash Fin-Stock Private Limited was incorporated on July 05, 1990 under the Companies Act, 1956 issued at Ahmedabad by the Registrar of Companies, Gujarat.

Corporate Information:

Date of Incorporation	July 05, 1990
CIN	U67120GJ1990PTC013991
PAN	AABCP1779P
Registered Address	111-New Cloth Market Raipur, Ahmedabad, Gujarat, India- 380002

Nature of Business:

Prahash Fin-Stock Private Limited is engaged in the business of:

1. To purchase or otherwise acquire and hold immovable and movable property of all kinds in any part of the world and in particular, land buildings, hereditaments, objects of decoration and art, gems, jewellery, precious stones and metals, mortgages, charges, annuities, concessions, options, produce, policies ,book debts and claims and any interest in immovable and movable property and any claims against such property and against any person or company and to vary all or any of the aforesaid investments.

2. To invest in and deal with and acquire and hold shares, stocks, debentures, debenture-stocks, bonds, notes, obligations and securities issued or guaranteed by any company or body corporate and debenture, debenture-stock, bonds, obligations and securities issued or guaranteed by any state or Central Government, public body or authority, municipal local or otherwise whether in India or elsewhere.

Changes in Activities

There has been no change in activity of Prahash Fin-Stock Private Limited.

Shareholding Pattern and Promoters of the Company

The Shareholding Pattern and Promoters of Prahash Fin-Stock Private Limited as on the date of this Red Herring Prospectus is as follows:

Sr. No.	Name of Shareholders	Category	No. of Shares Held	Percentage (%) of

				holding
1.	Siddharth Prakash Patel	Promoter	34,061	21.29%
2.	Prakashbhai Purushottamdas Patel	Promoter Group	308	0.19%
3.	Bina Prakashbhai Patel	Promoter Group	411	0.26%
4.	Anar Siddharthbhai Patel	Promoter Group	411	0.26%
5.	Shaan Siddharthbhai Patel	Promoter Group	411	0.26%
6.	Vivaan Siddharth Patel	Promoter Group	246	0.15%
7.	Palak Prakashbhai Patel	Promoter Group	4,118	2.57%
8.	Swapnil Patel	Public	28,799	18.00%
9.	Raj S. Patel	Public	16,682	10.43%
10.	Rahul Shyamsunder Patel	Public	21,828	13.64%
11.	Malav Pravinchandra Patel	Public	28,759	17.97%
12.	Varshaben Pravinbhai Patel	Public	945	0.59%
13.	Chitali Patel	Public	5,711	3.57%
14.	Shayaan Malabhai Patel	Public	411	0.26%
15.	Prafullaben Hasmukhbhai Patel JW Swapnil Patel	Public	618	0.39%
16.	Shyamubhai Purushottamdas Patel	Public	553	0.35%
17.	Sadhanaben Shyamubhai Patel	Public	947	0.59%
18.	Ritu Pravinchandra Patel	Public	4,118	2.57%
19.	M/s. Pitex Corporation	Public	13	0.01%
20.	M/s. Thakorlal Ambalal	Public	8	0.01%
21.	Malavbhai P Patel, Swapnilbhai P Patel Prakashbhai P Patel Shyamsunder P Patel (Partners Of Amtex Corporation)	Public	82	0.05%
23.	Sejal Patel	Public	10,560	6.60v
Total			**1,60,000**	**100.00%**

Further as per the definition of relative mentioned in Section 2(77) of Companies Act, 2013 the top 10 public shareholders are not related to promoter/ promoter group or Director of our Company.

Board of Directors

As on date of this Red Herring Prospectus, the board of directors of Prahash Fin-Stock Private Limited comprises of:

Sr .No.	Name of Director	Designation	DIN
1.	Samir Narendrakumar Patel	Director	01421561
2.	Jitendra Shankarlal Patel	Director	07416142
3.	Bharatbhai Parshottamdas Patel	Director	00056150

Change in control, including details of the persons who held the controlling interest in the preceding three years

There has been no change in the control, including details of the persons who held the controlling interest in the preceding three years as on the date of filing of this Red Herring Prospectus.

Our Company confirms that Permanent Account Numbers, Bank Account Numbers, the Company Registration Numbers and the addresses of the Registrars of Companies where the company is registered will be submitted NSE where the Equity Shares are proposed to be listed at the time of filing this Red Herring Prospectus.

Other ventures of our Promoters:

Save and except as disclosed in this section titled ***"Body corporates, partnership firms forming part of the Promoter Group"*** under the chapter titled ***"Our Promoters & Promoters Group"*** and the chapter titled ***"Our Management",*** beginning on page 231 and 212 of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Change in control of our Company

There has been no change in the management or control of our Company during the last five years preceding the date of this Red Herring Prospectus.

Interest of our Promoters:

Interest in promotion and shareholding of Our Company

Our Promoters are interested in the promotion of our Company to the extent (i) that they have promoted our Company; (ii) their shareholding and the shareholding of their relatives in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company. For further details, please refer to the chapter titled *"**Capital Structure**"* on page 70.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters. For details of the Promoters' shareholding in our Company, see ***"Capital Structure*** on page 70.

Our Promoters have majority shareholdings in the entities form part of our Promoter Group of our Company. For risks relating to the same, please refer to "***Risk Factors*** – ***Our Company has in the past entered into Related Party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operation***." at page 36 and "***Restated Financial Statements– Annexure - XXXIV: Restated Statement of Related Party Disclosures***" on page 242.

Interest in the property of Our Company

Except as stated in the section **"*Our Business*"** and **"*Financial Information*"**, beginning on pages 157 and 242, respectively, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Red Herring Prospectus.

Interest in transactions for acquisition of land, construction of building and supply of machinery:

None of our Promoters or Directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as a member of a firm or a company and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce any of our Promoter to become, or qualify them as a director, or otherwise for services rendered by any of our Promoter or by such firm or company in connection with the promotion or formation of our Company.

Other Interests in our Company

The Promoter of our Company are also interested in our Company to the extent of directorship and managerial position held by them as the Managing Director and Whole-Time Director of our Company and may be deemed to be interested in the remuneration payable to them, where applicable and the reimbursement of expenses incurred by them in their capacity as the Director. For further details, see "***Our Management***" on page 212.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoters or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

For transactions in respect of loans and other monetary transactions entered in past please refer "***Annexure - XXXIV: Restated Statement of Related Party Disclosures***" forming part of *"**Restated Financial Statements**"* on page 242 of this Red Herring Prospectus.

Further, our Promoters have given personal guarantees respectively, towards financial facilities availed from the Bankers of our Company, therefore, they are interested to the extent of the said guarantees. Further, they have also extended unsecured loans and are therefore also interested in the extent of the said loans. For further information, see ***"Financial Indebtedness"*** on page 245 and ***"Financial Information"*** on page 242.

Payment of Amount or Benefits to our Promoters and Promoter Group during the last 2 years:

Except as disclosed herein and as stated in "***Restated Financial Statements- Annexure - XXXIV: Restated Statement of Related Party Disclosures***" on page 242, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Red Herring Prospectus.

The remuneration to the Promoters is being paid in accordance with the respective terms of appointment, for further details see

"***Our Management***" beginning on page 212.

Companies/ Firms with which our Promoters have disassociated in the last (3) three years:

Our promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus.

Experience of our Promoters in the business of our Company:

Our Promoters are experienced in the line of business in which our Company operates. For details in relation to experience of our Promoters in the business of our Company, see "***Our Management***" and "***Our Promoters & Promoters Group***" on pages 212 and 231, respectively.

Material Guarantees to third parties with respect to the Equity Shares

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Red Herring Prospectus.

Litigation Details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled "***Outstanding Litigation and Material Developments***" beginning on page 263 of this Red Herring Prospectus.

Other confirmations

Our Promoters 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 or any other government authority. Further, there are no violations of securities laws committed by our Promoter and members of the Promoter Group in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have 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.

Our Promoters and members of our Promoter Group have not been declared Fugitive Economic Offenders under section 12 of the Fugitive Economic Offender Act, 2018.

None of our Promoters or individuals forming part of our Promoter Group are appearing in the list of directors of struck-off companies by the ROC or the MCA under Section 248 of the Companies Act, 2013.

There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters and Company promoted by the promoters during the past three years.

OUR PROMOTER GROUP

In addition to our Promoter, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

Natural Persons who are part of the Promoters Group *(other than our Promoter):*

Sr. No.	Relationship with Promoter	Abhishek Rajendrakumar Agarwal	Siddharth Prakash Patel
1.	Father	Rajendrakumar Agarwal	Prakash Purushottamdas Patel
2.	Mother	Ushadevi Rajendrakumar Agarwal	Bina Prakash Patel
3.	Spouse	Shilpa Abhishek Agarwal	Anar Siddharth Patel
4.	Brother	N/A	N/A
5.	Sister	Sonam Vivek Bajaj	Palak Romal Shah
6.	Son	N/A	Shaan Siddharth Patel Vivaan Siddharth Patel

7.	Daughters	Aahana Abhishek Agarwal	N/A
8.	Spouse's Father	Kamal Kishore Poddar	Amit Indradaman Sheth
9.	Spouse's Mother	Santosh Devi Poddar	Priti Amit Sheth
10.	Spouse's Brother	N/A	Varun Amitkumar Sheth
11.	Spouse's Sisters	N/A	N/A

Body corporates, partnership firms forming part of the Promoter Group (other than our Promoter):

Sr. No.	Nature of Relationship	Entities
1.	Any Body Corporate (other than Subsidiary & Associate) in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm in which the Promoter or any one or more of his immediate relatives is a member;	1. R K Agarwal Trading Company Private Limited 2. Shri Bajrangbali Intermediate and Dyechem Pvt. Ltd. 3. Shyamprakash Spinning Mills Limited 4. Shree Prakash Textiles (Gujarat) Private Limited 5. Terra Biofuels Private Limited
2.	Any Body Corporate in which a body corporate as provided in (1) above holds 20% or more, of the equity share capital; and	N/A
3.	Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%	1. Abhishek Agarwal HUF 2. Rajendrakumar Agarwal HUF 3. Shilpa Synthetics 4. L K Enterprise 5. More Synthetics 6. R K Trading Co 7. Prabhuji Advisory LLP 8. Radhamohan Industries LLP 9. Aahana Synthetics 10. Storex Containers Industries 11. Amtex Corporation 12. Atharv trading Co

As per Regulation 2(1) (pp)(iii) of the SEBI ICDR Regulations, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter group.

S.No.	Nature of Relationship	Entities
1.	A subsidiary or holding company of such body corporate	N/A
2.	Any body corporate in which the promoter holds 20% or more of the equity share capital; and/or any body corporate which holds twenty percent, or more of the equity share capital of the promoter	N/A

Other persons included in Promoters Group:

None of other persons forms part of promoters group for the purpose of shareholding of the Promoters Group under Regulation 2(1) (pp) (v) of SEBI (ICDR) Regulations 2018.

GROUP COMPANIES

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Companies as considered material by our Board.

Further, pursuant to a resolution of our Board dated September 16, 2025 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as Group company if such company includes the below mentioned conditions:

a) the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements and

b) if such company fulfils both the below mentioned conditions: -

   i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018; and

   ii. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total income of the company as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, as on the date of this Red Herring Prospectus, there are 3 (three) companies falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company ("Group Company"):

1. **Shree Prakash Textiles (Gujarat) Private Limited**
2. **Shyamprakash Spinning Mills Limited**
3. **Shri Bajrangbali Intermediate and Dyechem Pvt Ltd**

A. Details of our Group Companies

Financial Information of Group Companies

In accordance with the SEBI (ICDR) Regulations, 2018, Details of Reserves (excluding Revaluation Reserves), Sales, Profit after Tax, Earnings per Share, Basis / Diluted Earnings Per Share and Net Asset Value, for the past 3 years, derived from the latest Audited Financial Statements available of our Group Companies are available on the website of our Company at - https://www.ashutoshfibre.com/.

Corporate Information

1. **Shree Prakash Textiles (Gujarat) Private Limited**

Shree Prakash Textiles (Gujarat) Private Limited was incorporated on December 05, 1969, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued at Ahmedabad by the Registrar of Companies, Gujarat.

CIN	U17119GJ1969PTC001659
Main Object	1. To take over the running business of the partnership Firm of M/s. Shree Prakash Textiles, Ahmedabad who are carrying on the business of processors, dyers, bleachers, printers of cotton/cotton fabrics with all its assets and liabilities present and contingent on the terms and conditions decided by the Board of Directors. and to enter into the agreement with the Vendors 2. To carry on the business of processors, dyers, bleachers, printers of cotton/cotton fabrics, wool, silk and other natural as well .as artificial fibres and also to carry on the business of spinning, weaving, manufacturing and/or dealing in cotton and/or other fibrous substances and the processing, dyeing or bleaching any of the said substance and the sale of yam, cloth or other manufactured fibrous products. 3. To carry on the business of Cotton spinners and doublers; wool, silk, flax, jute and hemp-spinners and doublers, linen manufacturers, cotton, flax, hemp, jute and wool merchants, woolcombers, worsted spinners, woolen spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers and makers of vitriol, bleaching and dyeing materials; and to purchase, sell, comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances and to weave or otherwise manufacture, buy, sell and

	deal in linen, cloth and other goods and fabrics whether textile, felted, knitted or looped and to supply power. 4. To deal in and also to work spinning and weaving mills, cotton mills, jute mills and mills if any other description and for any other purpose to maintain, erect and work ginning factories, foundries and manufacturers of every kind of goods and merchandise; and to erect, maintain and work presses for pressing merchandise into bales. To erect warehouses, tanks, chaw is or other building and to erect such machinery, apparatus and works thereon as may be necessary for the purposes of the Company. 5. To buy, contract for, sell or send for sale in any part of the world raw cotton, waste, droppings, fly, silk, wool, jute, hemp ‘and other fibrous articles; to deal in all materials and things necessary or useful for dyeing, printing and bleaching purposes and generally to deal in all or any of the fabrics articles and things and to do all these either on cash or on credit for ready or future delivery. 6. To gin kapas and to spin, weave, manufacture, dye, print and bleach raw cotton, waste, dropping, fly, silk, wool, jute, hemp and fibrous articles, terylene etc. and to prepare yarn, cloth bleached or unbleached and other fabrics and things of whatever nature or kind so ever so ever 7. To extend the business of the Company by purchasing, erecting, acquiring, getting transferred, or leasing any spinning and weaving mill or any other manufactory, works, machinery and any other real or personal property either private or belonging to joint stock companies for the time being, situate ‘anywhere ‘in the world and the property, business and goodwill appertaining thereto respectively.
Registered Office	Laxmivijay Hosiery Mills Compound Naroda Road, Ahmedabad, Gujarat, India, 380002

Equity Capital

As on the date of this Red Herring Prospectus, the Authorised capital of Shree Prakash Textiles (Gujarat) Private Limited is ₹ 1,000 Lakhs and the Paid-up Capital is ₹ 839.38 Lakhs.

2. Shyamprakash Spinning Mills Limited

Shyamprakash Spinning Mills Limited was incorporated on January 09, 1979 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued at Ahmedabad by the Registrar of Companies, Gujarat.

CIN	U17110GJ1979PLC003265
Main Object	1. To carry on the business of processors, dyers, bleachers, printers of cotton/cotton fabrics, wool, silk and other natural as well as artificial fibres and also to carry on the business of spinning, weaving, manufacturing and/or dealing in cotton and/or other fibrous substances and the processing, dyeing or bleaching any of the said substance and the sale of yarn, cloth or other manufactured fibrous products. 2. To carry on the business of Cotton spinners and doubles; wool, silk, flax, jute and hemp-spinners and doubles, linen manufacturers, cotton, flax, hemp, jute and wool merchants, woolcombers, worsted spinners, woolen spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers and makers of vitrol, bleaching and dyeing materials; and to purchase, sell, comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances and to weave or otherwise manufacture, buy, sell and deal in linen, cloth and other goods and fabrics whether textile, felted, knitted or looped and to supply power. 3. To deal in and also to work spinning and weaving mills, cotton mills, jute mills and mills if any other description and for any other purpose to maintain, erect and work ginning factories, foundries and manufacturers of every kind of goods and merchandise; and to erect, maintain and work presses for pressing merchandise into bales. To erect warehouses, tanks, chawls or other building and to erect such machinery, engineers, apparatus and works thereon as may be necessary for the purposes of the Company. 4. To buy, contract for, sell or send for sale in any part of the world raw cotton, waste, droppings, fly, silk, wool, jute, hemp any other cloth and other fibrous articles; to deal in all materials and things necessary or useful for dyeing, printing and bleaching purposes and generally to deal in all or any of the fabrics articles and things and to do all these either on cash or on credit for ready for further delivery. 5. To gin kappas and to spin, weave, manufacture, dye, print and bleach raw cotton, waste, dropping, fly, silk, wool, jute, hemp and fibrous articles, terylene and to prepare yarn, cloth bleached or unbleached and other fabrics and things of whatever nature of kind so ever.

	6. To extend the business of the Company by purchasing, erecting, acquiring, getting transferred, or leasing any spinning and weaving mill or any other manufactory, works, machinery and any other real or personal property either private or belonging to joint stock companies for the time being, situate anywhere in the world and the property, business and goodwill appertaining thereto respectively.
Registered Office	111, New Cloth Market, O/S Raipur Gate, Ahmedabad, Gujarat, India, 380002

Equity Capital

As on the date of this Red Herring Prospectus, the Authorised capital of Shyamprakash Spinning Mills Limited is ₹ 700.00 Lakhs and the Paid-up Capital is ₹ 398.41 Lakhs.

3. **Shri Bajrangbali Intermediate and Dyechem Pvt Ltd**

Shri Bajrangbali Intermediate and Dyechem Pvt Ltd was incorporated on May 29, 1995 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued at Ahmedabad by the Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli.

CIN	U65910GJ1995PTC026101
Main Object	To carry on the business as manufacturers, processors, importers, exporters, dealers, sellers, buyers, consignors, consignees, agents, stockists, suppliers of all classes, kinds, types and nature of chemical, dyes, pigments and auxiliaries, intermediates including but without limiting the generality of the foregoing, heavy chemicals, fine chemicals, organic and inorganic chemicals, pharmaceutical, drug and medicinal chemicals, gum, allied chemicals and boiling agents for textiles, paints, cosmetics, pharmaceuticals, paper, processing, leather, metals, food pigments and other industries made from whatever substances including minerals.
Registered Office	BQ 1403-1404-1405 Sankalp Square 3B Nr Taj Sindhubhavan Road Vill- Shilaj, Tal - Daskroi, Shilaj, Ahmedabad, Daskroi, Gujarat, India, 380059

Equity Capital

As on the date of this Red Herring Prospectus, the Authorised capital of Shri Bajrangbali Intermediate and Dyechem Pvt Ltd is ₹ 100 Lakhs and the Paid-up Capital is ₹ 55.50 Lakhs.

Other Confirmations:

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

b) None of the above-mentioned Group Companies is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.

c) Our Group Companies have not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

d) Our Group Companies have not been identified as a Wilful Defaulter or fraudulent borrower.

e) None of our Group Companies hold any Equity Shares, warrants/convertible securities in our Company as of the date of this Red Herring Prospectus.

f) None of the above-mentioned Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up / insolvency proceedings.

A. Litigation

Except mentioned in the "***Outstanding Litigation and Material Developments***" on page 263. Our Group Companies are not party to any pending litigations which will have a material impact on our Company.

B. Common Pursuits

Our Group Companies are engaged in similar industry i.e. Textile Industry; however, the industry segments are variant. As an additional safeguard, we have entered into non-compete agreements with our Group Companies, which restrict them from undertaking business activities that are similar to or competitive with our current line of business.

C. Related business transactions within our Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in "***Annexure - XXXIV: Restated Statement of Related Party Disclosures***" from the chapter titled "***Restated Financial Statements"*** on page 242, there are no other related business transactions between our Group Companies and our Company.

D. Business Interest

Except as disclosed in the section "***Annexure - XXXIV: Restated Statement of Related Party Disclosures***" from the chapter titled *"**Restated Financial Statements"*** on page 242, our Group Companies have no business interests in our Company.

E. Nature and extent of interest of our Group Companies

a. In the promotion of our Company

Except as disclosed in this Red Herring Prospectus, our Group Companies has no interest in the promotion of our Company.

b. In the properties acquired by us in the preceding three years before filing this Red Herring Prospectus or proposed to be acquired by our Company

Except as mentioned in the chapter titled "***Our Business***" under the heading **"*Immovable Property"*** beginning on page 184 of this Red Herring Prospectus, Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c. In transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transaction for acquisition of land, construction of building or supply of machinery to our Company.

F. Undertaking / Confirmations by our Group Companies

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been

i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies/Promoter Group entities have been declared as a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on few numbers of factors, including but not limited, profit earned during the financial year and profit available for distribution, working capital requirements, capital expenditure requirements and cash flow required to meet contingencies, outstanding borrowings and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under our current or future loan or financing arrangements, see "***Financial Indebtedness***" beginning on page 245. Our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Further, our Board of Directors may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has declared dividends during the last three financial years. Further, our Company has declared dividend in the current financial year. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, please refer chapter titled "***Risk Factors***" beginning on page 20. The dividend history in the past is not necessarily indicative of our dividend amounts, if any, in the future.

Independent Auditor's Examination Report for the Restated Financial Statement of

Ashutosh Fibre Limited

(*Formerly Known as Ashutosh Fibre Private Limited*)

To,
The Board of Directors,
Ashutosh Fibre Limited
CIN: U24299GJ1985PLC007831
111, New Cloth Market,
Outside Raipur Gate,
Ahmedabad, Gujarat -380002

Dear Sir/Madam,

1) We, Shah & Patel, Chartered Accountants, have examined the attached Restated Financial Statement of **ASHUTOSH FIBRE LIMITED** (hereinafter referred to as **"the Company"** or **"the Issuer"**), comprising the Restated Audited Statement of Assets & Liabilities for the year ended on March 31, 2026, March 31, 2025 and March 31, 2024 (the "**reporting periods**"), the Restated Audited Statement of Profit and Loss; the Restated Audited Cash Flow Statement for the above-mentioned reporting periods, the Summary Statement of Significant Accounting Policies and other explanatory information (collectively, the "**Restated Financial Statement**"), as prepared by the Company and approved by the Board of Directors of the Company at their meeting held July 29, 2026 for the purpose of inclusion in the Red Herring Prospectus and Prospectus (together the "**Issue Documents**") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**") on the Emerge Platform of National Stock Exchange of India Limited ("**NSE**").

2) These Restated Financial Statement have been prepared in accordance with the following requirements of:

   - Section 26 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time;

   - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the "**SEBI ICDR Regulations**") and related amendments/clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**");

   - The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

Management's Responsibility for the Restated Financial Information

3) The Company's Board of Directors are responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the Issue documents to be filed with the Securities and Exchange Board of India, relevant stock exchange(s) and Registrar of Companies, Ahmedabad, Gujarat ("**RoC**") in connection with the proposed IPO. The Restated Financial Statement have been prepared by the management of the Company on the basis of accounting policies stated in Annexure IV to the Restated Financial Statement. The responsibility of the Board of Directors of the Company includes and is not limited to designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

4) We have examined such Restated Financial Statement taking into consideration:

a. Section 26 of Part I of Chapter III to the Companies Act, 2013 ("the Act");

b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations"); and

c. The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended from time to time (the "Guidance Note"). The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

d. The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Issue documents being issued by the Company for its proposed IPO of equity shares; and

e. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statement.

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Issue.

5) We have also examined the following Restated Financial Statement of the Company as mentioned in point no. 1 above and included in the Issue documents prepared by the management and approved by the board of directors and annexed to this report:

Annexure Note No.	Particulars
Annexure I	Restated Statement of Assets and Liabilities
Annexure II	Restated Statement of Profit and Loss
Annexure III	Restated Statement of Cash Flows
Annexure IV	Basis of Preparation and Material Accounting Policies
Annexure V	Restated Statement of Share Capital
Annexure VI	Restated Statement of Reserves & Surplus
Annexure VII	Restated Statement of Long-Term Borrowings
Annexure VIII	Restated Statement of Short-Term Borrowings
Annexure IX	Restated Statement of Trade Payables
Annexure X	Restated Statement of Other Current Liabilities
Annexure XI	Restated Statement of Short-Term Provisions
Annexure XII	Restated Statement of Deferred Tax Liabilities (Net)
Annexure XIII	Restated Statement of Property, Plant and Equipment, Intangible Assets and Capital Work in progress
Annexure XIV	Restated Statement of Long-Term Loans & Advances
Annexure XV	Restated Statement of Other Non-Current Assets
Annexure XVI	Restated Statement of Inventories
Annexure XVII	Restated Statement of Trade Receivables
Annexure XVIII	Restated Statement of Cash and Cash Equivalents
Annexure XIX	Restated Statement of Short-Term Loans and Advances
Annexure XX	Restated Statement of Other Current Assets
Annexure XXI	Restated Statement of Revenue from Operations
Annexure XXII	Restated Statement of Other income
Annexure XXIII	Restated Statement of Cost of Material Consumed
Annexure XXIV	Restated Purchase of Stock in Trade
Annexure XXV	Restated Statement of Changes in inventories of finished goods work-in-progress and Stock in-Trade
Annexure XXVI	Restated Statement of Employees Benefit Expenses
Annexure XXVII	Restated Statement of Finance costs
Annexure XXVIII	Restated Statement of Depreciation and Amortization Expenses
Annexure XXIX	Restated Statement of Other expenses
Annexure XXX	Restated Statement of Tax Shelters
Annexure XXXI	Restated Statement of Statutory Ratios
Annexure XXXII	Restated Statement of Accounting Ratios
Annexure XXXIII	Restated Statement of Capitalisation
Annexure XXXIV	Restated Statement of Related Party Disclosures
Annexure XXXV	Restated Statement of Other Disclosures

6) These Restated Financial Statement have been compiled by the management from the audited financial statements for the year ended on March 31, 2026, March 31, 2025 and March 31, 2024 prepared in accordance with accounting standard as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules 2014, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on July 29, 2026.

7) The Restated Financial Statement pertaining to the year ended on March 31, 2026, March 31, 2025 and March 31, 2024 have been extracted and compiled by the management from the respective audited financial statements. The financial statements for the above-mentioned financial years have been audited by us. For the purpose of our examination, we have relied on our Auditor's report dated July 29, 2026, September 01, 2025 and August 03, 2024 and the audited financial statements issued by us for the above-mentioned financial years We have issued unqualified reports for the year ended on March 31, 2026, March 31, 2025 and March 31, 2024.

8) In terms of Schedule VI (Part A) (11) (II) (A) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Ashutosh Fibre Limited, we, Shah & Patel, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our certificate no. 020858 is valid as on date.

9) In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:

    a) The **Restated Statement of Assets and Liabilities** for the year ended on March 31, 2026, March 31, 2025 and March 31, 2024, examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.

    b) The **Restated Statement of Profit and Loss** of the Company for the year ended on March 31, 2026, March 31, 2025 and March 31, 2024 examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.

c) The **Restated Statement of Cash Flows** of the Company for the year ended on March 31, 2026, March 31, 2025 and March 31, 2024 examined by us, as set out in **Annexures** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Statement of Cash Flows have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexures** to this Report.

As a result of these adjustments, the amounts reported in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

10) Based on the above, as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the year ended on March 31, 2026, March 31, 2025 and March 31, 2024 and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:

a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company.
b) have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years to which they relate to;
c) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments;
d) There are no qualifications in the Audit Reports issued by the Statutory Auditors for the financial years ended on March 31, 2026, 2025 and 2024 which would require adjustments in this Restated Financial Statements of the Company.
e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/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 II** to this report;
f) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,
g) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements;
h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
i) The Company has declared dividend to their equity shareholders for the financial year 2023-24 and same is paid in financial year 2024-25. No dividends declared or paid later.

11) 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 further confirm that the statutory audits of the financial statements forming part of the Restated Financial Statements were conducted in accordance with the applicable Standards on Auditing (SAs) prescribed under Section 143(10) of the Companies Act, 2013, and that the respective audit reports did not contain any Emphasis of Matter or Other Matter paragraphs.

12) In our opinion, the Restated Financial Statement have been prepared in accordance with Section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI). Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective financial statements audited for the relevant years.

13) This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as an opinion on any of the Standalone Financial Information referred to herein.

14) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

15) Our report is intended solely for use of the Company as for inclusion in the Issue documents to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Ahmedabad 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 SHAH & PATEL
Chartered Accountants
FRN: 124743W

CA NIMESH N. SHAH
Partner
M. No: 111329
UDIN: 26111329PNYHZE8567
Place: Ahmedabad
Date: 29-07-2026

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN - U24299GJ1985PLC007831

ANNEXURE – I : RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs otherwise Stated)

Sr. No.	Particulars	Note No.	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
A.	**Equity and Liabilities**				
1	**Shareholders' Funds**				
	Share Capital	**V**	1,575.00	175.00	175.00
	Reserves & Surplus	**VI**	3,614.54	3,410.31	2,580.39
2	**Non-Current Liabilities**				
	Long-Term Borrowings	**VII**	2,516.91	3,090.25	1,403.98
	Deferred Tax Liabilities (Net)	**XII**	545.54	430.74	353.90
3	**Current Liabilities**				
	Short Term Borrowings	**VIII**	2,275.54	2,653.25	2,082.34
	Trade Payables :	**IX**			
	(A) Total outstanding dues of micro enterprises and small enterprises; and		116.96	294.45	192.25
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		247.18	155.26	184.73
	Other Current Liabilities	**X**	105.83	187.49	200.87
	Short Term Provisions	**XI**	208.45	63.57	127.68
	Total		**11,205.95**	**10,460.32**	**7,301.14**
B.	**Assets**				
1	**Non-Current Assets**				
	Property, Plant and Equipment and Intangible Assets				
	Property, Plant and Equipment	**XIII**	5,861.38	5,569.79	3,185.59
	Intangible Assets	**XIII**	-	-	-
	Capital Work in progress	**XIII**	351.36	78.30	190.45
	Long Term Loans & Advances	**XIV**	0.70	21.00	7.25
	Other Non Current Assets	**XV**	84.38	84.28	73.71
2	**Current Assets**				
	Inventories	**XVI**	1,828.12	1,443.08	1,270.01
	Trade Receivables	**XVII**	2,143.77	1,928.12	1,539.33
	Cash and Cash Equivalents	**XVIII**	44.31	346.59	25.78
	Short-Term Loans and Advances	**XIX**	388.02	647.06	623.77
	Other Current Assets	**XX**	503.91	342.10	385.25
	Total		**11,205.95**	**10,460.32**	**7,301.14**

As per our Report of Even Date

FOR, SHAH & PATEL
Chartered Accountants
FRN: 124743W

Nimesh N Shah
Partner
Mem.No. 111329
UDIN : 26111329PNYHZE8567

Place: Ahmedabad
Date: 29-07-2026

FOR, ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]

Siddharth P. Patel
Managing Director
DIN : 01477471

Abhishek Agarwal
Whole Time Director
DIN : 01567158

Alpesh R. Bhavsar
Chief Financial Officer
PAN : AGWPB5414D

Sonal Bankim Bhansali
Company Secretary
Membership no : F3016

Place: Ahmedabad
Date: 29-07-2026

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN - U24299GJ1985PLC007831

ANNEXURE – II : RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs otherwise Stated)

Sr. No	Particulars	Note No.	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
A.	**Revenue:**				
	Revenue from Operations	XXI	11,737.14	11,403.40	10,987.18
	Other income	XXII	6.03	94.00	1.74
	Total Income		**11,743.17**	**11,497.40**	**10,988.92**
B.	**Expenses:**				
	Cost of Material Consumed	XXIII	6,467.57	6,973.59	6,799.63
	Purchase of Stock in Trade	XXIV	-	293.37	183.84
	Changes in inventories of finished goods work-in-progress and Stock in-Trade	XXV	(280.79)	(145.25)	(103.49)
	Employees Benefit Expenses	XXVI	733.28	562.20	528.46
	Finance Costs	XXVII	468.04	407.70	332.44
	Depreciation and Amortization Expenses	XXVIII	488.47	360.14	305.48
	Other Expenses	XXIX	1,709.93	1,935.90	1,964.35
	Total Expenses		**9,586.50**	**10,387.65**	**10,010.72**
	Profit before exceptional and extraordinary items and tax		**2,156.67**	**1,109.75**	**978.20**
	Exceptional Items		-	-	-
	Profit before extraordinary items and tax		**2,156.67**	**1,109.75**	**978.20**
	Extraordinary and Prior Period Item		-	-	-
	Profit before tax		**2,156.67**	**1,109.75**	**978.20**
	Tax expense :				
	Current tax	XXX	437.64	181.71	269.07
	Current tax expense relating to prior years		(0.00)	0.28	(0.01)
	Deferred Tax	XII	114.80	76.84	4.20
	Profit (Loss) for the period from continuing operations		**1,604.23**	**850.92**	**704.94**
	Earning per equity share in Rs.:				
	(1) Basic - Post Bonus		10.19	5.40	4.48
	(2) Diluted - Post Bonus		10.19	5.40	4.48

FOR, SHAH & PATEL
Chartered Accountants
FRN: 124743W

Nimesh N Shah
Partner
Mem.No. 111329
UDIN : 26111329PNYHZE8567

Place: Ahmedabad
Date: 29-07-2026

FOR, ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]

Siddharth P. Patel
Managing Director
DIN : 01477471

Abhishek Agarwal
Whole Time Director
DIN : 01567158

Alpesh R. Bhavsar
Chief Financial Officer
PAN : AGWPB5414D
Place: Ahmedabad
Date: 29-07-2026

Sonal Bankim Bhansali
Company Secretary
Membership no : F3016

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN - U24299GJ1985PLC007831

ANNEXURE – III: RESTATED STATEMENT OF CASH FLOWS

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (Loss) before tax	2,156.67	1,109.75	978.20
Adjustments for:			
Depreciation and Amortization Expense	488.47	360.14	305.48
Finance Cost	468.04	407.70	332.44
Net Loss/(Gain) on Sale of Investments/Assets	4.15	-	17.30
Bad Debt Written Off	-	-	-
Interest Income	(5.03)	(16.03)	(1.74)
Operating profit before working capital changes	**3,112.30**	**1,861.56**	**1,631.68**
Movements in working capital :			
(Increase)/Decrease in Inventories	(385.04)	(173.07)	(387.80)
(Increase)/Decrease in Trade Receivables	(215.64)	(388.80)	(165.57)
(Increase)/Decrease in Short Loans & Advances	259.03	(23.29)	(266.40)
(Increase)/Decrease in Other Current Assets	(161.81)	43.15	(178.06)
(Increase)/Decrease in Long Term Loans & Advances	-	-	-
(Increase)/Decrease in Other Non Current Assets	(0.10)	(10.57)	(30.78)
Increase/(Decrease) in Trade Payables	(85.57)	72.73	0.49
Increase/(Decrease) in Other Current Liabilities	(81.66)	(13.38)	42.48
Increase/(Decrease) in Short Term Provisions	39.66	(7.38)	21.01
Cash generated from operations	**(631.13)**	**(500.61)**	**(964.63)**
Adjustment on Account of Income Tax Expense	(336.81)	(238.73)	(103.51)
Net cash from operating activities (A)	**2,144.35**	**1,122.22**	**563.54**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Interest Income	5.03	16.03	1.74
Sale/(Purchase) of Fixed Assets	(1,036.96)	(2,645.94)	(762.36)
Net cash from investing activities (B)	**(1,031.93)**	**(2,629.91)**	**(760.62)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest/Other expenses paid on borrowings	(289.07)	(239.89)	(332.44)
Proceeds of Long Term Borrowings	324.95	3,497.95	1,228.81
(Repayment) of Long Term Borrowings	(1,058.57)	(1,397.96)	(949.67)
Increase/(Decrease) in Short Term Borrowings	(392.01)	(10.60)	162.05
Dividend Paid	-	(21.00)	(21.00)
Net cash from financing activities (C)	**(1,414.70)**	**1,828.50**	**87.75**
Net increase in cash and cash equivalents (A+B+C)	**(302.28)**	**320.81**	**(109.32)**
Cash and cash equivalents at the beginning of the year	**346.59**	**25.78**	**135.10**
Cash and cash equivalents at the end of the year	**44.31**	**346.59**	**25.78**

FOR, SHAH & PATEL
Chartered Accountants
FRN: 124743W

FOR, ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]

Siddharth P. Patel
Managing Director
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Alpesh R. Bhavsar
Chief Financial Officer
PAN : AGWPB5414D
Place: Ahmedabad
Date: 29-07-2026

Sonal Bankim Bhansali
Company Secretary
Membership no : F3016

Place: Ahmedabad
Date: 29-07-2026

ANNEXURE - IV - BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

ACCOUNTING POLICIES

(A) COMPANY OVERVIEW

- ASHUTOSH FIBRE LIMITED (Formerly Known as Ashutosh Fibre Private Limited) is a company incorporated in India under the companies act,1956; an existing company under the companies act,2013 and is domiciled in India. The Registered Office of the Company is Located at: 111, New Cloth Market, Outside Raipur Gate, Ahmedabad-380002.
  The Company is engaged in the business of manufacturing and trading of techincal textile yarns.

(B) SIGNIFICANT ACCOUNTING POLICIES

1 Significant Accounting Policies:
The financial statements have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the generally accepted accounting principles (GAAP) in India. The statements comply with the Accounting Standards notified by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

2 Use of Estimate:
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses, and disclosures relating to contingent liabilities. Actual results may differ from such estimates. Management believes that the estimates used are prudent and reasonable.

3 Revenue Recognition:
Sale of Goods: Revenue from sale of textile goods is recognized when significant risks and rewards of ownership are transferred to the buyer, generally on dispatch of goods, net of returns, discounts, rebates, and sales tax/GST.

Export Sales: Export sales are recognized on the basis of Bill of Lading/Shipping at the exchnge rate prevailing on the Bill date. Export incentives, including duty drawback, are recognized as income in the Statement of Profit and Loss on an accrual basis, to the extent there is reasonable assurance of realization.

Government Grants: Government grants related to revenue, including textile-specific subsidies, are recognized in the Statement of Profit and Loss under other operating income when there is reasonable assurance that the conditions attached to such grants will be complied with and the grants will be received. Grants relating to specific fixed assets are adjusted against the cost of such assets.

Other Income: Interest income is recognized on a time proportion basis. Other incomes are accounted for on accrual basis, except where collection is uncertain.

4 Property, Plant and Equipments & Intangible Assets
i) Tangible Asset - Property Plant & Equipment's are stated at actual cost of acquisition net of recoverable taxes less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

ii) Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets
iii) Capital work- in- progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date.

ANNEXURE - IV - BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

ACCOUNTING POLICIES

Depreciation/amortization :

i) In respect of assets of the company, depreciation is provided on straight line method based on estimated useful life of an asset as specified in schedule II to the Companies Act, 2013 except for the free-hold land, leasehold land and investment properties, which are not being amortized.

ii) Intangible assets are amortised over the life of underlying assets. Computer software and Trademark are amortised over a period of 3 Years.

iii) The comapny has provided depreciation on straight line method based on estimated useful life of 25 years for Solar Plant.

5 Inventories:

Stock of Raw Materials, Trading Stock, Spares and Packing Materials: valued at cost or net realizable value which ever is lower on FIFO basis.

Stock of Finished Goods and work in progress: valued at cost or net realizable value which ever is lower. Cost includes cost of material, labour and manufacturing overheads including in bringing the goods to present location and condition. Cost is determined on weighted average basis.

Waste / By-products: Valued at estimated realizable value.

6 Investments:

Long term investments are carried at cost. However, provisions are made for diminution in value, other than temporary, on an individual basis.

Current investments are carried at the lower of cost and fair value, determined on a category-wise basis.

7 Transactions in Foreign Exchange:

(a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.

(b) Monetary items denominated in foreign currencies are reported at closing rate at the balance sheet date and exchange differences arising on settlement or remeasurement are recognised as income or expense in the statement of Profit and Loss.

(c) Non-monetary items denominated in foreign currencies are reported at the exchange rate prevailing on the date of the transaction and are not subsequently retranslated.

8 Taxes on income:

(a) Income tax is computed in accordance with Accounting Standard 22 – 'Accounting for Taxes on Income' (AS – 22). Tax expenses are accounted in the same period to which the revenue and expenses relate.

(b) Provisions for current income tax is made for the tax liability payable on taxable income and the net profit or loss before tax for the year as per the financial statements are identified and the tax effect of timing differences is recognized as a deferred tax asset or deferred tax liability. The tax effect is calculated on accumulated timing differences at the end of the accounting year based on effective tax rates substantially enacted by the Balance Sheet date that would apply in the years in which the timing differences are expected to reverse.

(c) Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. In the year in which the MAT credit becomes eligible, to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

ANNEXURE - IV - BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

ACCOUNTING POLICIES

(d) Deferred tax is recognised on timing differences between the taxable income and accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted as at the Balance Sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In the case of unabsorbed depreciation and carry forward of tax losses, deferred tax assets are recognised only when there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available.

9 Borrowing Cost:
Interest and other borrowing costs on specific borrowings, attributable to qualifying assets, are capitalized as part of cost of assets. All other borrowing costs are charged to revenue.

10 Accounting for Provisions, Contingent Liabilities and Contingent Assets:
Provisions are recognized in terms of Accounting Standard 29- 'Provisions, Contingent Liabilities and Contingent Assets' (AS 29), when there is present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and a reliable estimate of the amount of the obligation can be made. Contingent liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non occurrence of one or more uncertain events, not wholly within the control of the company, or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent assets are not recognized in the financial statements.

11 Employee Benefits:
(a) Defined Contribution Plan:
As regards to provident fund benefits, the company makes the stipulated contribution in respect of employees covered by the provident funds act to provident fund authority under which company's liability is limited to the extent to contribution. The company's contribution to the recognized provident fund, paid/payable during the year, is charged to the profit and loss account.

(b) Defined Benefits Plan:
The liability for the defined benefit plan of gratuity is determined on the basis of actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognized in profit and loss account

(c) Other retirement benefits in the form of Leave Encashment are accounted on cash basis.

12 Impairment of Assets:
(a) The carrying amount of assets other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

(b) The impairment loss is recognized whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognized in the profit and loss account.

ANNEXURE - IV - BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

ACCOUNTING POLICIES

(c) An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognized in the profit and loss account.

13 Cash and cash equivalents :

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

14 Events occuring after reporting period :

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, nature and consequent impact of the events of material size, occurring after the Balance Sheet date,are only disclosed.

15 Earnings Per Share :

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable toequity shareholders by the weighted average number of equity shares outstanding during the period.

In cases where equity shares are increased due to the issue of bonus/split/consolidation, the basic EPS is retrospectively adjusted for all the periods presented, so that the figures remain comparable across reporting periods.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the \equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.In computing dilutive earnings per share, only potential equity shares that are dilutive and that decrease profit per share are included.

16 Leases :

i) Operating Lease : Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.
Lease rentals for land taken on long-term operating lease are recognised in the Statement of Profit and Loss as per the contractual terms of the lease agreement. Since lease agreements relating to land are outside the scope of AS-19.

ii) Finance Lease : Leases which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased assets, are classified as finance leases and are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges on account of finance leases are charged to statement of profit and loss.

17 Cash Flow Statement :

Cash Flow Statement have been prepared on Indirect Method as prescribed under Accounting Standard -3 on Cash Flow Statements, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

ANNEXURE - IV - BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

ACCOUNTING POLICIES

18 Government Grants / Subsidies :

Government grants related to revenue are recognized on accrual basis in the Statement of Profit and Loss. Grants relating to specific fixed assets are adjusted against the cost of such assets. Textile-specific subsidies, export incentives, and duty drawback benefits are recognized when there is reasonable assurance that the same will be received..

19 Preoperative Expenses :

As regards in direct expenditure on project implementation/ construction, are treated as preoperative expenditure pending allocation to fixed assets in progress and is shown as “Preoperative Expenses” under “Other Non Current Assets”. The same is transferred to fixed assets on progressive basis and is capitalized along with fixed assets on commencement of commercial activities on pro-rata basis to respective assets.

20 Provisions :

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an out flow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determine based on best estimate required to settle the obligations at the balance sheet date these are review at each balance sheet date and adjusted to reflect the best estimates.

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

ANNEXURE - IV - BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

NOTE (C) : RECONCILIATION BETWEEN AUDITED AND RESTATED NET PROFIT AFTER TAX

1. Material Regrouping

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2. Material Adjustments :

The Summary of results of restatement made in the Audited Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(A) Net Profits After Tax as per audited financial statements	**1,604.23**	**850.92**	**704.94**
Add/(Less) : Adjustments on account of -			
1) Prepaid Expenses of P.Y. Transfer to Expenses		-	-
2) Prepaid Expenses and Disallowance Exp. of current Year		-	-
3) Provision for Outstanding Expenses Payable		-	-
4) Difference on Account of Calculation in Deferred Tax		-	-
5) Change in Provision for Current Tax		-	-
6) Change in Provision of Depreciation		-	-
7) Change in Provision of Gratuity		-	-
8) Change in Provision of Audit Fees		-	-
Total Adjustments (B)		**-**	**-**
Restated Profit/ (Loss) (A+B)	**1,604.23**	**850.92**	**704.94**

3. Notes on Material Adjustments pertaining to prior years

(1) Prepaid Expenses charged to Profit & Loss Account

No Restatement required in prior years

(2) Provision for Outstanding Expenses

No Restatement required in prior years

(3) Difference on Account of Calculation in Deferred Tax

No Restatement required in prior years

(4) Change in Provision for Current Tax

No Restatement required in prior years

(5) Change in Account of Change in Depreciation Calculation

No Restatement required in prior years

(6) Change on Account of Provision for Gratuity

No Restatement required in prior years

Note (D) : Reconciliation Statement between Restated Reserve & Surplus affecting Equity due to Adjustment made in Restated Financial Statements:

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Equity Share Capital & Reserves & Surplus as per Audited financial Statement	**5,189.54**	**3,585.31**	**2,755.39**
Add/(Less) : Adjustments on account of changes in Opening Balance of Profit/(Loss) Account	-	-	-
Add/(Less) : Adjustments on account of change in Profit/Loss for the Year	-	-	-
Total Adjustments	**-**	**-**	**-**
Equity Share Capital & Reserves & Surplus as per Restated Financial Statement	**5,189.54**	**3,585.31**	**2,755.39**

ASHUTOSH FIBRE LIMITED
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CIN No. : U24299GJ1985PLC007831

ANNEXURE - V : Restated Statement of Share Capital

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Share Capital			
Authorised Share Capital			
17,50,000 Equity Shares of Rs. 10 Each	-	175.00	175.00
2,50,00,000 Equity Shares of Rs. 10 Each	2,500.00	-	-
Total	**2,500.00**	**175.00**	**175.00**
Issued, Subscribed & Fully Paid Up Share Capital			
17,50,000 Equity Shares of Rs. 10 Each	-	175.00	175.00
1,57,50,000 Equity Shares of Rs. 10 Each	1,575.00	-	-
Total	**1,575.00**	**175.00**	**175.00**

(i) Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Shareholders Fund			
(A) Equity Share			
No of Equity Shares outstanding at the beginning of the year	17,50,000	17,50,000	17,50,000
Add : Bonus Shares Issued during the year	1,40,00,000	-	-
Less : Shares cancelled / bought back during the year	-	-	-
Equity Shares outstanding at the end of the year	**1,57,50,000**	**17,50,000**	**17,50,000**
Total	**1,57,50,000**	**17,50,000**	**17,50,000**

(ii) Rights, preference and restrictions attached to equity shares

Equity Shares

The Company has only one class of equity shares. Prior to the share split in FY 2024–25, each equity share had a face value of Rs.1,000. Pursuant to a resolution passed during the year, the Company sub-divided each equity share of Rs. 1,000 into 100 equity shares of Rs.10 each. Post share split, the equity shares have a par value of Rs.10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividends, which may be declared by the Board at its discretion. 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.

The Board and shareholder at its Extra ordinary general meeting held on 14-06-2024 approved sub-division of equity shares of the Company with existing face value of Rs. 1,000/- per share each fully paid up into 100 each fully paid up shares of face value of Rs. 10/- per share.

The number of issued, subscribed and paid-up equity shares was adjusted proportionately, with no change in the total paid-up share capital of the Company. The share split did not have any impact on the rights of shareholders, including voting rights and entitlement to dividends.

Necessary alterations to the Capital Clause of the Memorandum of Association were made, and the Company has complied with all applicable statutory requirements under the Companies Act, 2013.

The aggregate number of equity shares issued by way of bonus shares in immediately preceding five financial years ended 31-03-2025 is Nil. Further, in accordance with the resolution passed at the EGM held on 13-09-2025, the Company issued 140.00 Lakh equity shares of ₹10 each as fully paid-up bonus shares, in the ratio of 8:1 (eight fully paid-up equity shares for every one fully paid-up equity share held). The bonus share was issued by capitalisation of free reserves. The record date for determining entitlement to the bonus shares was 13-09-2025.

ANNEXURE – VI : Restated Statement of Reserves and Surplus

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Reserves & Surplus			
Balance in Statement of Profit & Loss			
Balance as at the beginning of the year	3,319.76	2,500.84	1,827.89
Add: Profit for the year	1,604.23	850.92	704.94
Add: Transfer from Reserve	90.55	-	-
Less: Transfer to Reserve	-	-	-
Less :Equity shares issued during the year	-	-	-
Less: Bonus Share Issued During the year	1,400.00	-	-
Less : Amount of Dividend paid	-	21.00	21.00
Less: Amt transferred to General reserve At the end of the year	-	11.00	11.00
Balance at the end of the year	**3,614.54**	**3,319.76**	**2,500.84**
General Reserve			
Balance as at the beginning of the year	90.55	79.55	68.55
Add : Addition during the year	-	11.00	11.00
Less : Utilise during the Year	90.55	-	-
Balance at the end of the year	-	**90.55**	**79.55**
Balance as at the end of the year	**3,614.54**	**3,410.31**	**2,580.39**
Grand Total	**3,614.54**	**3,410.31**	**2,580.39**

Note: Company does not have any Revaluation Reserve and pursuant to Board meeting dated September 13, 2025, bonus issue of 1,40,00,000 equity shares of face value of Rs 10/- in the ratio 8:1 i.e. (8) bonus equity shares for every one (1) equity share held by shareholder has been issued by utilizing free reserves of Rs.1,400.00 Lakhs.

ANNEXURE – VII :Restated Statement of Long Term Borrowings

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Secured Borrowings			
Term Loans			
- From Banks	2,168.93	2,456.77	628.11
- From Financial Institutions:	166.32	188.36	207.95
Less:			
Current Maturities of long term Borrowings			
- From Banks	(548.90)	(287.83)	(167.22)
- From Financial Institutions:	(24.45)	(22.04)	(19.86)
Total Secured Borrowings	**1,761.91**	**2,335.25**	**648.98**
Unsecured Borrowing:			
- Loan From Inter Corporate Deposit	350.00	350.00	350.00
- Loan From Directors and Relatives	405.00	405.00	405.00
Total Unsecured Borrowings	**755.00**	**755.00**	**755.00**
Total	**2,516.91**	**3,090.25**	**1,403.98**

Notes

There were no re-schedulement or default in the repayment of loans taken by the Company.

Term loan from Citi Bank is secured by hypothication of plant and machineries and other Fixed Assets of the company also mortgage of Land and Factory building of Associate company situated at Petlad, further secured by personal guarantee of directors, one shareholder and Corporate Guarantee of associate companies.

The Company has obtained unsecured loans from its Directors and their relatives carrying interest at 12% per annum. A portion of the loans is repayable at the end of six years, while the balance is repayable as and when funds are available with the Company. Accordingly, the loans have been classified based on their respective repayment terms.

Loan From Finance Institutions is secured against Vehicle.
Current Maturity of Long term debt is shown as other current liability in ANNEXURE – VIII
Amount of Borrowing from Bank and NBFC (incl. current maturities)
- Loan From Bank : Interest Rate - 7.00 to 10.00 % p.a.
- Loan From Financial Institution : Interest Rate - 10 to 11 % p.a.

ANNEXURE – VIII : Restated Statement of Short Term Borrowings

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Secured:			
From Bank			
Working Capital Facility	614.40	1,006.41	1,017.01
Unsecured:			
Loan			
From Directors and Relatives	1,020.00	1,289.30	808.22
Deposits			
Inter Corporate Deposit	67.80	47.68	70.02
Current Maturity of long Term Debts	573.34	309.87	187.09
Total	**2,275.54**	**2,653.25**	**2,082.34**

Notes:

- Cash Credit from Citi Bank of India is Secured against hypothication of stock and book debts of the company also first charge on Plant and Machinery and Mortgage of Land and Building of Associate Concern situated at Petlad, further guaranteed by the directors, relative of Directors and Associate Concern.
- Current maturity of long term debts represent term loan from Citi Bank and other secured loan become due in next one year.

ANNEXURE – IX : Restated Statement of Trade Payables

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Trade Payables due to			
- Micro and Small Enterprises	116.96	294.45	192.25
- Others Trade Payable	247.18	155.26	184.73
Total	**364.14**	**449.71**	**376.98**

Notes * Trade Receivables are subject to Third Party Confirmation

Dues to Micro, Small and Medium Enterprises

Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act, 2006) have been identified by the company on the basis of information available with it
The details are as follows:

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2025
Principal amount remaining unpaid	116.96	294.45	192.25
Interest due thereon	-	-	-
Interest paid by company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to suppliers beyond the appointed day during the year	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Interest accrued and remaining unpaid	-	-	-
Further interest remaining due and payable even in the suceeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-	-

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Statutory Dues Payable	37.99	26.89	34.07
Advance from Customers	29.14	131.33	141.12
Amount Payable to Employees	38.69	29.26	25.68
Total	**105.83**	**187.49**	**200.87**

ANNEXURE – XI : Restated Statement of Short Term Provisions

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits			
Provision for Bonus	49.35	39.11	36.66
Provision for Gratuity -Current	41.82	12.65	10.69
Other Provisions			
Provision for Interest- Accrued but not due	4.40	-	-
Provision for Expense	0.24	-	11.79
Provision for Income Tax *	112.64	11.82	68.55
Total	**208.45**	**63.57**	**127.68**

*Provision for Income Tax is calculated in Statement of Tax Shelter considering the Allowance & Disallowance of Income & Expenditure in the Income Tax Return filed by the company.

ANNEXURE – XII : Restated Statement of Deferred Tax (Assets)/Liabilities (Net)

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liability			
Related to Fixed Assets	578.37	458.86	366.21
Total (a)	**578.37**	**458.86**	**366.21**
Deferred Tax Assets			
Related to Fixed Assets	-	-	-
Related to Gratuity and Bonus Provisions	32.84	28.12	12.31
Related to Others (43B Disallowance)	-	-	-
Total (b)	**32.84**	**28.12**	**12.31**
Net Deferred Tax (Asset)/Liability [(a)-(b)]	**545.54**	**430.74**	**353.90**

ANNEXURE – XIV : Restated Statement of Long Term Loans & Advances

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Capital Advances	0.70	21.00	7.25
Advance Income Tax (Net of provision for taxes)	-	-	-
Grand Total	**0.70**	**21.00**	**7.25**

ANNEXURE – XV : Restated Statement of Other Non Current Assets

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Security Deposits	84.38	84.28	73.71
Grand Total	**84.38**	**84.28**	**73.71**

ASHUTOSH FIBRE LIMITED
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ANNEXURE – XVI : Restated Statement of Inventories

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Closing Stock Raw Material	963.41	885.80	870.76
Closing Stock Packing Material	52.73	29.84	16.43
Closing Stock Stores & Spares	43.23	39.48	40.11
Closing Stock WIP	552.42	345.52	288.63
Closing Stock of Finished Goods	216.34	142.44	54.09
Grand Total	**1,828.12**	**1,443.08**	**1,270.01**

ANNEXURE – XVII : Restated Statement of Trade Receivables

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Undisputed Considered Good	**2,143.77**	**1,928.12**	**1,539.33**
Undisputed Considered Doubtful	-	-	-
Disputed Considered Good	-	-	-
Disputed Considered Doubtful	-	-	-
Grand Total	**2,143.77**	**1,928.12**	**1,539.33**

Notes * Trade Receivables are subject to Third Party Confirmation

ANNEXURE – XVIII : Restated Statement of Cash and Cash Equivalents

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Cash & Cash Equivalents			
Cash in hand	2.99	4.46	8.87
Balances with Banks:			
In Current Accounts	1.18	317.76	0.72
Other :			
Balances with banks to the extent held as margin money or security	40.15	24.37	16.19
Grand Total	**44.31**	**346.59**	**25.78**

ANNEXURE – XIX : Restated Statement of Short Term Loans and Advances

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Loans and advances to employees	-	-	9.38
Advance to Trade Payables	387.40	646.64	586.89
Others Advances	0.62	0.42	27.50
Grand Total	**388.02**	**647.06**	**623.77**

ANNEXURE – XX : Restated Statement of Other Current Assets

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Balances With Government Authorities	379.65	334.21	379.41
Proposed Issue Expenses	94.01	-	-
Prepaid Expenses	30.25	7.89	5.84
Grand Total	**503.91**	**342.10**	**385.25**

ANNEXURE – XXI: Restated Statement of Revenue from Operations

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
- Revenue from Sales			
Domestic Sales	5,881.44	5,962.74	5,135.72
Export Sales	4,575.85	4,339.15	4,789.49
Job work Income	1,060.70	1,009.09	962.51
- Revenue from Other Activities			
Other Operating Revenue	219.15	92.42	99.46
Revenue from operations	**11,737.14**	**11,403.40**	**10,987.18**

SUB ANNEXURE – XXI : Bifurcation of Revenue Main Product Wise

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Revenue from operations			
Manufacturing, Jon Work and Trading of Yarn			
Manufactured and Trading of Yarn	10,457.29	10,301.89	9,925.21
Job Work Income	1,060.70	1,009.09	962.51
	11,517.99	**11,310.98**	**10,887.72**
Other Operating revenue:	**219.15**	**92.42**	**99.46**
Revenue from operations	**11,737.14**	**11,403.40**	**10,987.18**

SUB ANNEXURE – XXI : Bifurcation of Revenue Geographical Segment Wise

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Revenue from operations			
Sales of Products			
Export Sales			
Total Export Sales	**4,575.85**	**4,339.15**	**4,789.49**
Domestic Sales			
Total Doemstic Sales	**6,942.14**	**6,971.83**	**6,098.24**
Other Operating revenue:	**219.15**	**92.42**	**99.46**
Revenue from operations	**11,737.14**	**11,403.40**	**10,987.18**

ANNEXURE – XXII : Restated Statement of Other Income

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Interest Income	5.03	16.03	1.74
Profit on Sale of PPE	-	77.98	-
Balances Written Back	1.00	-	-
Grand Total	**6.03**	**94.00**	**1.74**

ANNEXURE – XXIII : Restated Statement of Cost of Material Consumed

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Opening Stock	915.64	887.19	642.99
Add: Purchases During the Period	6,568.07	7,002.04	7,043.84
Less: Closing Stock	1,016.14	915.64	887.19
Grand Total	**6,467.57**	**6,973.59**	**6,799.63**

SUB ANNEXURE – XXIII : Break-up of Raw Material and Packing Material Consumed – Imported and Indigenous

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Material Consumed (₹ in Lakhs)			
Indigenous	3,976.75	4,214.70	3,823.48
Imported	2,490.82	2,758.89	2,976.15
Grand Total	**6,467.57**	**6,973.59**	**6,799.63**
Material Consumed (in %)			
Indigenous	61.49%	60.44%	56.23%
Imported	38.51%	39.56%	43.77%
Grand Total	**100.00%**	**100.00%**	**100.00%**

ANNEXURE – XXIV : Purcahse of Stock in Trade

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Purchase of Stock in Trade	-	293.37	183.84
Grand Total	**-**	**293.37**	**183.84**

ANNEXURE – XXV : Restated Statement of Change in Inventories of WIP, Finished Goods or Stock in Trade

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Closing Stock			
Finished Goods	216.34	142.44	54.09
WIP	552.42	345.52	288.63
Opening Stock			
Finished Goods	142.44	54.09	45.10
WIP	345.52	288.63	194.12
Grand Total	**(280.79)**	**(145.25)**	**(103.49)**

ANNEXURE – XXVI : Restated Statement of Employee Benefit Expense

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Salaries, Wages and Incentives	472.34	378.93	348.39
Director Remuneration & Sitting Fees	133.69	102.32	102.24
Contributions to Provident and other funds	19.89	17.57	15.38
Bonus Expense	49.35	39.11	36.66
Gratuity Expense	42.43	11.63	16.92
Staff Welfare Expense	15.58	12.64	8.86
Grand Total	**733.28**	**562.20**	**528.46**

ANNEXURE – XXVII : Restated Statement of Finance costs

(₹ in Lakhs otherwise Stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Interest Expenses	448.52	386.44	281.79
Other Borrowing cost	19.52	21.26	50.65
Grand Total	**468.04**	**407.70**	**332.44**

ANNEXURE – XXVIII : Restated Statement of Depreciation & Amortization

(₹ in Lakhs otherwise Stated)

Particulars	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
Depreciation Expense	488.47	360.14	305.48
Amortization Expense	-	-	-
Grand Total	**488.47**	**360.14**	**305.48**

ANNEXURE – XXIX : Restated Statement of Other Expenses

(₹ in Lakhs otherwise Stated)

Particulars	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
Direct Expenses :			
Purchase Incidental Expense	205.12	186.36	165.99
Labour Expense	211.91	227.86	288.85
Freight and Transport Expense	136.68	149.54	143.64
Power and Fuel Expense	633.23	893.51	964.03
Rent Expense	24.27	14.23	9.60
Other Direct Expenses	35.10	24.61	28.87
Establishment And Administration Expenses :			
Rates and Taxes	2.84	2.60	11.97
Comunication Exp	3.10	2.22	1.80
Commission Expense	55.40	65.60	83.48
Donation / CSR Expense	17.50	14.36	10.23
Professional Fees and Legal Charges	29.35	26.49	13.70
Payment to Auditors	2.50	1.75	1.75
Repairs and Maintenance			
- Building	54.26	26.99	26.85
- Machinery	216.03	227.05	130.80
- Others	6.20	3.63	1.51
General Expenses	40.29	34.76	35.18
Printing & Stationary	1.64	1.16	2.02
Travelling Exp.	20.65	24.07	17.98
Petrol and Conveyance Expenses	9.71	9.09	8.82
Loss on Sale of Assets	4.15	-	17.30
Grand Total	**1,709.93**	**1,935.90**	**1,964.35**

(i) Payment to Auditors

(₹ in Lakhs otherwise Stated)

Particulars	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
Payment to auditor as			
- Statutory Auditor	2.00	1.25	1.25
- Tax Auditor	0.50	0.50	0.50
- Statutory Auditor - IPO Certification Fees	7.50	-	-
Grand Total	**10.00**	**1.75**	**1.75**

(ii) As per Accounting Standard 15 – Employees Benefits the disclosures of Employee Benefits as defined in the accounting standards is given below :

(₹ in Lakhs otherwise Stated)

A) Defined Contribution Plan	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
Employers Contribution to Provident Fund	19.86	17.54	15.35
Employers Contribution to Labour Welfare Fund	0.03	0.03	0.02

B) Defined Benefit Plan:	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Actuarial Assumption			
Discount Rate	7.06%	6.72%	7.20%
Expected Rate of Return on Plan Assets	7.06%	6.72%	7.20%
Rate of Salary Escalation	6.00%	6.00%	6.00%
Rate of Attrition	6.00%	6.00%	6.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Reconciliation of Opening and Closing balance obligations

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Liability at the beginning of the Period	72.63	57.06	37.18
Interest Cost	5.78	4.11	2.79
Current Service Cost	11.34	8.41	6.51
Past Service Cost	27.78	-	-
Actuarial (gain)/loss on obligations	2.79	3.04	10.58
Benefit Paid	(0.07)	-	-
Liability at the end of the Period	120.23	72.63	57.06

Reconciliation of Opening and Closing balance of fair value of planned assets

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Fair Value of Plan Assets at the beginning of the Period	59.98	46.37	34.23
Contributions by the employer	13.25	9.67	9.19
Expected Return on Plan Assets	4.36	3.34	2.57
Assets Transferred In/Acquistions	-	-	-
Actuarial gain/(loss) on Plan Assets	0.89	0.60	0.39
Benefit Paid	(0.07)	-	-
Fair Value of Plan Assets at the end of the Period	78.41	59.98	46.37

Reconciliation of recognition of acturial gains / loss

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Fair Value of Plan Assets at the end of the Period	78.41	59.98	46.37
Present value of Obligations at the end of the Period	(120.23)	(72.63)	(57.06)
Amount Recognized in the Balance Sheet	(41.82)	(12.65)	(10.69)

Recognition of acturial gains / losses

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Actuarial (gain)/loss on Obligation for the period	2.79	3.04	10.58
Actuarial (gain)/loss on Asset for the period	(0.89)	(0.60)	(0.39)
Actuarial (gain)/loss recognised in Statement of Profit & Loss	1.90	2.45	10.19

Expenses recognized during the Period

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Current Service Cost	11.34	8.41	6.51
Past Service cost	27.78	-	-
Interest Cost	5.78	4.11	2.79
Expected Return on Plan Assets	(4.36)	(3.34)	(2.57)
Net Actuarial (Gain)/Loss To Be Recognised	1.90	2.45	10.19
Net Cost	42.43	11.63	16.92

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SUB ANNEXURE – XII : Restated Statement of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs otherwise Stated)

Particulars	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
WDV as per Companies Act, 2013 (A)	5,861.38	5,569.79	3,185.59
WDV as per Income tax Act, 1961 (B)	3,563.34	3,746.59	1,777.09
Difference in WDV (A-B)	2,298.05	1,823.20	1,408.50
Deferred Tax (Asset)/ Liability '(C)	578.37	458.86	366.21
Bonus and Gratuity Closing Balance as per Books	130.47	111.74	47.35
Bonus and Gratuiry Closing Balance Income Tax (E)	-	-	-
Difference in Bonus and Gratiuty balamce (D-E)	130.47	111.74	47.35
Deferred Tax (Asset)/ Liability '(F)	(32.84)	(28.12)	(12.31)
Restated Closing Balance of Deferred Tax (Asset)/ Liability	545.54	430.74	353.90
Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year	430.74	353.90	349.70
Deferred Tax (Assets)/ Liability charged to Profit & Loss	114.80	76.84	4.20

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SUB ANNEXURE – IX: Ageing of Restated Statement of Trade Payables

(₹ in Lakhs otherwise Stated)

Particulars	**Less than 1 year**	**1 to 2 year**	**2 to 3 years**	**More than 3**	**> 180 Days**	**Total**
As at March 31, 2026						
Trade Payables due to						
- Micro and Small Enterprises	116.96	-	-	-	-	116.96
- Others	247.18	-	-	-	-	247.18
Total	**364.14**	**-**	**-**	**-**	**-**	**364.14**
As at March 31, 2025						
Trade Payables due to						
- Micro and Small Enterprises	294.45	-	-	-	-	294.45
- Others	155.26	-	-	-	-	155.26
Total	**449.71**	**-**	**-**	**-**	**-**	**449.71**
As at March 31, 2024						
Trade Payables due to						
- Micro and Small Enterprises	192.25	-	-	-	-	192.25
- Others	184.43	0.30	-	-	-	184.73
Total	**376.68**	**0.30**	**-**	**-**	**-**	**376.98**

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ANNEXURE – XIII : Restated Statement of Property, Plant and Equipment, Intangible Assets and Capital Work In Progress

As at the year March 31, 2026

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April, 1 2025	Additions	Deletion/Sale	Balance as at March 31, 2026	Balance as at April, 1 2025	Depreciation charge for the year	Deletion-Sale/Loss	Balance as at March 31, 2026	Balance as at March 31, 2025	Balance as at March 31, 2026
A. Property Plant & Equipment										
Building	345.07	230.60	-	575.67	34.25	10.95	-	45.20	310.82	530.47
Plant & Machinery	5,521.95	502.18	42.35	5,981.78	2,347.75	362.68	24.65	2,685.78	3,174.20	3,296.00
Plant & Machinery - Solar	1,808.74	-	-	1,808.74	23.00	68.73	-	91.73	1,785.74	1,717.01
Furnitures and Fixtures	88.92	60.27	-	149.20	59.83	7.86	-	67.69	29.09	81.49
Office Equipments	24.32	2.91	-	27.23	6.21	2.30	-	8.51	18.10	18.72
Computers and Printers	5.56	1.79	-	7.36	5.47	0.29	-	5.76	0.09	1.60
Vehicles	301.30	-	-	301.30	49.56	35.65	-	85.22	251.74	216.10
Total	**8,095.86**	**797.76**	**42.35**	**8,851.27**	**2,526.08**	**488.47**	**24.65**	**2,989.90**	**5,569.79**	**5,861.38**
B.Intangible Assets										
Software	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Capital Work in Progress										
Capital Work in Progress	78.30	1,005.84	732.78	351.36	-	-	-	-	78.30	351.36
Total	**78.30**	**1,005.84**	**732.78**	**351.36**	**-**	**-**	**-**	**-**	**78.30**	**351.36**
Grand Total	**8,174.17**	**1,803.59**	**775.13**	**9,202.63**	**2,526.08**	**488.47**	**24.65**	**2,989.90**	**5,648.09**	**6,212.74**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	351.36	-	-	-	351.36

As at the year March 31, 2025

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April, 1 2024	Additions	Deletion/Sale	Balance as at March 31, 2025	Balance as at April, 1 2024	Depreciation charge for the year	Deletion-Sale/Loss	Balance as at March 31, 2025	Balance as at March 31, 2024	Balance as at March 31, 2025
A. Property Plant & Equipment										
Building	110.94	234.13	-	345.07	28.84	5.41	-	34.25	82.09	310.82
Plant & Machinery	4,719.29	802.65	-	5,521.95	2,047.74	300.00	-	2,347.75	2,671.55	3,174.20
Plant & Machinery - Solar	152.69	1,656.05	-	1,808.74	12.12	10.88	-	23.00	140.58	1,785.74
Furnitures and Fixtures	85.64	3.29	-	88.92	52.74	7.09	-	59.83	32.89	29.09
Office Equipments	11.64	12.67	-	24.32	5.03	1.18	-	6.21	6.61	18.10
Computers and Printers	5.56	-	-	5.56	5.33	0.14	-	5.47	0.23	0.09
Vehicles	265.76	35.54	-	301.30	14.13	35.43	-	49.56	251.63	251.74
Total	**5,351.53**	**2,744.33**	**-**	**8,095.86**	**2,165.94**	**360.14**	**-**	**2,526.08**	**3,185.59**	**5,569.79**
B.Intangible Assets										
Software	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Capital Work in Progress										
Capital Work in Progress	190.45	78.30	190.45	78.30	-	-	-	-	190.45	78.30
Total	**190.45**	**78.30**	**190.45**	**78.30**	**-**	**-**	**-**	**-**	**190.45**	**78.30**
Grand Total	**5,541.98**	**2,822.64**	**190.45**	**8,174.17**	**2,165.94**	**360.14**	**-**	**2,526.08**	**3,376.03**	**5,648.09**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	78.30	-	-	-	78.30

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

As at the year March 31, 2024

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April, 1 2023	Additions	Deletion/Sale	Balance as at March 31, 2024	Balance as at April, 1 2023	Depreciation charge for the year	Deletion-Sale/Loss	Balance as at March 31, 2024	Balance as at March 31, 2023	Balance as at March 31, 2024
A. Property Plant & Equipment										
Building	110.94	-	-	110.94	25.31	3.53	-	28.84	85.62	82.09
Plant & Machinery	4,439.43	484.54	204.68	4,719.29	1,943.47	269.84	165.57	2,047.74	2,495.96	2,671.55
Plant & Machinery - Solar	152.69	-	-	152.69	6.32	5.80	-	12.12	146.38	140.58
Furnitures and Fixtures	84.03	5.44	3.83	85.64	48.37	8.60	4.23	52.74	35.66	32.89
Office Equipments	11.85	3.72	3.93	11.64	6.83	1.32	3.12	5.03	5.02	6.61
Computers and Printers	6.43	-	0.87	5.56	5.65	0.50	0.83	5.33	0.78	0.23
Vehicles	72.72	255.87	62.82	265.76	44.38	15.55	45.80	14.13	28.34	251.63
Total	**4,878.09**	**749.56**	**276.13**	**5,351.53**	**2,080.34**	**305.15**	**219.54**	**2,165.94**	**2,797.76**	**3,185.59**
B. Intangible Assets										
Software	1.06	-	1.06	-	1.06	0.33	1.40	-	-	-
Total	**1.06**	**-**	**1.06**	**-**	**1.06**	**0.33**	**1.40**	**-**	**-**	**-**
C. Capital Work in Progress										
Capital Work in Progress	33.09	157.36	-	190.45	-	-	-	-	33.09	190.45
Total	**33.09**	**157.36**	**-**	**190.45**	**-**	**-**	**-**	**-**	**33.09**	**190.45**
Grand Total	**4,912.24**	**906.93**	**277.19**	**5,541.98**	**2,081.40**	**305.48**	**220.94**	**2,165.94**	**2,830.84**	**3,376.03**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in progress	157.36	33.09	-	-	190.45

ASHUTOSH FIBRE LIMITED
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SUB ANNEXURE - V - Restated Statement of Share Capital

Details of Shareholding more than 5% of the aggregate shares in the company

Name of Shareholder	31-Mar-26		31-Mar-25		31-Mar-24	
	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding
(A)Equity Shareholder						
Prahash Finstock Pvt. Ltd.	27,45,900	17.43%	3,05,100	17.43%	3,051	17.43%
Abhishek R. Agarwal	23,40,000	14.86%	2,60,000	14.86%	2,600	14.86%
Vinod S. Agarwal	10,98,000	6.97%	1,75,000	10.00%	1,750	10.00%
Shree Bajrangbali Int & Day Pvt. Ltd.	15,30,000	9.71%	1,70,000	9.71%	1,700	9.71%
R.K. Agrawal Trading Co.Pvt. Ltd.	15,30,000	9.71%	1,70,000	9.71%	1,700	9.71%
Swapnil Hasmukhbhai Patel	12,45,384	7.91%	1,38,376	7.91%	1,412	8.07%
Pravinchandra P. Patel	-	0.00%	-	0.00%	1,212	6.93%
Varshabebn P. Patel	10,90,800	6.93%	1,21,200	6.93%	-	0.00%
Siddharth P. Patel	12,71,700	8.07%	1,41,300	8.07%	1,000	5.71%
Rameshwaram Metal Pvt. Ltd.	9,00,000	5.71%	1,00,000	5.71%	1,000	5.71%
Total	**1,37,51,784**	**87.31%**	**15,80,976**	**90.34%**	**15,425**	**88.14%**

Shareholding of Promotors

Name of Shareholder	31-Mar-26		% change during the Year	31-Mar-25		% change during the Year	31-Mar-24		% change during the Year
	Nos	% of Holding		Nos	% of Holding		Nos	% of Holding	
(A)Equity Shareholder									
Siddharth P. Patel	12,71,700	8.07%	0.00%	1,41,300	8.07%	2.36%	1,000	5.71%	0.00%
Abhishek R. Agarwal	23,40,000	14.86%	0.00%	2,60,000	14.86%	0.00%	2,600	14.86%	0.00%
Prahas Finstock Pvt. Ltd.	27,45,900	17.43%	0.00%	3,05,100	17.43%	0.00%	3,051	17.43%	0.00%
Total	**63,57,600**	**40.37%**		**7,06,400**	**40.37%**		**6,651**	**38.01%**	

Note: The company has identified Mr. Siddharth Patel, Mr. Abhishek Agarwal and M/s. Prahas Finstock Private Limited as a promoter of the company vide their resolution dated September 16, 2025.

ASHUTOSH FIBRE LIMITED
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SUB ANNEXURE - VII and VIII - Reastated Long Term and Short Term Borrowing

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS
(₹ in Lakhs otherwise Stated)

<table>
<tr><th rowspan="2">Name of Lender</th><th rowspan="2">Purpose</th><th rowspan="2">Sanctioned Amount</th><th rowspan="2">Securities offered</th><th rowspan="2">Current Rate of Interest</th><th rowspan="2">Re-Payment Schedule</th><th rowspan="2">Moratorium</th><th>Outstanding amount as on (as per Books)</th></tr>
<tr><th>31-03-2026</th></tr>
<tr><td rowspan="9">CITI Bank</td><td rowspan="8">Term loan</td><td>110.00</td><td rowspan="9">A. Primary Security:
- An exclusive Charge on Current Assets (Stock and Book debts) of the Borrower

- An exclusive Charge on Moveable fixed assets of the Borrower

- An exclusive Charge on Land and Building situated at Survey No. 156, Near Nadiad-Petlad Railway Line, Mouje Petlad, Taluka- Anand

B. Collateral Security:
-Corporate Guarantee of Shyam Prakash Spinning Mills Ltd and Prahash Finstock Pvt Ltd.

C. Personal Guarantee of:
-.Mr. Siddharth Patel
- Mr. Abhishek Agarwal
- Mr. Vinod Agarwal</td><td>9.55%</td><td>Repayable on quaterly equitable installment for 18 Quarters</td><td>6 Months</td><td>12.22</td></tr>
<tr><td>174.00</td><td>9.55%</td><td>Repayable on quaterly equitable installment for 18 Quarters</td><td>6 Months</td><td>19.33</td></tr>
<tr><td>200.00</td><td>8.30%</td><td>Repayable on quaterly equitable installment for 18 Quarters</td><td>6 Months</td><td>77.78</td></tr>
<tr><td>257.00</td><td>7.52%</td><td>Repayable on quaterly equitable installment for 18 Quarters</td><td>6 Months</td><td>171.33</td></tr>
<tr><td>211.00</td><td>7.27%</td><td>Repayable on quaterly equitable installment for 18 Quarters</td><td>6 Months</td><td>152.39</td></tr>
<tr><td>231.00</td><td>7.67%</td><td>Repayable on quaterly equitable installment for 18 Quarters</td><td>6 Months</td><td>192.50</td></tr>
<tr><td>200.00</td><td>8.00%</td><td>Repayable on quaterly equitable installment for 18 Quarters</td><td>6 Months</td><td>177.78</td></tr>
<tr><td>1,365.60</td><td>8.00%</td><td>Repayable on quaterly equitable installment for 20 Quarters</td><td>12 Months</td><td>1,365.60</td></tr>
<tr><td>Working Capital Limit (Cash Credit , PCFC & PCRE)</td><td>2,000.00</td><td>SOFR+3.6%</td><td>Repayblae on Demand</td><td>--</td><td>614.40</td></tr>
<tr><td>BMW India Financial Services Pvt Ltd.</td><td>Car Loan</td><td>102.50</td><td>Hypothecation on Vehicle.</td><td>10.59%, 18th of every month</td><td>Repayable on monthly equitable installment for 60 months</td><td>Nil</td><td>78.65</td></tr>
<tr><td>Mercedes-Benz Financial Serivices Pvt Ltd</td><td>Car Loan</td><td>108.10</td><td>Hypothecation on Vehicle.</td><td>10.25%, 01st of every month</td><td>Repayable on monthly equitable installment for 48 months</td><td>Nil</td><td>87.67</td></tr>
<tr><td colspan="6">Total</td><td></td><td>2,949.65</td></tr>
</table>

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

SUB ANNEXURE - VII and VIII - Reastated Long Term and Short Term Borrowing

STATEMENT OF PRINCIPAL TERMS OF UNSECURED LOANS

Name of Lender	Purpose	Sanctioned Amount	Securities offered	Rate of Interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)
							31-03-2026
Prahash Fin Stock Pvt. Ltd.	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	350.00
Abhishek R. Agarwal	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	50.00
Siddharth P. Patel	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	5.00
Anar Siddharth Patel	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	17.00
Binaben P. Patel	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	25.00
Nishtha Agarwal	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	90.00
Shaan Sidhharth Patel	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	20.00
Shilpa Abhishek Agarwal	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	90.00
Shradha Sankit Agarwal	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	90.00
Vivaan Siddharth Patel	Business Loan	NA	Nil	12%	Repayblae after 6 Years	Nil	18.00
Prahash Fin Stock Pvt. Ltd.	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	67.80
Abhishek R. Agarwal	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	156.48
Siddharth P. Patel	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	101.04
Anar Siddharth Patel	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	3.19
Binaben P. Patel	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	199.34
Nishtha Agarwal	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	113.71
Palak Romal Shah	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	34.75
Prakash P. Patel	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	163.54
Shaan Sidhharth Patel	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	13.33
Shilpa Abhishek Agarwal	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	112.99
Shradha Sankit Agarwal	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	110.90
Vivaan Siddharth Patel	Business Loan	NA	Nil	12%	Repayblae on demand	Nil	10.74
						Total	**1,842.80**

ASHUTOSH FIBRE LIMITED
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CIN No. : U24299GJ1985PLC007831

SUB ANNEXURE – XVII : Ageing of Restated Statement of Trade Receivables

(₹ in Lakhs otherwise Stated)

Particulars	Less than 6 Months	6 Months to 1 Year	1 to 2 Year	2 to 3 Year	More than 3 Year	Total
As at March 31, 2026						
Undisputed Considered Good	1,933.63	0.33	209.80	-	-	**2,143.77**
Undisputed Considered Doubtful	-	-	-	-	-	**-**
Disputed Considered Good	-	-	-	-	-	**-**
Disputed Considered Doubtful	-	-	-	-	-	**-**
Total	**1,933.63**	**0.33**	**209.80**	**-**	**-**	**2,143.76**
As at March 31, 2025						
Undisputed Considered Good	1,704.36	220.79	-	-	2.97	**1,928.12**
Undisputed Considered Doubtful	-	-	-	-	-	**-**
Disputed Considered Good	-	-	-	-	-	**-**
Disputed Considered Doubtful	-	-	-	-	-	**-**
Total	**1,704.36**	**220.79**	**-**	**-**	**2.97**	**1,928.12**
As at March 31, 2024						
Undisputed Considered Good	1,428.20	100.00	8.16	2.97	-	**1,539.33**
Undisputed Considered Doubtful	-	-	-	-	-	**-**
Disputed Considered Good	-	-	-	-	-	**-**
Disputed Considered Doubtful	-	-	-	-	-	**-**
Total	**1,428.20**	**100.00**	**8.16**	**2.97**	**-**	**1,539.33**

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

ANNEXURE - XXX : RESTATED STATEMENT OF TAX SHELTERS

(₹ in Lakhs otherwise Stated)

Sr. No	Particulars	As at March 31, 2026	As at March 2025	As at March 2024
A	**Restated Profit before tax**	2,156.67	1,109.75	978.20
	Short Term Capital Gain at special rate			
	Normal Corporate Tax Rates (%)	25.17%	25.17%	27.82%
	Short Term Capital Gain at special rate			
	MAT Tax Rates (%)	-	-	-
B	**Tax thereon (including surcharge and education cess)**			
	Tax on normal profits	542.79	279.33	272.14
	Short Term Capital Gain at special rate			
	Total	**542.79**	**279.33**	**272.14**
	Adjustments:			
C	**Permanent Differences**			
	Deduction allowed under Income Tax Act	-	-	(5.11)
	Disallowance of Income under the Income Tax Act	-	(77.98)	-
	Disallowance of Expenses under the Income Tax Act	21.78	22.50	27.53
	Total Permanent Differences	**21.78**	**(55.48)**	**22.41**
D	**Timing Differences**			
	Difference between Depreciation as per Income tax, 1961 and Companies Act 2013	(479.00)	(336.70)	(47.08)
	Provision for Gratuity disallowed	29.18	1.96	7.74
	Expense disallowed u/s 43B	10.23	2.45	5.89
	Total Timing Differences	**(439.59)**	**(332.29)**	**(33.45)**
E	**Net Adjustments E= (C+D)**	**(417.81)**	**(387.77)**	**(11.03)**
F	**Tax expense/(saving) thereon**	(105.15)	(97.60)	(3.07)
G	**Total Income/(loss) (A+E)**	**1,738.87**	**721.98**	**967.17**
H	Taxable Income/ (Loss) as per MAT	-	-	-
I	**Income Tax as per normal provision**	**437.64**	181.71	269.07
J	**Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act**	**-**	-	-
	Net Tax Expenses (Higher of I,J)	**437.64**	181.71	269.07
K	Relief u/s 90/91	-	-	-
	Total Current Tax Expenses	**437.64**	**181.71**	**269.07**
L	Adjustment for Interest on income tax/ others	-	-	-
	Total Current Tax Expenses	**437.64**	**181.71**	**269.07**

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

ANNEXURE : XXXI - RESTATED STATUTORY RATIOS

S. No.	Particular	Ratio	Numerator	Denominator	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024	Variance (2026-2025)	Reason for Movements (2026-2025)	Variance (2025-2024)	Reason for Movements (2025-2024)	Variance (2024-2023)	Reason for Movements (2024-2023)
(a)	Current Ratio	Current assets	**Current assets:-** inventories + trade receivables + cash & cash equipments + short term loans & advances + other current assets	**Current liabilities:-** short term borrowings + trade payables + other current liabilities + short term provisions	1.66	1.40	1.38	18.40%	-	1.78%	-	16.78%	-
(b)	Debt-Equity Ratio	Debt	**Debt:-** Total Outside Liabilities	**Equity:-** equity attributable to equity holders	0.92	1.60	1.27	(42.35%)	The Debt-Equity Ratio changed during the year due to an increase in net profit, which strengthened the Company's equity base.	26.61%	Debt-Equity ratio has been increased primarily on account of increase in total borrowing of the company.	(13.93%)	-
(c)	Debt Service Coverage Ratio (DSCR)	Earning available for debt services	**Earning available for debt services :-** Earning before interest (attributable to long-term borrowing) , Depreciation and tax, excludes other income	**Interest + Principal :-** interest expenses on borrowings and principal amount of borrowings due during the current year.	3.99	3.00	3.26	33.20%	The Debt Service Coverage Ratio improved during the year owing to an increase in net profit, resulting in higher earnings available for debt servicing.	(8.08%)	-	52.60%	DSCR has been improved on account of increase in the profitability of the company.
(d)	Return on Equity Ratio	Net Profit after taxes - Preference Dividend (if any)	**Net Profit after taxes - Preference Dividend (if any) :-** Profit/(Loss) for the year attributable to equity holders of the parent	**Equity shareholders' fund :-** equity attributable to equity holders of the parent. Average Equity shareholders' fund = (Opening equity shareholders' fund + closing equity shareholders' fund) / 2	36.56%	26.84%	29.21%	36.23%	The Return on Equity improved during the year owing to an increase in net profit	(8.11%)	-	69.80%	Return on Equity has been improved on account of increase in the profitability of the company.
(e)	Inventory turnover ratio (in times)	Average Inventory	Revenue from operations	**Average Inventory**	7.18	8.41	10.21	(14.63%)	-	(17.67%)	-	(6.11%)	-
(f)	Trade Receivables turnover ratio (in times	Average Trade Receivables	Revenue from operations	**Average Trade Receivables**	5.76	6.58	7.54	(12.35%)	-	(12.81%)	-	19.79%	-
(g)	Trade payables turnover ratio (in times)	Purchase Trade payables	**Purchase :-** Purchases+Expenses	**Average Trade Payables**	20.88	21.62	23.12	(3.42%)	-	(6.46%)	-	17.05%	-
(h)	Net capital turnover ratio (in times)	Revenue from operations	Revenue from operations	**Average Working Capital** (Current assets-Current Liabilities)	7.10	9.47	14.56	(12.35%)	Increase in working capital during the year affects Net Capital Turnover Ratio	(35.00%)	Net Working Capital ratio decreased as a result of increase in average working capital vis a vis the Revenue from operations.	(0.95%)	-
(i)	Net profit ratio	Net profit after tax	Net profit after tax	Revenue from operations	13.67%	7.46%	6.42%	83.17%	The Net Profit Ratio improved during the year owing to improved sales margins, resulting in higher net profit.	16.30%	-	90.52%	Net Profit Ratio has been improved on account of increase in the Profit after tax of the company.
(j)	Return on Capital employed	Earning before interest & taxes (EBIT)	**Earning before interest & taxes (EBIT) :-** Profit/(loss) before interest (attributable to borrowing) and tax	**Capital Employed: -** Sum of total equity+Current Borrowings+Non current Borrowings	26.29%	16.27%	21.00%	61.65%	The Return on Capital Employed improved during the year owing to higher operating profit generated from improved sales margins.	(22.53%)	-	40.72%	Return on capital employed has been improved on account of increase in the profitability of the company.
(k)	Return on investment.	Net Profit after taxes	Net profit after tax	**Capital Employed: -** total equity + long term borrowing (including current maturity). Capital employed is worked out based on average i.e. (opening capital employed + closing capital employed) / 2	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

ASHUTOSH FIBRE LIMITED

[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]

CIN No. : U24299GJ1985PLC007831

ANNEXURE -XXXII : RESTATED STATEMENT OF ACCOUNTING RATIOS

(₹ in Lakhs otherwise Stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Restated PAT as per P& L Account	1,604.23	850.92	704.94
EBITDA (Earnings Before Interest Tax Depreciation and Amortization)	3,107.15	1,783.58	1,614.38
Actual No. of Equity Shares outstanding at the end of the period	1,57,50,000	17,50,000	17,50,000
Weighted Average Number of Equity Shares at the end of the Period (Note -2) Pre Bonus	1,57,50,000	17,50,000	17,50,000
Weighted Average Number of Equity Shares at the end of the Period (Note -2) Post bonus	1,57,50,000	1,57,50,000	1,57,50,000
Net Worth	5,189.54	3,585.31	2,755.39
Current Assets	4,908.13	4,706.95	3,844.14
Current Liabilities	2,953.97	3,354.01	2,787.87
Earnings Per Share (EPS)			
Basic EPS (Pre Bonus)*	10.19	48.62	40.28
Basic EPS (Post Bonus)*	10.19	5.40	4.48
Return on Net Worth (%)	30.91%	23.73%	25.58%
Net Asset Value Per Share			
Pre Bonus	32.95	204.87	157.45
Post Bonus	32.95	22.76	17.49
Current Ratio	1.66	1.40	1.38
Nominal Value per Equity share(Rs.)	10.00	10.00	10.00

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes :

1) The ratios have been calculated as below:
a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.
b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.
c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100
d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.
2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.
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) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off.
5) The figures disclosed above are based on the Restated Financial Statements of the Company.
6) The company has issued bonus shares in the ratio of 8:1 on 13-09-2025. Accordingly, the EPS for all periods presented has been adjusted retrospectively to reflect the bonus issue, in compliance with AS 20, irrespective of reserves availability in earlier years

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

ANNEXURE - XXXIII : RESTATED STATEMENT OF CAPITALISATION

(₹ in Lakhs otherwise Stated)

Sr. No	Particulars	Pre issue*	Post issue
	Borrowings		
A	Short Term Borrowings	1,702.20	[●]
B	Long Term Borrowings (Including Current Maturities)	3,090.25	[●]
C	**Total Borrowings**	**4,792.45**	[●]
	Equity Shareholders Funds		
	Equity Share Capital	1,575.00	[●]
	Reserves and Surplus	3,614.54	[●]
D	**Total Equity**	**5,189.54**	[●]
	Short Term Borrowings/ Total Equity Ratio (A/D)	0.33	[●]
	Long Term Borrowings/ Total Equity Ratio (B/D)	0.60	[●]
	Total Borrowings/ Total Equity Ratio (C/D)	0.92	[●]

Notes :
* The amounts are considered outstanding as on March 31, 2026

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

ANNEXURE - XXXIV : RESTATED STATEMENT OF RELATED PARTY DISCLOSURES

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

i. List of Related Parties and Nature of Relationship :

Particulars	Name of Related Parties	Relation
(a) Key Managerial Person (KMP)	Siddharth Prakash Patel	Director (upto 22-07-2025) and Managing Director (W.e.f. 23.07.2025)
	Abhishek R. Agrawal	Director (upto 22-07-2025) and Whole Time Director (W.e.f. 23.07.2025)
	Vinodkumar Shankarlal Agarwal	Director (Upto 14-07-2025)
	Malav Pravinchandra Patel	Director (Upto 14-07-2025)
	Piyush Ravishanker Bhatt	Independent Director (W.e.f. 23.07.2025)
	Dhwani Lalitbhai Nagar	Independent Director (W.e.f. 23.07.2025)
	Jayshree Vikram Patel	Independent Director (W.e.f. 23.07.2025)
	Sonal Bankim Bhansali	Company Secretary (W.e.f. 01.08.2025)
	Alpesh R. Bhavsar	Chief Financial Officer (W.e.f. 11.09.2025)

Particulars	Name of Related Parties
(a) Relatives of KMP	Binaben P. Patel
	Prakash P. Patel
	Anar Siddharth Patel
	Vivaan Siddharth Patel
	Shaan Siddharth Patel
	Palak Romal Shah
	Malav Pravinchandra Patel (From 15-07-2025)
	Shilpa Abhishek Agarwal
	Nishtha Agarwal
	Shradha Sankit Agarwal
	Swapnil Hasmukh Patel
	Rahul S. Patel
(b) Concerns in which KMP are Interested	Prahash Finstock Pvt. Ltd.
	Shree Prakash Textiles (G) Pvt. Ltd.
	Shyam Prakash Spinning Mills Ltd.
	Pitex Corporation
	Shri Bajrangbali Intermediate and Dyes Pvt Ltd
	R. K. Agrawal Trading Co. Pvt. Ltd.

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

(₹ in Lakhs otherwise Stated)

ANNEXURE - XXXIV (ii) - Transactions carried out with related parties referred to in (i) above, in ordinary course of business:

Nature of Transactions	Name of Related Parties	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Directors Remuneration	Abhishek R. Agrawal	60.00	60.00	60.00
	Siddharth Prakash Patel	66.00	18.00	18.00
	Malav Pravinchandra Patel	6.00	24.00	24.00
Total		**132.00**	**102.00**	**102.00**
Directors Sitting Fees	Abhishek R. Agrawal	-	0.08	0.06
	Siddharth Prakash Patel	-	0.08	0.06
	Malav Pravinchandra Patel	-	0.08	0.06
	Vinodbhai S. Agrawal	-	0.08	0.06
	Piyush Ravishanker Bhatt	0.56	-	-
	Dhwani Lalitbhai Nagar	0.56	-	-
	Jayshree Vikram Patel	0.56	-	-
Total		**1.69**	**0.32**	**0.24**
Salary paid to KMP/ relative of KMP	Prakash Patel	18.00	9.00	9.00
	Anar Siddharth Patel	24.00	24.00	24.00
	Malav Pravinchandra Patel	18.00	-	-
	Sonal Bankim Bhansali	3.85	-	-
	Alpesh Rameshchandra Bhavsar	5.25	-	-
Total		**69.10**	**33.00**	**33.00**
Unsecured Loans from Related Parties	**Anar Siddharth Patel**			
	Opening Balance	18.14	23.95	28.68
	Loan Received during the year	5.67	28.29	9.13
	Loan Paid during the year	3.62	34.10	13.86
	Closing Balance	**20.19**	**18.14**	**23.95**
	Binaben P. Patel			
	Opening Balance	308.53	344.39	39.60
	Loan Received during the year	144.84	448.13	375.88
	Loan Paid during the year	229.03	483.99	71.08
	Closing Balance	**224.34**	**308.53**	**344.39**
	Palak Romal Shah			
	Opening Balance	21.74	24.89	56.10
	Loan Received during the year	20.35	8.83	33.21
	Loan Paid during the year	7.34	11.98	64.42
	Closing Balance	**34.75**	**21.74**	**24.89**
	Prahash Finstock Pvt. Ltd.			
	Opening Balance	397.68	420.02	473.31
	Loan Received during the year	45.69	240.48	102.68
	Loan Paid during the year	25.57	262.82	155.97
	Closing Balance	**417.80**	**397.68**	**420.02**
	Shri Bajrangbali Intermediate and Dyes Pvt Ltd			
	Opening Balance	-	-	-
	Loan Received during the year	-	-	100.00
	Loan Paid during the year	-	-	100.00
	Closing Balance	**-**	**-**	**-**
	Prakash P. Patel			
	Opening Balance	86.27	75.53	17.08
	Loan Received during the year	106.34	40.89	133.28
	Loan Paid during the year	29.07	30.15	74.83
	Closing Balance	**163.54**	**86.27**	**75.53**

(₹ in Lakhs otherwise Stated)

Unsecured Loans from Related Parties				
	Shaan Siddharth Patel			
	Opening Balance	30.08	26.61	24.02
	Loan Received during the year	3.61	3.80	2.88
	Loan Paid during the year	0.36	0.33	0.29
	Closing Balance	**33.33**	**30.08**	**26.61**
	Siddharth Prakash Patel			
	Opening Balance	25.59	23.86	11.64
	Loan Received during the year	101.14	17.59	25.26
	Loan Paid during the year	20.69	15.86	13.05
	Closing Balance	**106.04**	**25.59**	**23.86**
	Vinodkumar S. Agrawal			
	Opening Balance	311.25	9.73	208.67
	Loan Received during the year	0.82	301.69	1.17
	Loan Paid during the year	312.07	0.17	200.12
	Closing Balance	**-**	**311.25**	**9.73**
	Shilpa Abhishek Agarwal			
	Opening Balance	183.21	164.91	194.87
	Loan Received during the year	21.98	20.32	22.27
	Loan Paid during the year	2.20	2.03	52.23
	Closing Balance	**202.99**	**183.21**	**164.91**
	Vivaan Siddharth Patel			
	Opening Balance	25.94	22.88	20.65
	Loan Received during the year	3.11	3.34	2.48
	Loan Paid during the year	0.31	0.28	0.25
	Closing Balance	**28.74**	**25.94**	**22.88**
	Abhishek R. Agrawal			
	Opening Balance	186.35	167.75	151.40
	Loan Received during the year	22.36	20.67	18.17
	Loan Paid during the year	2.24	2.07	1.82
	Closing Balance	**206.48**	**186.35**	**167.75**
	Nishtha Agarwal			
	Opening Balance	183.85	165.49	195.39
	Loan Received during the year	22.06	20.40	22.33
	Loan Paid during the year	2.21	2.04	52.23
	Closing Balance	**203.71**	**183.85**	**165.49**
	Shradha Sankit Agarwal			
	Opening Balance	181.31	163.21	246.32
	Loan Received during the year	21.76	20.11	16.89
	Loan Paid during the year	2.18	2.01	100.00
	Closing Balance	**200.90**	**181.31**	**163.21**

Purchase of Goods	Shree Prakash Textiles (Gujarat) Pvt. Ltd.	-	0.62	3.54
Total		**-**	**0.62**	**3.54**

Rent Expense	Shyam Prakash Spinning Mills Ltd.	10.62	10.62	10.62
	Pitex Corporation	7.08	0.71	0.71
Total		**17.70**	**11.33**	**11.33**

Job Work / Processing Charges	Shree Prakash Textiles (Gujarat) Pvt. Ltd.	-	0.26	15.15
Total		**-**	**0.26**	**15.15**

(₹ in Lakhs otherwise Stated)

Interest Expense	Abhishek R. Agrawal	22.36	20.67	18.17
	Anar Siddharth Patel	2.17	3.05	3.58
	Binaben P. Patel	28.84	35.88	10.83
	Palak Romal Shah	2.35	2.83	2.21
	Prahash Finstock Pvt. Ltd.	45.69	42.48	54.68
	Prakash P. Patel	14.14	8.04	2.28
	Shaan Siddharth Patel	3.61	3.30	2.88
	Shilpa Abhishek Agarwal	21.98	20.32	22.27
	Shri Bajrangbali Intermediate and Dyes Pvt Ltd	-	-	0.30
	Siddharth Prakash Patel	5.89	2.59	1.46
	Vinodbhai S. Agrawal	0.82	1.69	1.17
	Vivaan Siddharth Patel	3.11	2.84	2.48
	Shradha Sankit Agarwal	21.76	20.11	18.77
	Nishtha Agarwal	22.06	20.40	22.33
Total		**194.79**	**184.20**	**163.42**
Bonus Expense				
	Abhishek R. Agrawal	5.00	5.00	5.00
	Anar Siddharth Patel	2.00	2.00	2.00
	Siddharth Prakash Patel	5.50	1.50	1.50
	Malav Pravinchandra Patel	2.00	2.00	2.00
	Prakash Patel	1.50	0.50	0.50
	Sonal Bankim Bhansali	0.32	-	-
	Alpesh Rameshchandra Bhavsar	0.44	-	-
Total		**16.75**	**11.00**	**11.00**

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
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ANNEXURE - XXXIV (iii) - Outstanding Balance as at the end of the year

(₹ in Lakhs otherwise Stated)

	Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1. Trade and other Payable	Abhishek R. Agrawal	3.50	3.38	3.30
	Siddharth Prakash Patel	2.50	1.08	1.00
	Malav Pravinchandra Patel	1.60	0.13	1.05
	Vinodbhai S. Agrawal	-	0.08	-
	Anar S. Patel	1.38	-	-
	Prakash P. Patel	0.05	-	-
	Sonal Bankim Bhansali	-	-	-
	Alpesh Rameshchandra Bhavsar	0.73	-	-
	Shyamprakash Spinning Mills Ltd	0.81	-	-
	Pitex Corporation	0.54	-	-
Total		**11.10**	**4.66**	**5.34**

	Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
2. Unsecure Loan	Abhishek R. Agrawal	206.48	186.35	167.75
	Anar S. Patel	20.19	18.14	23.95
	Binaben P. Patel	224.34	308.53	344.39
	Nishtha Agarwal	203.71	183.85	165.49
	Palak Romal Shah	34.75	21.74	24.89
	Prahash Finstock Pvt. Ltd.	417.80	397.68	420.02
	Prakash P. Patel	163.54	86.27	75.53
	Shaan Siddharth Patel	33.33	30.08	26.61
	Shilpa Abhishek Agarwal	202.99	183.21	164.91
	Shradha Sankit Agarwal	200.90	181.31	163.21
	Siddharth Prakash Patel	106.04	25.59	23.86
	Vinodkumar S. Agrawal	-	311.25	9.73
	Vivaan Siddharth Patel	28.74	25.94	22.88
Total		**1,842.80**	**1,959.94**	**1,633.24**

ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]
CIN No. : U24299GJ1985PLC007831

(₹ in Lakhs otherwise Stated)

ANNEXURE – XXXV - OTHER DISCLOSURES

1 Disclosure of Contingent Liabilities, Commitments & Obligations :

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Bank Guarantee	59.35	99.35	59.35
Obligation to Export against Import	498.62	535.82	343.53

2 Earnings Included Foreign Currency:

Particulars	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
FOB Value of Exports	4,575.85	4,293.33	4,543.05

3 CIF Value of Imports :

Particulars	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
Raw Material	2,376.78	2,731.83	2,983.10
Capital Goods	200.62	12.01	256.28
Stores and Spares	19.92	-	-
Travelling	3.93	32.31	6.32
Commission	11.40	25.03	37.13

4 Estimated amount of Contracts remaining to be executed on capital account and not provided for and against which the company has paid Advance of are as follows :

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
Amount of Contract Remaining to be Executed	54.02	87.23	82.78
Advance Paid	0.70	21.00	7.25

5 Corporate Social Responsibility (CSR)

Particulars	**For the Year ended March 31, 2026**	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
Amount required to be spent by the company during the year	17.50	13.00	--
Amount of expenditure incurred	17.50	13.00	--
Shortfall at the end of the year,	--	--	--
Total of previous years shortfall	--	--	--
Reason for shortfall	--	--	--
Nature of CSR activities	Renovation of the Gau-shala, including repair and improvement of infrastructure for the welfare of cows.	Child Education, Women Empowerment, Feed to needy people, Old Age Home, Gau-shala, Drug -free Nation	
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	--	--	--
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	--	--	--

(₹ in Lakhs otherwise Stated)

6 The company had no transactions with companies struck off under section 248 of the companies Act, 2013 or section 560 of companies Act,1956

7 During the current financial year, the Company received the approval from the Securities and Exchange Board of India (SEBI) in respect of its Draft Red Herring Prospectus (DRHP) for the proposed Initial Public Offer (IPO) on the SME Platform of the Stock Exchange.

In connection with the proposed IPO, the Company incurred issue-related expenses aggregating to Rs. 94.01 up to 31 March 2026, which have been disclosed as Proposed Issue Expenses. These expenses shall be adjusted against the reserves upon successful completion of the proposed IPO, in accordance with the applicable provisions of the Companies Act, 2013.

As at 31 March 2026, the Company was in the process of filing the Red Herring Prospectus (RHP).

8 No Proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions Act, 1988) and the rules made therunder.

9 The Company has not been declared willful defaulter by any bank or financial Institution or any other Lender.

10 The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

11 The provisions of clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017 are not applicable to the Company. Accordingly, the disclosure requirement in this regard does not arise.

12 The Company has not prepared any Scheme of Arrangements in terms of Section 230 to 237 of the Companies Act, 2013.

13 The Company have 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 :
13.1 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
13.2 Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

14 The Company have 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 company shall :
14.1 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
14.2 Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

15 The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

16 There has been no Charges or Satisfaction yet to be registered with ROC beyond the statutory Period.

17 Title Deeds of all immovable property are held in name of the company.

18 The Company has not carried out any revaluation of its Property, Plant and Equipment during any of the periods covered under the restated financial statements.

19 The figures appearing in these financial statement are presented in rupees in lakhs and have been rounded off to the nearest decimal places otherwise stated as per the requirement of schedual III of the Companies Act, 2013.

FOR, SHAH & PATEL
Chartered Accountants
FRN: 124743W

FOR, ASHUTOSH FIBRE LIMITED
[FORMERLY KNOWN AS ASHUTOSH FIBRE PRIVATE LIMITED]

Siddharth P. Patel
Managing Director
DIN : 01477471

Abhishek Agarwal
Whole Time Director
DIN : 01567158

Nimesh N Shah
Partner
Mem.No. 111329
UDIN : 26111329PNYHZE8567

Alpesh R. Bhavsar
Chief Financial Officer
PAN : AGWPB5414D

Sonal Bankim Bhansali
Company Secretary
Membership no : F3016

Place: Ahmedabad
Date: 29-07-2026

Place: Ahmedabad
Date: 29-07-2026

SECTION VIII – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENT

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at March 31, 2026, derived from our Restated Financial Statements and as adjusted for the Issue. This table should be read in conjunction with "***Management Discussion and Analysis of Financial Position and Results of Operations***", "***Restated Financial Statements"*** and "***Risk Factors***" on pages 249, 242 and 20, respectively.

(₹ in lakhs)

Sr. No	Particulars	Pre issue as at March 31, 2026	Post issue#
	Borrowings		
A	Short Term Borrowings	1,702.20	[●]
B	Long Term Borrowings (Including Current Maturities)	3,090.25	[●]
C	**Total Borrowings**	**4,792.45**	[●]
	Equity Shareholders Funds		
	Equity Share Capital	1,575.00	[●]
	Reserves and Surplus	3,614.54	[●]
D	**Total Equity**	**5,189.54**	[●]
	Short Term Borrowings/ Total Equity Ratio (A/D)	0.33	[●]
	Long Term Borrowings/ Total Equity Ratio (B/D)	0.60	[●]
	Total Borrowings/ Total Equity Ratio (C/D)	**0.92**	[●]

To be updated at Prospectus Stage.

Notes:

1. Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are borrowings other than short-term borrowings.

2. The above ratios have been computed on the basis of the Restated Financial Statement of assets and liabilities of the Company.

3. The above statement should be read with the statement of notes to the Restated Financial Statements of the Company.

The Company has pursuant to the Board resolution dated September 15, 2025, allotted 1,40,00,000 bonus Equity Shares of face value of ₹ 10 each (Bonus Shares) in the ratio of 8 Equity Shares of face value of ₹ 10 each for every 1 Equity Share of face value of ₹ 10 each held by the Shareholders as on record date, i.e., September 13, 2025.

OTHER FINANCIAL INFORMATION

The Audited Financial Statements of our Company for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 and their respective Audit reports thereon (Audited Financial Statements) are available at https://www.ashutoshfibre.com/investor.html.

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of the Draft Red Herring Prospectus; or (ii) this Red Herring Prospectus; or (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective Employees, Directors, Affiliates, Agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations are given below:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Profit After Tax (₹ In Lakhs)	1,604.23	850.92	704.94
Basic & Diluted Earnings per Share*	10.19	5.40	4.48
Return on Net Worth (%)	30.91%	23.73%	25.58%
NAV per Equity Shares (Based on Actual Number of Shares)	32.95	204.87	157.45
NAV per Equity Shares (based on Weighted Average Number of Shares - With Bonus issue effect)*	32.95	22.76	17.49
Earnings before interest, tax, depreciation and amortization (EBITDA) (₹ in lakhs)	3,107.15	1,783.58	1,614.38

** As adjusted for change in capital including bonus issue.*

FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of business for, inter alia, meeting our working capital and business requirements for procurement of materials for execution of projects awarded to the Company, to meet normal capex requirements etc.

For details on borrowing powers of our Board, please see "***Our Management – Borrowing Powers of the Board of Directors***" on page 215.

In relation to the Issue, Company has obtained the necessary consents required under the relevant loan documentation with its lenders for undertaking activities in relation to the issue, such as change in its capital structure, change in its shareholding pattern, change in management and change in Promoter shareholding.

Following is a summary of our Company's outstanding borrowings as on March 31, 2026 as per certificate dated August 24, 2026 issued by M/s Shah & Patel, Chartered Accountants being the Statutory Auditor of our Company:

Sr No.	Nature of Borrowings	Outstanding Amount (₹ in Lakhs)
1.	Secured Borrowings	₹ 2,949.65
2.	Unsecured Borrowings	₹ 1,842.80
Total		**₹ 4,792.45**

[This space has been intentionally kept blank]

The following borrowings are as on March 31, 2026

A. Unsecured Loans

Name of Lender	Purpose	Term of Repayment	Rate of Interest per annum	Outstanding amount as on March 31, 2026 (₹ in lakhs)
Prahash Fin-stock Private Limited	Working Capital, Capital Expenditure and Business Loan	Repayable at the end of 6 Years	12.00%	**350.00**
Abhishek R. Agarwal		Repayable at the end of 6 Years	12.00%	50.00
Siddharth P. Patel		Repayable at the end of 6 Years	12.00%	5.00
Anar Siddharth Patel		Repayable at the end of 6 Years	12.00%	17.00
Binaben P Patel		Repayable at the end of 6 Years	12.00%	25.00
Nishtha Agarwal		Repayable at the end of 6 Years	12.00%	90.00
Shaan Sidhharth Patel		Repayable at the end of 6 Years	12.00%	20.00
Shilpa Abhishek Agarwal		Repayable at the end of 6 Years	12.00%	90.00
Shradha Sankit Agarwal		Repayable at the end of 6 Years	12.00%	90.00
Vivaan Siddharth Patel		Repayable at the end of 6 Years	12.00%	18.00
Prahash Fin-stock Private Limited		Repayable on Demand	12.00%	67.80
Abhishek R. Agarwal		Repayable on Demand	12.00%	156.48
Siddharth P. Patel		Repayable on Demand	12.00%	101.04
Anar Siddharth Patel		Repayable on Demand	12.00%	3.19
Binaben P. Patel		Repayable on Demand	12.00%	199.34
Nishtha Agarwal		Repayable on Demand	12.00%	113.71
Palak Romal Shah		Repayable on Demand	12.00%	34.75
Prakash P. Patel		Repayable on Demand	12.00%	163.54
Shaan Sidhharth Patel		Repayable on Demand	12.00%	13.33
Shilpa Abhishek Agarwal		Repayable on Demand	12.00%	112.99
Shradha Sankit Agarwal		Repayable on Demand	12.00%	110.90
Vivaan Siddharth Patel		Repayable on Demand	12.00%	10.74
Total				**1,842.80**

B. Secured Loans

Name of Lender	Date of sanction	Category of borrowing	Purpose	Tenure	Present effective Rate of Interest per annum*	Sanctioned Amount as on March 31, 2026 (₹ in lakhs)	Securities Offered	Outstanding amount as on March 31, 2026 (₹ in lakhs)
							A. Primary Security: • An exclusive Charge on Current Assets (Stock and Book debts) of the Borrower • An exclusive Charge on Moveable fixed assets of the Borrower • An exclusive Charge on Land and Building situated at Survey No. 156, Near Nadiad-Petlad Railway Line, Mouje Petlad, Taluka-Anand **B. Collateral Security:** Corporate Guarantee of Shyam Prakash Spinning Mills Ltd and Prahash Fin-Stock Private Limited.	
CITI BANK N.A.	September 27, 2021	Term Loan	Capital Expenditure for business purpose	5 Years	9.55%	110.00		**12.22**
CITI BANK N.A.	September 27, 2021	Term Loan	Capital Expenditure for business purpose	5 Years	9.55%	174.00		**19.33**
CITI BANK N.A.	December 15, 2022	Term Loan	Capital Expenditure for business purpose	5 Years	8.30%	200.00		**77.78**
CITI BANK N.A.	January 30, 2024	Term Loan	Capital Expenditure for business purpose	5 Years	7.52%	257.00		**171.33**
CITI BANK N.A.	June 28, 2024	Term Loan	Capital Expenditure for business purpose	5 years	7.27%	211.00		**152.39**
CITI BANK N.A.	November 27, 2024	Term Loan	Capital Expenditure for business purpose	5 years	7.67%	231.00		**192.50**
CITI BANK N.A.	January 17, 2025	Term Loan	Capital Expenditure for business purpose	5 Years	8.00%	200.00		**177.78**
CITI BANK N.A.	January 17, 2025	Term Loan	Capital Expenditure for business purpose	6 Years	8.00%	1,365.60		**1,365.60**
CITI BANK	January 17,	Cash Credit	Working	12	SOFR+3.6%	2,000.00		**614.40***

N.A. Working Capital Limit (Pre Shipment / Post Shipment / Cash Credit)	2025		Capital utilisation	months (subject to annual renewal)			**C. Personal Guarantee of**:, Siddharth Patel, Abhishek Agarwal and Vinod Agarwal	
BMW India Financial Services Private Limited	November 30, 2023	Vehicle Term Loan	For business purpose	4 Years	10.59%	102.50	Hypothecation on vehicle	**78.65**
Mercedes-Benz Financial Services Private Limited	March 18, 2024	Vehicle Term Loan	For business purpose	5 Years	10.25%	108.10	Hypothecation on vehicle	**87.67**
Total						**4,959.20**		**2,949.65**

* Note: Amount Outstanding as on March 31, 2026 is as per books of accounts.

Principal Terms of facility:

1. *Interest*

The interest rates for our loans typically range between 7.27 % to 12.00% per annum and one loan rate of interest is as per mutual agreement.

2. *Restrictive Covenants*

Certain borrowing arrangements entered into by us contain restrictive covenants which requires us to take prior written consent of the respective lender before undertaking certain activities, including:

a. Comply with all applicable laws, including environmental regulations.
b. Inform the Lender of any legal proceedings, insolvency, winding-up, or similar actions initiated against the Company.
c. Maintain an adequate level of tangible net worth together with long-term unsecured loans, as agreed with the Lender.
d. Maintain debt-servicing capability at a level satisfactory to the Lender.
e. Keep overall leverage, after adjusting for subordinated unsecured loans, within limits acceptable to the Lender relative to earnings.
f. Do not withdraw any unsecured loans without the prior written permission of the Lender.
g. To undertake any merger, de-merger, reorganisation, amalgamation, or creation of/with subsidiaries without the prior consent of the lender.
h. Undertaking any changes in management, ownership or control.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Financial Statements on page 242.

*This Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Red Herring Prospectus. For further information, see "**Forward-Looking Statements**" on page 19. Also read "**Risk Factors**" and "**Forward Looking Statements**" on pages 20 and 19, respectively, for a discussion of certain factors that may affect our business, financial condition, or results of operations.*

*Our Company's Fiscal year commences on April 1 and ends on March 31 of the immediately subsequent year and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscal 2026, 2025 and 2024, included herein is derived from the Restated Financial Statements, included in this Red Herring Prospectus. For further information, see "**Restated Financial Statements"** on page 242.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Indian Technical Textile Yarns" dated July 28,2026 (the "**Industry Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**") and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein includes excerpts from the Industry Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data, or information (which may be relevant for the proposed Issue) that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Industry Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the Industry Report is available on the website of our Company at https://www.ashutoshfibre.com/investor.html and has also been included in "**Material Contracts and Documents for Inspection**" on page 343. For more information, refer to the "**Risk Factors**" chapter on page 20. Also see, "**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Use of Industry and Market Data**" on page 17. D&B India is an independent agency and is not related to the Company, its Directors, Promoters, Key Managerial Personnel or the Book Running Lead Manager.*

BUSINESS OVERVIEW

Our Company commenced operations in the trading of textile yarns and fabrics. In 1995, the ownership changed through transfer of shares to the current promoter group and manufacturing activities began in 2000. Until 2006–07, trading continued to contribute significantly to operations, after which manufacturing became the primary focus. In 2010, additional shareholders with relevant industry experience joined the Company, supporting the expansion of manufacturing capabilities. We are presently engaged in the manufacture of various technical and synthetic yarns from our facility located at Petlad, Gujarat.

Technical textiles are textile materials and products manufactured primarily to deliver specific technical performance and functional properties, rather than for aesthetic or decorative purposes. These products are engineered to meet defined performance requirements such as durability, tensile strength, flame resistance, thermal insulation, or moisture control, depending on the intended use. They are applied across various industrial, protective and specialised end uses, where functional attributes are more important than appearance.

We operate in four categories of technical textiles (i) Indutech, (ii) Protech, (iii) Hometech and (iv) Mobiltech. In the Indutech segment, our products cater to industrial applications such as filtration, geotextiles and process industry textiles. One of our key products in this segment is polypropylene spun yarn, manufactured from polypropylene fibres that are lightweight, chemically resistant, have low moisture absorption and provide good abrasion resistance. These properties make it suitable for use in filter cartridges, filter cloths, ropes, webbings and other industrial applications where chemical stability and dimensional integrity are required. In the Protech segment, we manufacture yarns and fabrics with inherent properties such as strength, flame retardancy and heat resistance, used in personal protective equipment, safety apparel and industrial thermal barriers. In the Hometech segment, our yarns are used in home furnishing textiles, carpets and home filtration media. In Mobiltech segment, we manufacture friction resistant yarns that are primarily used in the production of automotive friction materials such as brake pads, clutch facings and transmission components.

Our Company operates on a business to business (B2B) business model. We supply our yarns and fabrics to industrial manufacturers, processors and institutional buyers. Our products are used as raw material inputs across industries such as filtration and pollution control (gas and liquid filter media, filter cartridges, filter cloths), construction and infrastructure (geotextiles, ropes, webbings), automotive (friction materials, thermal insulation, seat fabrics), packaging (antistatic FIBC), safety and protective equipment (flame-retardant clothing, industrial protective wear, PPE kits) and home furnishing (carpets, upholstery, curtains and home filtration media). We customize products based on client requirements and supply in accordance with technical specifications. Our business model emphasizes recurring supply to industrial clients rather than direct sales to retail consumers.

Our product range includes specialised yarns such as para-aramid yarn (high strength and heat resistance), meta-aramid yarn (flame retardancy), modacrylic-blended yarns (thermal stability and flame resistance), peroxidised PAN yarn (heat insulation), antistatic polypropylene yarn (to reduce static build-up in sensitive environments), FR Viscose blends (protective fabrics) and DREF-spun yarns with glass filament cores or aramid sheaths (industrial and protective uses). These products are manufactured either as part of our own product range or on a job work basis, depending on client requirements.

KEY PERFORMANCE INDICATORS

OPERATIONAL KPIs:

Particulars	For the year ended		
	FY26	FY25	FY24
Synthetic yarn Like Para Aramid Based Spun Yarn, High Tenacity Polyester Yarn, Meta Aramid and FR Viscose Yarn, Polypropylene Yarn, Modacrylic Based Yarn, Poly Poly Core spun Yarn and Stainless-Steel Yarn (up to 50 NE)			
Installed Capacity (In MT) (A)	3,750	3,750	3,500
Actual Production (in MT) (B)	3,619	3,247	2,809
% utilization (B)/(A) x100	96.51%	86.58%	80.24%
100% Polypropylene Yarn (Up to 2 NE)			
Installed Capacity (In MT) (C)	1,025	1,025	1,025
Actual Production (in MT) (D)	656	653	680
% utilization (D)/(C)x100	63.95%	63.75%	66.38%

#Annualised

Total Combined Capacity:

Particulars	For the year ended		
	FY26	FY25	FY24
Installed Capacity (In MT) (A)+(C)=(E)	4,775	4,775	4,525
Actual Production (In MT) ((B)+D)=(F)	4,275	3,900	3,489
% utilization (F)/(E)x100	**89.52%**	**81.68%**	**77.10%**

Installed capacity and Actual production means the installation and utilisation as certified by B.P. Oza & Associates, Independent Chartered Engineer, pursuant to a certificated dated July 28, 2026.
** The company has increased its additional capacity by 250 MTPA effective from April 21, 2024.*

FINANCIAL KPIs

(₹ in lakhs, unless otherwise stated)

Particular	As of and for the FY		
	March 31, 2026	March 31, 2025	March 31, 2024
Total Income	11,743.17	11,497.40	10,988.92
Revenue from Operations	11,737.14	11,403.40	10,987.18
EBITDA	3,107.15	1,783.58	1,614.38
EBITDA Margin (in %)	26.47%	15.64%	14.69%
Profit After Tax (PAT)	1,604.23	850.92	704.94
PAT Margin (%)	13.67%	7.46%	6.42%
Debt - equity Ratio (in times)	0.92	1.60	1.27
Net worth	5,189.54	3,585.31	2,755.39
Return on Net Worth (RoNW) (in %)	30.91%	23.73%	25.58%
Return on Capital Employed (ROCE) (in %)	26.29%	16.27%	21.00%

Notes:

i. *Total income means sum of revenue from operations and other income.*
ii. *Revenue from operations means the revenue from operations as appearing in the restated statement of profit & loss for the relevant year/period.*
iii. *EBITDA is calculated as earnings before, finance costs, tax, depreciation & amortization expenses for the year/period, and less other income.*
iv. *EBITDA Margin (%) is calculated as EBITDA as a percentage of revenue from operations.*

v. *Profit after tax (PAT) refers to Profit/(Loss) for the year from continuing operations as appearing in the restated Statement of Profit & Loss for the relevant year/period.*
vi. *PAT Margin (%) is calculated as Profit for the year as a percentage of total income.*
vii. *Debt to Equity is calculated as total borrowings divided by Shareholder Equity. Shareholder equity is calculated as share capital plus other equity.*
viii. *Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as at period /year end, as per Restated Financial Statements.*
ix. *Return on Net Worth (%) is calculated by dividing restated profit for the period/year attributable to owners of the group by average equity attributable to the owners of the company.*
x. *ROCE (%) is calculated as earnings before interest and taxes (EBIT) divided by average tangible capital employed. EBIT is calculated by adding tax and finance costs to profit after tax. Tangible capital employed is calculated by deducting current liabilities from the total tangible assets. Total tangible assets are calculated as total assets minus intangible assets.*

SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Restated Financial Statements beginning on page 242 of this Red Herring Prospectus.

Factors Affecting our Results of Operations

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Any change in government policies resulting in increases in taxes payable by us;
- A significant portion of our revenue comes from key customers and losing one or more of them, experiencing a decline in their financial health or business outlook, or facing a reduction in their demand for our products could negatively impact our business, results of operations, financial condition and cash flows;
- Our manufacturing activity is subject to availability of raw material and the costs of the raw materials. Any shortage in availability or fluctuations in raw material prices, may have a material adverse effect on our business, financial condition, results of operations and cash flows;
- If the technical textile yarn industry faces slowdown in growth, supply disruptions, regulatory changes, decline in demand, Commodity Price Volatility and Impact on Cost Structure, our production costs, operating margin and overall financial condition may be materially and adversely affected;
- If we are unable to make adequate investments in manufacturing technologies and our capital-intensive production facilities at optimal efficiency, our competitiveness, business, results of operations and financial condition may be adversely affected.
- Our ability to retain skilled personnel, including those engaged in our specialised manufacturing processes and Key Managerial Personnel;
- Occurrence of Environmental Problems & Uninsured Losses;
- The performance of the financial markets in India and globally;
- Global distress due to pandemic, war or by any other reason.

PRINCIPLE COMPONENTS OF OUR RESTATED STATEMENT OF ASSETS & LIABILITIES

FISCAL 2026 COMPARED WITH FISCAL 2025

(₹ in lakhs, unless otherwise stated)

Particulars	As at March 31,		Increase/ (Decrease)	
	2026	2025	Amount	%
Liabilities				
Long- Term Borrowings	2,516.91	3,090.25	(573.34)	(18.55) %
Short Term Borrowings	2,275.54	2,653.25	(377.71)	(14.24) %
Trade payables	364.14	449.71	(85.57)	(19.03) %
Assets				
Non-current Investments	-	-	-	-
Long term loan and advances	0.70	21.00	(20.30)	(96.67) %
Inventories	1,828.12	1,443.08	385.04	26.68%
Trade receivables	2,143.77	1,928.12	215.64	11.18%
Short term loan and advances	388.02	647.06	(259.04)	(40.03) %

Long-Term Borrowings

Long-term borrowings decreased by ₹573.34 lakhs i.e. 18.55% from ₹3,090.25 lakhs in fiscal 2025 to ₹2,516.91 lakhs in fiscal 2026. This was primarily attributable due to repayment of long-term borrowings during the year.

Short-Term Borrowings

Short-term borrowings decreased by ₹377.71 lakhs i.e. 14.24% from ₹2,653.25 lakhs in Fiscal 2025 to ₹2,275.54 lakhs in Fiscal 2026. This decrease was primarily attributable to repayment of loan from directors, from ₹1,289.30 Lakhs in Fiscal 2025 to ₹ 1,020.00 Lakhs in Fiscal 2026 and working capital facility which decreased from ₹1,006.41 Lakhs in Fiscal 2025 to ₹ 614.40 Lakhs in Fiscal 2026.

Trade Payable

Trade payables decreased by ₹85.57 lakhs i.e.,19.03%, from ₹449.71 lakhs in fiscal 2025 to ₹364.14 lakhs in fiscal 2026. The decrease was primarily due to lower outstanding trade payables as of the year-end.

Inventories

The inventory of stock-in-trade increased by ₹385.04 lakhs, rising from ₹1,443.08 lakhs in Fiscal 2025 to ₹1,828.12 lakhs in Fiscal 2026. This increase is attributable to a rise in raw material, packing material, work in progress and finished goods.

Trade Receivables

Trade receivables increased by ₹215.64 lakhs i.e. 11.18 %, increased from ₹1,928.12 lakhs in fiscal 2025 to ₹2,143.77 lakhs in fiscal 2026. The increase in trade receivables is primarily due to slower collection during the period and higher credit terms offered to customers.

Short-term loans and advances

Short-term loans and advances decreased by ₹ 259.04 lakhs i.e. 40.03 %, from ₹647.06 lakhs in fiscal 2025 to ₹388.02 lakhs in fiscal 2026. This decrease was primarily due to a reduction in advances to creditors, which decreased from ₹646.64 lakhs in Fiscal 2025 to ₹387.40 lakhs in Fiscal 2026.

FISCAL 2025 COMPARED WITH FISCAL 2024

(₹ in lakhs)

Particulars	**As at March 31,**		**Increase/ (Decrease)**	
	2025	**2024**	**Amount**	**%**
Liabilities				
Long- Term Borrowings	3,090.25	1,403.98	1,686.28	120.11%
Short Term Borrowings	2,653.25	2,082.34	570.92	27.42%
Trade payables	449.71	376.98	72.73	19.29%
Assets				
Non-current Investments	-	-	-	-
Long term loan and advances	21.00	7.25	13.75	189.65%
Inventories	1,443.08	1,270.01	173.07	13.63%
Trade receivables	1,928.12	1,539.33	388.79	25.26%
Short term loan and advances	647.06	623.77	23.28	3.73%

Long-Term Borrowings

Long-term borrowings increased by ₹1,686.28 lakhs i.e. 120.11% from ₹1,403.98 lakhs in fiscal 2024 to ₹3,090.25 lakhs in fiscal 2025. This was primarily attributable due to secured borrowings availed from Citi Bank N.A. during the year.

Short-Term Borrowings

Short-term borrowings increased by ₹570.92 lakhs i.e. 27.42% from ₹2,082.34 lakhs in Fiscal 2024 to ₹2,653.25 lakhs in Fiscal 2025. This increase was primarily due to increase of loan from directors from ₹808.22 Lakhs in Fiscal 2024 to ₹1,289.30 Lakhs in Fiscal 2025 and current maturity of long term debts which increased from ₹187.09 Lakhs in Fiscal 2024 to ₹309.87 Lakhs in Fiscal 2025 which majorly included debts from Citi Bank N.A.

Trade Payable

Trade payables increased by ₹72.73 lakhs i.e., 19.29%, increased from ₹376.98 lakhs in fiscal 2024 to ₹449.71 lakhs in fiscal 2025. The increase was primarily due to higher procurement of goods and services in line with business growth, along with extended credit terms from suppliers.

Inventories

The stock-in-trade inventory increased by ₹173.07 lakhs, rising from ₹1,270.01 lakhs in Fiscal 2024 to ₹1,443.08 lakhs in Fiscal 2025. This increase is attributable to a rise in finished goods by ₹88.35 lakhs.

Trade Receivables

Trade receivables increased by ₹388.79 lakhs i.e. 25.26%, increased from ₹1,539.33 lakhs in fiscal 2024 to ₹1,928.12 lakhs in fiscal 2025. The increase in trade receivables is primarily due to slower collection during the period and higher credit terms offered to customers.

Short-term loans and advances

Short-term loans and advances increased by ₹23.28 lakhs i.e. 3.73%, increase from ₹623.77 lakhs in fiscal 2024 to ₹647.06 lakhs in fiscal 2025. This increase is primarily due to increase in advance to payables, also other advances decreased to ₹0.42 Lakhs in Fiscal 2025 from ₹27.50 Lakhs in Fiscal 2024.

OUR REVENUE MODEL

Following is our revenue from operations for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024 on the basis of geographical market:

(₹ In Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2026	% of revenue from Operations	For the year ended March 31, 2025	% of revenue from operations	For the year ended March 31, 2024	% of revenue from operations
Domestic Revenue*	6,942.14	59.15%	6,971.83	61.14%	6,098.23	55.50%
Export Revenue	4,575.85	38.99%	4,339.15	38.05%	4,789.49	43.59%
Revenue from operations	**11,517.99**	**98.13%**	**11,310.98**	**99.19%**	**10,887.73**	**99.09%**

***** Including sale of services i.e., Job work services.

STATE WISE SALES

(₹ In Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2026	% of revenue from Operations	For the year ended March 31, 2025	% of revenue from operations	For the year ended March 31, 2024	% of revenue from operations
Gujarat	3,419.88	29.14%	3,383.55	29.67%	3,411.12	31.05%
Punjab	725.69	6.18%	1,053.05	9.23%	47.91	0.44%
Maharashtra	728.40	6.21%	789.54	6.92%	790.91	7.20%
West Bengal	508.66	4.33%	491.22	4.31%	640.56	5.83%
Uttar Pradesh	908.45	7.74%	341.83	3.00%	512.56	4.67%
Tamil Nadu	48.80	0.42%	195.02	1.71%	23.19	0.21%
Telangana	96.91	0.83%	134.90	1.18%	192.31	1.75%
Delhi	51.72	0.44%	131.56	1.15%	226.75	2.06%

Haryana	190.52	1.62%	106.08	0.93%	2.94	0.03%
Dadra and Nagar Haveli	25.46	0.22%	103.66	0.91%	-	-
Rajasthan	117.08	1.00%	92.11	0.81%	94.07	0.86%
Madhya Pradesh	93.36	0.80%	80.03	0.70%	70.64	0.64%
Andhra Pradesh	3.85	0.03%	38.72	0.34%	74.07	0.67%
Karnataka	20.10	0.17%	27.75	0.24%	7.52	0.07%
Uttarakhand	3.26	0.03%	2.79	0.02%	3.69	0.03%
Total Domestic Revenue	**6,942.14**	**59.15%**	**6,971.83**	**61.14%**	**6,098.23**	**55.50%**

COUNTRY WISE SALES

(₹ In Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2026	% of revenue from Operations	For the year ended March 31, 2025	% of revenue from operations	For the year ended March 31, 2024	% of revenue from operations
RUSSIA	-	-	299.97	2.63%	377.87	3.44%
ITALY	124.22	1.06%	117.94	1.03%	69.07	0.63%
BRAZIL	273.77	2.33%	322.44	2.83%	224.96	2.05%
CHINA	2,558.93	21.80%	2,252.65	19.75%	2,804.77	25.53%
GERMANY	755.37	6.44%	774.63	6.79%	938.71	8.54%
HUNGARY	730.43	6.22%	571.52	5.01%	322.13	2.93%
MEXICO	17.32	0.15%	-	-	12.09	0.11%
POLAND	30.92	0.26%	-	-	39.89	0.36%
SOUTH AFRICA	84.89	0.72%	-	-	-	-
Total Export revenue	**4,575.85**	**38.99%**	**4,339.15**	**38.05%**	**4,789.49**	**43.59%**

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Revenue from operations

Revenue from operations is derived from (i) the sale of our products i.e. Manufactured Yarn and traded yarn, including domestic sales and export of finished products; (ii) the sale of services, comprising job work charges**.** Job Work Income refers to the revenue earned from services provided to customers who supply their own raw materials. In such arrangements, we perform specific processing or manufacturing tasks on the materials provided by the customer and charge for the service rendered and (iii) Other operating revenue comprising of net foreign exchange fluctuations and other operating revenues.

Other income

Other income is derived primarily from (i) interest income, (ii) the profit from the sale of fixed assets, (iii) sundry balance written back.

Expenses

Our expenses comprise (i) Cost of Material Consumed, (ii) Purchase of Stock in Trade, (iii) Changes in inventories of finished goods, work-in- progress and Stock-in-Trade (iii) Employee benefit expense (iv) Finance costs (v) Depreciation and amortization expense and (vi) Other expenses.

Cost of material consumed

Expenses for cost of raw material and components consumed comprise of (i) opening stock of raw materials, (ii) purchase of Raw materials and (iii) closing stock of raw materials.

Purchase of Stock in Trade

Expenses for purchase of stock in trade comprise of purchase for the purpose of trading of goods.

Change in inventories of WIP, Finished Goods & Stock in Trade

Changes in inventories of work-in-progress, finished goods and traded goods consists of the difference between stock at the beginning of the year and stock at the end of the year.

Employee benefit expenses

Employee benefit expenses comprise of (i) Salaries, wages and incentives, (ii) Director remuneration & Sitting fees (iii) Contributions to provident and other funds (iv) Bonus expense (v) Gratuity expense and (vi) Staff Welfare Expense.

Finance costs

Finance costs mainly include (i) Interest Expenses and (ii) Other borrowing cost.

Depreciation and amortisation expenses

Depreciation and amortisation expenses comprise expenses attributable to depreciation of plant, property and equipment, including (i) Depreciation on tangible assets and (ii) Amortization of intangible assets.

Other expenses

Other expenses comprise costs attributable to (i) Purchase incidental expense (ii) Labour Expense (iii) Freight and Transport Expense (iv) Security Expenses (v) Power and Fuel Expenses (vi) Rent Expense (vii) other direct expense, (viii) Rent rates and taxes (ix) Bad Debts written off (x) Communication Expense (xi) Donation/CSR Expense (xii) Professional fees and Legal Charges (xiii) Payment to Auditors (xiv) Advertisement and Sales Promotion Expenses (xv) Repairs and Maintenance (xvi) General expenses (xvii) Insurance Expense (xviii) Printing & Stationary (xix) Travelling Expenses (xx) Petrol and Conveyance Expenses (xxi) Loss on sale of assets.

FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE FISCAL YEARS 2026, 2025 AND 2024

The following table sets forth certain financial information with respect to our results of operations from our restated statement of profit and loss for the Fiscals 2026, 2025 and 2024, the components of which are also expressed as a percentage of total income for such periods:

Particulars	**For the year ended March 31, 2026**		**For the year ended March 31, 2025**		**For the year ended March 31, 2024**	
	Amount (₹ in Lakhs)	**% of Total Income**	**Amount (₹ in Lakhs)**	**% of Total Income**	**Amount (₹ in Lakhs)**	**% of Total Income**
A. Revenue:						
Revenue from Operations	11,737.14	99.95%	11,403.40	99.18%	10,987.18	99.98%
Other income	6.03	0.05%	94.00	0.82%	1.74	0.02%
Total Income	**11,743.17**	**100.00%**	**11,497.40**	**100%**	**10,988.92**	**100%**
B. Expenses:						
Cost of Material Consumed	6,467.57	55.08%	6,973.59	60.65%	6,799.63	61.88%
Purchase of Stock in Trade	0.00	0.00%	293.37	2.55%	183.84	1.67%
Changes in inventories of finished goods work-in-progress and Stock in-Trade	(280.79)	(2.39)%	(145.25)	(1.26%)	(103.49)	(0.94%)
Employees Benefit Expense	733.28	6.24%	562.20	4.89%	528.46	4.81%
Finance Costs	468.04	3.99%	407.70	3.55%	332.44	3.03%
Depreciation and Amortization Expense	488.47	4.16%	360.14	3.13%	305.48	2.78%
Other Expenses	1,709.93	14.56%	1,935.90	16.84%	1,964.35	17.88%
Total Expenses	**9,586.50**	**81.63%**	**10,387.65**	**90.35%**	**10,010.72**	**91.10%**
Profit before exceptional	**2,156.67**	**18.37%**	**1,109.75**	**9.65%**	**978.20**	**8.90%**

and extraordinary items and tax						
Exceptional Items	-	-	-	-	-	-
Profit before extraordinary items and tax	**2,156.67**	**18.37%**	**1,109.75**	**9.65%**	**978.20**	**8.90%**
Extraordinary and Prior Period Items	-	-	-	-	-	-
Profit before tax	**2,156.67**	**18.37%**	**1,109.75**	**9.65%**	**978.20**	**8.90%**
Tax expense:						
Current tax	437.64	3.73%	181.71	1.58%	269.07	2.45%
Current tax expense relating to prior years	0.00	0.00%	0.28	0.00%	(0.01)	(0.00)%
Deferred Tax	114.80	0.98%	76.84	0.67%	4.20	0.04%
Profit/(Loss) for the period from continuing operations	**1,604.23**	**13.66%**	**850.92**	**7.40%**	**704.94**	**6.42%**

FISCAL 2026 COMPARED TO FISCAL 2025

During the fiscal year ended March 31, 2026, the Company experienced notable shifts in both revenue and expenses which collectively impacted overall profitability.

Total Income:

Total income increased by ₹245.76 Lakhs i.e. 2.14% from ₹11,497.40 Lakhs in Fiscal 2025 to ₹11,743.17 Lakhs in Fiscal 2026. This increase was primarily driven by higher revenue from operations, primarily export sales.

Revenue from Operations:

In Fiscal 2026, revenue from operations increased by ₹333.74 Lakhs i.e. 2.93% from ₹11,403.40 Lakhs in Fiscal 2025 to ₹11,737.14 Lakhs in Fiscal 2026. The increase is primarily attributable to the increase in the export sales from ₹ 4,339.15 Lakhs in Fiscal 2025 to ₹ 4,575.85 Lakhs in Fiscal 2026, decrease in domestic sales from ₹5,962.74 Lakhs in Fiscal 2025 to ₹ 5,881.44 Lakhs in Fiscal 2026,increase in other operating revenue from ₹ 92.42 Lakhs in Fiscal 2025 to ₹ 219.15 Lakhs in Fiscal 2026 and increase in Job Work Income from ₹1,009.09 Lakhs in Fiscal 2025 to ₹1,060.70 Lakhs in Fiscal 2026. This increase in revenue is mainly attributable to the market demand and pricing.

The increase in revenue was primarily attributable to higher sales of Para Aramid Based Spun Yarn and 100% Polypropylene Yarn, which increased from ₹5,304.19 lakhs in Fiscal 2025 to ₹5,939.50 lakhs in Fiscal 2026, representing an increase of ₹635.32 lakhs i.e. 11.98%. Further, other operating income increased from ₹92.42 lakhs in Fiscal 2025 to ₹219.15 lakhs in Fiscal 2026**.**

Other Income:

Other income declined by 93.58% from ₹94 Lakhs in Fiscal 2025 to ₹6.03 Lakhs in Fiscal 2026. The decrease was primarily due to reduction of interest income

Total Expenses:

Total expenses decreased by ₹801.15 lakhs i.e. 7.71% from ₹10,387.65 lakhs in Fiscal 2025 to ₹9,586.50 lakhs in Fiscal 2026. The decrease was primarily attributable to a reduction in Cost of Material Consumed, Purchase of Stock-in-Trade and Other Expenses**.**

Cost of Material Consumed:

The cost of material consumed decreased by ₹506.02 lakhs i.e. 7.26% from ₹6,973.59 lakhs in Fiscal 2025 to ₹6,467.57 lakhs in Fiscal 2026. The cost of material consumed stood at 55.10% of revenue from operations in Fiscal 2026, as compared to 61.15% in Fiscal 2025. The decrease in the cost of material consumed was primarily attributable to a reduction in consumption of raw materials during the fiscal period**.**

Changes in Inventories of WIP, Finished Goods & Stock in Trade:

The reported change in inventories of finished goods and work-in-progress was at (₹280.79) lakhs in Fiscal 2026, compared to

(₹145.25) lakhs in Fiscal 2025, reflecting an increase in the closing stock of the Company, which is primarily attributable to higher production during the period, as well as improved inventory management practices.

Employee Benefit Expenses:

Employee benefit expenses increased by 30.43% from ₹562.20 Lakhs in Fiscal 2025 to ₹733.28 Lakhs in Fiscal 2026. The increase in employee benefit expenses is primarily attributable to an increase in salary and wages, director's remuneration & sitting fee, gratuity expense and staff welfare expense.

Finance Costs:

Finance costs increased by 14.80%, from ₹407.70 Lakhs in Fiscal 2025 to ₹468.04 Lakhs in Fiscal 2026, the increase is mainly attributable to the increase in interest expense

Depreciation and Amortisation Expenses:

Depreciation and Amortisation expenses increased by 35.63% from ₹360.14 Lakhs in Fiscal 2025 to ₹ 488.47 Lakhs in Fiscal 2026, driven by increase in the Property Plant and Equipment mainly additions of Building, Plant and Machinery, Furniture & Fixtures, Computers and Printers for the Company during Fiscal 2026.

Other Expenses:

Other expenses declined by ₹ 225.96 Lakhs i.e 11.67% from ₹ 1,935.90 Lakhs in Fiscal 2025 to ₹1,709.93 Lakhs in Fiscal 2026, primarily on account of decline in (i) power and fuel expense by ₹260.28 lakhs in Fiscal 2026 (ii) Labour Expense by₹ 15.95 Lakhs (iii) Freight and Transport Expense by ₹ 12.86 lakhs (iv) repairs and maintenance of machinery by ₹11.02 lakhs (v) Commission Expense by ₹10.20 lakhs and compensated by increase in (i) repairs and maintenance of building by ₹ 27.27 lakhs and (ii) Purchase Incidental Expense by ₹ 18.76 lakhs in fiscal 2026.

Profit before Tax:

The Company's profit before tax increased by ₹ 1,046.92 lakhs i.e. 94.34% from ₹1,109.75 lakhs in Fiscal 2025 to ₹2,156.67 lakhs in Fiscal 2026, primarily on account of higher export sales and other operating income. and a decline in other expenses, mainly due to lower power and fuel expenses during the period.

Tax Expense:

The Company's tax expenses increased by ₹293.60 lakhs i.e. 113.43%, from ₹258.84 lakhs in Fiscal 2025 to ₹552.43 lakhs in Fiscal 2026, primarily due to increase in current tax in fiscal 2026.

Profit after Tax:

The Company's profit after tax increased by ₹753.31 lakhs i.e. 88.53% from ₹850.92 lakhs in Fiscal 2025 to ₹1,604.23 lakhs in Fiscal 2026, primarily due to increase in revenue from operation from export sales and efficient cost management.

Reasons for Change in PAT Margin %:

EBITDA of our Company increased from ₹1,783.58 lakhs in Fiscal 2025 to ₹3,107.15 lakhs in Fiscal 2026, reflecting an improvement in EBITDA margin from 15.64% to 26.47%, representing an increase of 10.83% in Fiscal 2026 as compared to Fiscal 2025. The improvement in EBITDA margin is primarily attributable to a reduction in Cost of Material Consumed by 5.57% i.e. from 60.65% in FY 2025 to 55.08 % in FY 2026. Key expense heads contributing to the margin improvement are set out below:

1. **Power and Fuel Expenses** decreased from **₹893.51 lakhs in Fiscal 2025 to ₹633.23 lakhs in Fiscal 2026**, representing a decline from **7.84% to 5.40% of revenue from operations**. The reduction is primarily attributable to the effective utilisation of solar power and improved power management during the period.

2. **Labour Expenses** decreased from **₹227.86 lakhs in Fiscal 2025 to ₹211.91 lakhs in Fiscal 2026**, representing a decline from **2.00% to 1.81% of revenue from operations**. The reduction is primarily attributable to better cost management and optimisation of manpower expenses during the period.

3. **Purchase of Stock-in-Trade** decreased from **₹293.37 lakhs in Fiscal 2025 to nil in Fiscal 2026**, representing a decline from **2.57% to 0.00% of revenue from operations**. The reduction is primarily attributable to lower purchases of traded goods during the period.

4. **Repair and Maintenance Expenses for Machinery** decreased from **1.99% to 1.84% of revenue from operations** in Fiscal 2025 and Fiscal 2026, respectively. The reduction is primarily attributable to lower maintenance expenditure incurred during the period.

FISCAL 2025 COMPARED TO FISCAL 2024

During the fiscal year ended March 31, 2025, the Company experienced notable shifts in both revenue and expenses which collectively impacted overall profitability.

Total Income:

Total income increased by ₹508.48 lakhs i.e. 4.63% from ₹10,988.92 Lakhs in Fiscal 2024 to ₹11,497.40 Lakhs in Fiscal 2025. This increase was primarily driven by higher revenue from operations i.e. increase in Domestic sales, job work income and Sale of Investments/Fixed assets.

Revenue from Operations:

In Fiscal 2025, revenue from operations increased by ₹416.22 lakhs i.e. 3.79% increasing from ₹10,987.18 Lakhs in Fiscal 2024 to ₹11,403.40 Lakhs. In particular, the increase was attributed to increase in domestic sales from ₹ 5,135.72 Lakhs in Fiscal 2024 to ₹ 5,962.74 Lakhs in Fiscal 2025, increase in Job work Income from ₹ 962.51 Lakhs in Fiscal 2024 to ₹ 1,009.09 Lakhs in Fiscal 2025 and compensated by decrease in the export sales from ₹ 4,789.49 Lakhs in Fiscal 2024 to ₹ 4,339.15 Lakhs in Fiscal 2025.

The growth was primarily driven by higher sales of Aramid-based products, comprising Para Aramid Based Spun Yarn, Milled Aramid Yarn, Meta Aramid Based Spun Yarn, Meta Aramid /Viscose/Para aramid Based Spun Yarn and Modacrylic Based Yarn, which increased from ₹4,965.26 lakhs in Fiscal 2024 to ₹5,340.54 lakhs in Fiscal 2025, reflecting a rise of 7.56%. Our Revenue from Sale of Service and trading of goods also increased by 4.84% and 66.61%, respectively, driven by improved service volumes and better trading margins.

The increase in revenue from operations was primarily driven by the enhancement of the Company's production capacity and addition of new customer.

Other Income:

Other income increased by ₹ 92.26 lakhs from ₹ 1.74 Lakhs in Fiscal 2024 to ₹ 94.00 Lakhs in Fiscal 2025. The increase is mainly due to sale of property, plant and equipment.

Total Expenses:

Total expenses increased by ₹376.93 lakhs (3.77%) from ₹10,010.72 Lakhs in Fiscal 2024 to ₹10.387.65 Lakhs in Fiscal 2025. The increase is primarily attributable to increase in Cost of Material Consumed, Purchase of Stock in Trade, Finance Cost, Employees Benefit Expenses, Depreciation and amortization expenses and compensated by decrease in Change in Inventories of WIP, Finished Goods & Stock in Trade and Other expenses.

Cost of Material Consumed:

The cost of material consumed increased by ₹173.96 lakhs i.e. 2.56% from ₹6,799.63 Lakhs in Fiscal 2024 to ₹6,973.59 Lakhs in Fiscal 2025. The cost of material consumed stood at 61.15% of revenue from operations in Fiscal 2025 as compared to 61.89% in Fiscal 2024. The marginal increase in the cost of material consumed is primarily attributable due to the changes in the opening and closing stock of raw materials during the period.

Changes in Inventories of WIP, Finished Goods & Stock in Trade:

The reported change in inventories of finished goods, work-in-progress and traded goods was at (₹145.25) Lakhs in Fiscal 2025, compared to a (₹103.49) Lakhs in Fiscal 2024, reflecting increase in the closing stock of the Company is primarily attributable to higher production during the period, as well as improved inventory management practices.

Employee Benefit Expenses:

Employee benefit expenses increased by ₹33.74 Lakhs i.e. 6.39% from ₹528.46 Lakhs in Fiscal 2024 to ₹562.20 Lakhs in Fiscal 2025, the increase in employee benefit expenses is primarily attributable to an increase in salary and wages and staff welfare expense of the employees.

Finance Costs:

Finance costs increased by ₹75.26 Lakhs i.e. 22.64% from ₹332.44 Lakhs in Fiscal 2024 to ₹407.70 Lakhs in Fiscal 2025 mainly due to increase in secured borrowing from Citi Bank N.A.

Depreciation and Amortisation Expenses:

Depreciation and Amortisation expenses increased by ₹54.65 lakhs i.e. 17.89% from ₹305.48 lakhs in Fiscal 2024 to ₹360.14 lakhs in Fiscal 2025, primarily due to additions to property, plant and equipment including building, plant and machinery, and solar plant and machinery.

Other Expenses:

Other expenses declined by ₹28.45 Lakhs i.e. 1.45% from ₹1,964.35 Lakhs in Fiscal 2024 to ₹1,935.90 Lakhs in Fiscal 2025. Primarily on account of decline in (i) labour expense by ₹60.99 lakhs (ii) Power and Fuel Expense by ₹70.52 lakhs (iii) Rates & Taxes by ₹9.37 lakhs (iv) commission expense by ₹17.88 lakhs (v) loss on sale of assets by ₹17.30 lakhs and compensated by increase in (i) repairs and maintenance of machinery by ₹ 96.25 lakhs and (ii) professional fees and legal charges by ₹12.79 lakhs.

Profit before Tax:

The Company's profit before tax increased by ₹131.55 lakhs i.e.13.45% from ₹978.20 lakhs in Fiscal 2024 to ₹1,109.75 lakhs in Fiscal 2025, primarily on account of an increase in other income, along with a marginal improvement driven by enhanced market demand and better inventory management practices.

Tax Expense:

The Company's tax expenses decreased by ₹14.42 lakhs i.e. 5.28% from ₹273.26 lakhs in Fiscal 2024 to ₹258.84 lakhs in Fiscal 2025, primarily due to changes in current tax, deferred tax, and adjustments related to prior years

Profit after Tax:

The Company's profit after tax increased by ₹145.97 lakhs i.e. 20.71%from ₹704.94 lakhs in Fiscal 2024 to ₹850.92 lakhs in Fiscal 2025, primarily due to an increase in other income.

Reason for change in PAT Margin %:

EBITDA of the company has increased from ₹1,614.38 lakhs in FY 2024 to ₹1,783.58 lakhs in FY 2025 at a margin of 14.69% and 15.64% respectively, showing increase of 0.95% in FY 2025 compared to FY 2024. The improvement in EBITDA margin is primarily attributable to a reduction in other expenses of 0.90% i.e., from 17.88% in FY 2024 to 16.98% in FY 2025. Key expense heads contributing to the margin improvement are set out below:

1. With further increase in production and absorption of overheads, Power and fuel expenses further reduced to 7.84% of revenue from operations (₹893.51 lakhs) as compared to 8.77% (₹964.03 lakhs) in Fiscal 2024. In addition to that the company has commenced operations from 4 MW ground mounted plant from February 2025.

2. Commission expenses decreased to 0.58% of revenue (₹65.60 lakhs) as against 0.76% (₹83.48 lakhs) in the previous year, indicating more direct market presence.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

(₹ in Lakhs)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net cash from operating activities (A)	2,144.35	1,122.22	563.54
Net cash from investing activities (B)	(1,031.93)	(2,629.91)	(760.62)
Net cash from financing activities (C)	(1,414.70)	1,828.50	87.75
Net increase in cash and cash equivalents (A+B+C)	(302.28)	320.81	(109.32)
Cash and Cash Equivalent at the end of the year	**44.31**	**346.59**	**25.78**

Operating Activities

Fiscal 2026:

In Fiscal 2026, Net cash flow from operating activities was ₹2,144.35 Lakhs and our profit before tax for that period was ₹2,156.67 Lakhs. This difference was primarily due to depreciation of ₹ 488.47 lakhs, finance cost ₹ 468.04 lakhs and thereafter change in working capital of ₹ (631.13) lakhs respectively. We have income tax paid of (₹336.81) lakhs.

Fiscal 2025:

In Fiscal 2025, Net cash flow from operating activities was ₹1,122.22 Lakhs and Our profit before tax for that period was ₹1,109.75 Lakhs. This difference was primarily due to depreciation of ₹ 360.14 lakhs, finance cost ₹ 407.70 lakhs and thereafter change in working capital of ₹ (500.61) lakhs respectively. We have income tax paid of (₹238.73) lakhs.

Fiscal 2024:

In Fiscal 2024, Net cash flow from operating activities was ₹563.54 Lakhs and Our profit before tax of ₹978.20 Lakhs. This difference was primarily due to depreciation of ₹ 305.48 lakhs, finance cost ₹ 332.44 lakhs and thereafter change in working capital of ₹ (964.63) lakhs respectively. We have income tax paid of (₹103.51) lakhs.

Investing Activities

Fiscal 2026:

Net cash from investing activities was (₹1,031.93) Lakhs. The outflow was primarily on account of purchase of fixed assets of ₹ (1,036.96) lakhs which was offset by the Interest income during the year

Fiscal 2025:

Net cash from investing activities was (₹2,629.91) Lakhs. The outflow was primarily on account of purchase of fixed assets of ₹ (2,645.94) lakhs which was offset by the Interest income during the year.

Fiscal 2024:

Net cash from investing activities was (₹760.62) Lakhs. The outflow was primarily on account of purchase of fixed assets of ₹ (762.36) Lakhs which was offset by the Interest income during the year.

Financing Activities

Fiscal 2026:

Net cash from financing activities was ₹(1,414.70) lakhs in Fiscal 2026. This was primarily attributable to net repayment of long-term borrowings amounting to ₹733.62 lakhs, interest paid of ₹289.07 lakhs, and a decrease in short-term borrowings of ₹392.01 lakhs during the year.

Fiscal 2025:

Net cash from financing activities was ₹1,828.50 Lakhs. This was primarily attributable to net proceeds from long-term borrowings of ₹2,099.99 lakhs, partly offset by interest paid of ₹239.89 lakhs and dividend paid of ₹21.00 lakhs during the year.

Fiscal 2024:

Net cash from financing activities was ₹ 87.75 Lakhs. This was primarily attributable to net proceeds from long-term borrowings of ₹279.13 lakhs and net proceeds from short-term borrowings of ₹162.05 lakhs, partly offset by interest paid of ₹332.44 lakhs and dividend paid of ₹21.00 lakhs during the year.

Off-Balance Sheet Transactions

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Related Party Transactions

We enter into various transactions with related parties. These transactions principally include managerial remuneration/salary interest paid, bonus paid, Rent Paid and loans repaid.

For further information relating to our related party transactions, see ***"Restated Financial Statements – Annexure - XXXIV: Restated Statement of Related Party Disclosures"*** on page 242.

Auditor's Observations

There have been no reservations, qualifications, matters of emphasis or adverse remarks in the Restated Financial Statements of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the examination report thereon.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to various types of market risks during the normal course of business. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate on account of changes in market prices. Market risk includes interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate on account of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our short-term debt obligations with floating interest rates.

Credit Risk

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.

Liquidity Risk

Liquidity risk is the risk that we may not be able to meet our present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. Our objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans. We closely monitor our liquidity position. We aim to minimise these risks by generating sufficient cash flows from current operations, which in addition to the available cash and cash equivalents and sufficient committed fund facilities, will provide liquidity.

Foreign Currency Risk

Apart from forward exchange contracts taken to hedge existing assets or liabilities, the Company also uses derivatives to hedge its foreign currency risk exposure relating to firm commitments and highly probable transactions. The Company provides for losses/gains in respect of such outstanding derivative contract at the balance sheet date by marking them to market inflation.

In recent years, India has experienced moderate rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

<u>Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:</u>

Unusual or Infrequent Events or Transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years.

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 arising from the trends identified above in "***Factors Affecting Our Results of Operations***" and the uncertainties described in "***Risk Factors***" beginning on page 20 of this Red Herring Prospectus. To our knowledge, except as discussed in this Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income from continuing operations.

Future relationship between costs and income

Other than as described in the sections entitled "***Risk Factors***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and elsewhere in this Red Herring Prospectus, to our knowledge there are no known factors which will have a material adverse impact on our operation and finances.

Extent to which Material Increases in Net Sales or Revenue are Due to Increased Sales Volume or Increased Sales Prices

Changes in revenue in the last three Fiscals "***– Fiscal 2026 compared to Fiscal 2025***" and "***– Fiscal 2025 compared to Fiscal 2024***" respectively.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled "***Risk Factors***" beginning on page 20 in this Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in revenues are by and large linked to increases in volume of business.

total turnover of each major industry segment in which the issuer operated;

The Company operates in single business segment of manufacturing of technical textile yarns, which is the primary business segment based on the nature of products manufactured and sold. There are no other primary reportable segments.

Secondary segment information

The Company's operations are managed from India. The principal geographical areas in which the Company operates are India and countries like Russia, Italy, Brazil, China, Germany, Hungary etc. Segment assets do not include income tax assets

Significant Dependence on Single or Few Customers

Given the nature of our business operations, we are dependent on any single or few customers for our revenue from operations. There are transactions with a single external customer which would amount to 10 percent or more of our revenue from operations. For further information, see "***Risk Factors - A significant portion of our revenue comes from key customers and losing one or more of them, experiencing a decline in their financial health or business outlook, or facing a reduction in their demand for our products could negatively impact our business, results of operations, financial condition and cash flows***" on page 22.

Status of any publicly announced new products or business segment

Our Company has not announced any new services or business services.

Seasonality of business

Our Company's business is not seasonal.

Competitive conditions

We operate in a competitive environment. See "***Our Business***", "***Industry Overview***" and "***Risk Factors***" on pages 157, 113 and 20, respectively, for further information on competitive conditions that we face across our various business verticals.

SECTION IX – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings (ii) outstanding actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation/ arbitration as determined to be material by our Board as per the Materiality Policy, in each case involving our Company, Subsidiaries, Directors, Promoter, Joint Venture and Associate (together the "Relevant Parties"); (v) outstanding criminal proceedings or outstanding actions taken by statutory and/or regulatory authorities involving our Key Managerial Personnel and Senior Management; or (vi) litigation involving our Group Companies which has a material impact on our Company. Further, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoter in the last five Fiscals preceding the date of this Red Herring Prospectus, including any outstanding action.

Our Company has also disclosed any findings/observations of any of the inspections by SEBI or any other regulator (including the Real Estate Regulatory Authority and enforcement agencies) involving our Company or Subsidiaries or Joint Venture or Associate, which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision.

For the purposes of (iv) above, in terms of the Materiality Policy adopted by resolution of our Board dated July 28, 2026, any outstanding litigation / arbitration proceedings (other than as covered in points (i) to (iii) above) involving our Company, Directors, Subsidiaries, Joint Venture, Associate and Promoter shall be considered material for the purposes of disclosure in this Red Herring Prospectus, if.

(a) the aggregate monetary claim/dispute amount/ liability involved in such proceeding is in excess of the lower of:

(i) 2% of the revenue from operations of our Company, being ₹ 234.74 lakhs, for the most recent financial year as per the Restated Financial Statements; or
(ii) 2% of the net worth of our Company, being ₹ 103.79 lakhs, as at the end of the most recent financial period as per the Restated Financial Statements, except in case the arithmetic value of the net worth is negative; or
(iii) 5% of the average of the absolute value of the profit or loss after tax of our Company, being ₹ 52.67 lakhs, for the last three financial years as per the Restated Financial Statements ("Threshold");

For the purpose of (iii) above, it is clarified that the average of the absolute value of profit after tax is to be calculated by disregarding the 'sign' (positive or negative) that denotes such value.

Accordingly, ₹ 52.67 lakhs being the lowest of the above criteria has been considered as the materiality threshold for the purpose of (a) above: or

(b) the outcome of such proceeding (including proceedings under the Insolvency and Bankruptcy Code, 2016) could have a material adverse effect on the business, operations, performance, results of operations, cash flows, prospects, financial position or reputation of our Company, irrespective of whether the amount involved in such proceeding exceeds the Threshold or not or whether the monetary liability is not quantifiable in such proceeding; or

(c) the decision in such proceeding is likely to affect the decision in similar proceedings, such that the cumulative amount involved in such proceedings exceeds the Threshold, even though the amount involved in an individual proceeding may not exceed the Threshold.

Further, as regards outstanding litigations involving our Group Companies, would be considered to have a 'material impact' on our Company for the purpose of disclosure in this Red Herring Prospectus, if an adverse outcome from such pending litigation would materially and adversely affect the business, prospects, operations, performance, financial position or reputation of our Company.

Pre-litigation notices received by our Company, Subsidiaries, Directors or Promoter, Joint Venture, Associate, Key Managerial Personnel and Senior Management from third parties (excluding those notices issued by statutory / regulatory / governmental / tax / judicial authorities or notices threatening criminal action) shall not be considered as litigation and accordingly not be disclosed in this Red Herring Prospectus until such time our Company, Subsidiaries, Directors or the Promoter, Joint Venture, Associate, Key Managerial Personnel and Senior Management as the case may be, are impleaded as a party in the litigation/ proceeding/ investigation/ regulatory action before any judicial/ arbitral forum.

For the purposes of identification of material creditors, a creditor of our Company, shall be material for the purpose of disclosure in this Red Herring Prospectus and the website of our Company, if outstanding amounts due to such creditor is equal to or in excess of 5% of the total trade payables of our Company i.e., ₹ 18.21 lakhs, as at the end of the most recent period covered in the Restated Financial Statements included in this Red Herring Prospectus.

For outstanding dues to MSMEs and other creditors, the disclosure will be based on the information available with the Company regarding the status of the creditors as MSME as defined under Section 2 read with Section 7 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the statutory auditors in preparing their audit report.
All terms defined in a particular litigation disclosure below correspond to that litigation only.

A. LITIGATION INVOLVING THE COMPANY

(a) Criminal proceedings against the Company

As on the date of this Red Herring Prospectus, there are no criminal proceedings initiated against Company.

(b) Criminal proceedings filed by the Company

As on the date of this Red Herring Prospectus, there are no criminal proceedings filed by the Company.

(c) Actions by statutory and regulatory authorities against the Company

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

(d) Tax Proceedings:

Nature of Proceedings	Direct/Indirect Tax	Number of cases	Amount involved (₹ in Lakhs)
TDS/TCS	Direct Tax	8	0.15
AY 2020-21	Direct Tax	1	0.62
Goods & Service Tax	Indirect Tax	-	-
Total		**9**	**0.77**

(e) Other pending material litigations against the Company

As on the date of this Red Herring Prospectus, there are no outstanding material litigations initiated against Company.

(f) Other pending material litigations filed by the Company

As on the date of this Red Herring Prospectus, there are no outstanding material litigations initiated by the Company.

B. LITIGATIONS INVOLVING THE DIRECTORS/PROMOTERS OF THE COMPANY

(a) Criminal proceedings against the Directors/ Promoters of the Company

As on the date of this Red Herring Prospectus, there are no criminal proceedings initiated against the Directors/Promoters of the Company.

(b) Criminal proceedings filed by the Directors/ Promoters of the Company

As on the date of this Red Herring Prospectus, there are no criminal proceedings initiated by the Directors/Promoters of the Company.

(c) Actions by statutory and regulatory authorities against the Directors/ Promoters of the Company

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors/Promoters of the Company.

(d) Tax Proceedings:

Nature of Proceedings	Direct/Indirect Tax	Number of cases	Amount involved (₹ in lakhs)
Direct Tax (Promoters)*	Direct Tax	2	2.65
TDS/TCS	Direct Tax	1	0.07
	Total	**3**	**2.72**

* Includes directors who are also promoters.

Indirect Tax: NIL

(e) Other pending material litigations against the Directors/ Promoters of the Company

As on the date of this Red Herring Prospectus, there are no outstanding material litigations initiated against the Directors/ Promoters Company.

(f) Other pending material litigations filed by the Directors/ Promoters of the Company

As on the date of this Red Herring Prospectus, there are no outstanding material litigations initiated by the Directors/ Promoters Company.

C. LITIGATION INVOLVING THE GROUP COMPANIES WHICH CAN HAVE A MATERIAL IMPACT ON THE COMPANY*

(a) **Criminal proceedings against the group companies of the Company**

As on the date of this Red Herring Prospectus, there are no criminal proceedings against group companies of the Company.

(b) **Criminal proceedings filed by group companies the Company**

As on the date of this Red Herring Prospectus, there are no criminal proceedings filed by group companies of the Company.

(c) **Actions by statutory and regulatory authorities against the group companies of the Company**

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group companies of the Company.

(d) **Tax Proceedings:**

A summary of tax proceedings involving our Group Companies are stated below:

Nature of Case	Number of Cases	Amount Involved (₹ in Lakhs)
Direct Tax	3	45.13
Indirect Tax	9	139.41
Total	**11**	**184.54**

(e) **Other pending material litigation against the group companies of the Company**

As on the date of this Red Herring Prospectus, there are no other material litigation against the group companies of the Company.

(f) **Other pending material litigation filed by the group companies of the Company**

As on the date of this Red Herring Prospectus, there are no outstanding material litigation filed by the group companies of the Company

** This section only contains litigations involving amounts exceeding the materiality threshold, as defined in the Materiality Policy dated September 16, 2025.*

D. <u>LITIGATION INVOLVING OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT</u>

1. Criminal proceedings against the Key Managerial Personnel and Senior Management of our Company

There are no pending criminal proceedings against the Key Managerial Personnel and Senior Management of our Company as on the date of this Red Herring Prospectus.

2. Criminal proceedings filed by the Managerial Personnel and Senior Management of our Company

There are no pending criminal proceedings filed by the Key Managerial Personnel and Senior Management of our Company as on the date of this Red Herring Prospectus.

3. Statutory and Regulatory Proceedings

There are no pending statutory or regulatory proceedings against the Key Managerial Personnel and Senior Management of the Company as on the date of this Red Herring Prospectus.

E. LITIGATIONS INVOLVING THE SUBSIDIARY OF THE COMPANY

As on date of this Red Herring Prospectus, our Company does not have any subsidiaries.

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 5% of our Company's trade payables as per the last Restated Financial Statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on March 31, 2026, were ₹ *364.14* lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 18.21 lakhs as of March 31, 2026. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on September 16, 2025. As on March 31, 2026, there are 3 creditors to each of whom our Company owes amounts exceeding 5 % of our Company's total trade payables and the aggregate outstanding due to them being ₹ 166.04 lakhs.

As per the above materiality policy, the outstanding amount owed to small scale undertakings and material creditors as on March 31, 2026, is as below:

S.No.	Material Creditors	Number of Cases	Amount Involved (₹ in Lakhs)
1.	**Dues to Material Creditors**		
	Micro, Small and Medium enterprises*	2	96.92
	Other than MSME	1	69.12
	Total (A)	**3**	**166.04**
2.	**Dues to Other than Material Creditors**		
	Due to micro, Small and Medium Enterprises*	9	20.04
	Other than MSME	97	178.05
	Total (B)	**106**	**198.10**
	Total (A+B)	**109**	**364.14**

**Entities that are identified as "Micro, Small and Medium Enterprises" under the Restated Financial Statements are considered as micro small and medium enterprises.*

The details pertaining to amounts due towards material creditors are available on the website of our Company at https://www.ashutoshfibre.com/.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled ***"Management Discussion and Analysis of Financial Conditions and Results of Operations"*** beginning on page 249 of this Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary licenses, permissions 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 except as mentioned below, no further approvals are required for carrying on our present or proposed business activities. For the risk involved related to pending approvals, please refer to the section titled "**Risk Factors**" starting from page 20 of this Red Herring Prospectus.*

In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.

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 or will be obtained in connection with the Issue. For further information, please refer to the section titled "***Other Regulatory and Statutory Disclosures***" starting from page 271 of this Red Herring Prospectus.

Corporate Approvals:

a. Our Board, pursuant to its resolution dated September 16, 2025 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;

b. The shareholders of our Company have, pursuant to their resolution passed at the Extra-Ordinary general meeting of our Company held on September 17, 2025 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;

c. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated September 29, 2025.

d. Our Board approved the Red Herring Prospectus pursuant to its resolution dated August 24, 2026.

Approval from the Stock Exchange:

e. In-principle approval dated December 23, 2025 from the National Stock Exchange of India Limited **("NSE")** or using the name of the Exchange in the issue documents for listing of the equity shares issued by our Company pursuant to the issue.

Agreements with NSDL and CDSL:

f. The company has entered into an agreement dated May 29, 2025 with the Central Depository Services (India) Limited ("**CDSL**") and the Registrar and Transfer Agent, who in this case is KFin Technologies Limited for the dematerialization of its shares.

g. Similarly, the Company has also entered into an agreement dated October 18, 2024 with the National Securities Depository Limited ("**NSDL**") and the Registrar and Transfer Agent, who in this case is KFin Technologies Limited for the dematerialization of its shares.

h. The Company's International Securities Identification Number is: **INE19FR01012.**

II. INCORPORATION RELATED APPROVALS

Sr No.	Nature of Registration/ License	Applicable Laws	Issuing Authority	CIN/LLP Identification Number/ Registration Number	Date of Issue	Date of Expiry
1.	Certificate of Incorporation	Companies Act, 1956	Registrar of Companies	007831 of 1985	May 21, 1985	Was valid till conversion to public company
2.	Certificate of Incorporation pursuant to conversion from Ashutosh Fibre Private Limited to Ashutosh Fibre Limited	Companies Act, 2013	Registrar of Companies	U24299GJ1985P LC007831	April 21, 2025	Valid until cancelled

III. TAX RELATED APPROVALS

Sr No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department, Government of India	AABCA8054E	May 21, 1985	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Act, 1961	Income Tax Department, Government of India	AHMA00136D	June 13, 2001	Valid until cancelled
3.	Certificate of Registration of Goods and Services Tax (Gujarat)	Gujarat Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	24AABCA8054E1Z 1	June 25, 2017	Valid until cancelled
4.	Professional Tax Registration Certificate	The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	Commissioner of Commercial Tax	PRN017 000024	May 31, 2008	Valid until cancelled
5.	Professional Tax Enrolment Certificate	The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	Commissioner of Commercial Tax	PEN017001502	July 20, 2008	Valid until cancelled

IV. BUSINESS OPERATION RELATED APPROVALS

Sr. No	Description	Applicable Laws	Issuing Authority	Registration Number /License Number	Date of Issue	Date of Expiry
1.	UDYAM Registration Certificate	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises	UDYAM-GJ-01-0002216	July 20, 2020	Valid until cancelled
2.	Certificate of Registration of Shop and Establishment **Address-** Shop No. 111, New Cloth Market, Raipur, District-Ahmedabad, Gujarat.	The Gujarat Shops and Establishments Act, 2019	Amdavad Municipal Corporation	PI/CLMN/4000002/02 77366	September 12, 2025	September 11, 2030
3.	Factory license	The Gujarat Factories Rules, 1963	Chief Inspector Factories Gujarat	27964	April 25, 2006	October 23, 2023 to

						December 31, 2028
4.	LEI Certificate	Payments and Settlement Systems Act, 2007	LEI Register India Private Limited	335800AF8SJ66CLJA435	August 08, 2018	August 08, 2026
5.	Import- Export Code	Foreign Trade (Development and Regulation) Act, 1992	Ministry of Commerce and Industry/Directorate General of Foreign Trade	0807011720	October 16, 2007	Valid till Cancelled
6.	Legal Metrology Certificate	Legal Metrology Act, 2009	Government of Gujarat Consumer Affairs Department	3620495/AND/2025/01	June 30, 2025	September 28, 2026
7.	Advance Authorisation	Foreign Trade (Development Regulation) Act, 1992	Office of the Additional Director General of Foreign Trade, Ahmedabad	08AX04000035AM27	April 21, 2026	Import validity: April 21, 2027 and Export Validity: October 21, 2027
8.	Advance Authorisation Scheme License	Foreign Trade (Development Regulation) Act, 1992	Office of the Additional Director General of Foreign Trade, Ahmedabad	0811015435	July 01, 2025	Import Validity: July 01, 2026 Export Validity: January 01, 2027
9.	Certificate of Recognition as Two Star Export House	Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade	AHDSTATAPPL00000082AM25	October 24, 2024	March 31, 2028
10.	Erection and Commissioning Certificate	Electricity Act, 2003	Gujarat Energy Transmission Corporation	24-25/DN/GDRTECH/RE solar/Tuva/175	February 07, 2025	-*
11.	Certificate of Commissioning	Electricity Act, 2003	Gujarat Energy Development Agency	GEDA/SOL-532/2025/04/OW/740	April 30, 2025	-*
12.	Advance Authorisation	Foreign Trade (Development Regulation) Act, 1992	Office of the Additional Director General of Foreign Trade, Ahmedabad	08AX04001974AM26	February 18, 2026	Import validity: February 18, 2027 and Export Validity: October 18, 2027
13.	Advance Authorisation	Foreign Trade (Development Regulation) Act, 1992	Office of the Additional Director General of Foreign Trade, Ahmedabad	08AX04001753AM26	January 09, 2026	Import validity: January 09, 2027 and Export Validity: July 09, 2027

** The lease period on which solar panels have been installed is for 29 year and 5 months. For further details on the properties, please refer "Business – Immovable Property" at page 184 of the Red Herring Prospectus.*

V. <u>QUALITY RELATED APPROVALS</u>

Sr. No.	Description	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Quality related Certificate of ISO 9001:2015	Alcumus ISOQAR Limited	10657-QMS-001	October 24, 2012	October 24, 2027
2.	5S (workplace management system)	4C Consulting Private Limited	4CPL/5S/0522	January 12, 2026	January 11, 2027
3.	Oeko-Tex Standard100	Shirley Technologies Limited	11-70576	May 13, 2025	April 16, 2027
4.	Quality Management related Certificate of	Alcumus ISOQAR Limited	10657 – EMS – 001 &	April 28, 2022	April 28, 2028

	ISO 14001:2015 & 45001:2018		10657 – OHS - 001		

VI. LABOUR RELATED APPROVALS*

Sr. No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Registration under Employees' Provident Funds*	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organization	GJAHD0053857000	November 11, 2007	Valid Until Cancelled

** Employee State Insurance Corporation ("ESIC") is not applicable at our factory unit as it is exempted as per section 1(3) of the ESIC Act, 1948. The registered office of the Company is exempted as per Section 2(9) of the ESIC Act, 1948 as all employees of the registered office are paid above the threshold of ₹ 21,000.*

VII. ENVIRONMENT RELATED APPROVALS

Sr. No.	Description	Applicable Laws	Issuing Authority	Registration Number	Date of Issue	Date of Expiry
1.	Consolidated Consent to Operate and Authorization	Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) Act, 1981	Gujarat Pollution Control Board	WH-27904	March 05, 2018	December 31, 2027
2.	Amendment in Consent to Establish (NOC)			CTE – 89559	October 27, 2025	September 28, 2032

VIII. INTELLECTUAL PROPERTY RELATED APPROVALS

Sr. No	Name Applied	Nature	Application Date	Intellectual Property Registration/Application No.	Class	Present Status
1.	Certificate of Registration of the following trademark	Device	September 14, 2024	6624884	23	Accepted

IX. DETAILS OF DOMAIN REGISTERED BY OUR COMPANY:

Sr. No.	Domain Name and ID	Sponsoring Registrar and ID	Creation Date	Registry Expiry Date
1.	www.ashutoshfibre.com	BigRock Solutions Ltd IANA ID: 1495	February 03, 2011	February 03, 2027

X. APPLICATIONS MADE BY OUR COMPANY, PENDING APPROVAL

S. No.	Description	Name under which the License exists as on Date	Current Status
1.	Madhya Gujarat Vij Company Limited, Petlad.	Ashutosh Fibre Private Limited	Application made on August 13, 2025 regarding intimation w.r.t change in name.
2.	Madhya Gujarat Vij Company Limited, Petlad – For increasing electricity load.	Ashutosh Fibre Private Limited	Application made on August 30, 2025 regarding intimation w.r.t additional load of 1195 KVA (Existing 1805 KVA + 1195 KVA = 3,000 KVA) for their existing unit located near Bus Stand, Ashapuri Road, Petlad - 388450 under Petlad division of Anand Circle.

XI. MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY FOR NAME CHANGE FROM ASHUTOSH FIBRE PRIVATE LIMITED TO ASHUTOSH FIBRE LIMITED - *NIL*

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

Corporate Approvals

The Board of Directors has, pursuant to a resolution passed at its meeting held on September 16, 2025 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in Extra Ordinary General Meeting held on September 17, 2025 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Board has approved the Draft Red Herring Prospectus through its resolution dated September 29, 2025.

Our Board has approved the Red Herring Prospectus through its resolution dated August 24, 2026.

IN-PRINCIPLE APPROVAL

Our Company has received an In-Principle Approval letter dated December 23, 2025 from NSE for using its name in this Red Herring Prospectus for listing our shares on the NSE Emerge. NSE is the Designated Stock Exchange for the purpose of this Issue.

PROHIBITION BY SEBI, RBI OR GOVERNMENTAL AUTHORITIES

Our Company, Promoters, Promoter Group and Directors have not been declared as willful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

PROHIBITION BY THE BOARD OR ANY SECURITIES MARKET REGULATOR

Neither our Company, Promoters, Promoter group, Directors, Person in control of the Promoter or our Company, if applicable, or selling shareholders are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

PROHIBITION BY RBI

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a willful defaulter or fraudulent borrowers 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 under chapter titled "***Outstanding Litigations and Material Developments***" beginning on page 263 of this Red Herring Prospectus.

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as willful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

PROHIBITION WITH RESPECT TO WILFUL DEFAULTER OR A FRAUDULENT BORROWER

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as wilful defaulter or a fraudulent borrower as defined by the SEBI (ICDR) Regulations, 2018.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Red Herring Prospectus, there are no such significant beneficial owners in our Company.

ELIGIBILITY FOR THE ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor our 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 our Promoters, Promoter Group nor our directors, are Willful Defaulters or a fraudulent borrower.

We further confirm that:

1. In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the SEBI

2. In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the SEBI

3. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a willful defaulter or a fraudulent borrower.

4. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.

5. In accordance with Regulation 228(e) of the SEBI (ICDR) Regulations, there are neither any outstanding convertible securities nor any other right which would entitle any person with any option to receive equity shares of the issuer.

6. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to the Stock Exchange and NSE is the Designated Stock Exchange.

7. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.

8. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity Share Capital are fully Paid up.

9. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

10. In accordance with Regulation 230(2) of the SEBI (ICDR) Regulations, the amount of general corporate purpose, as mentioned in the Objects of the Issue shall not exceed fifteen percent or ten crores whichever is less of the amount being raised by issuer.

11. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through BRLM immediately up on registration of the Issue Document with the Registrar of Companies. The Issue Documents along with the abridged prospectus shall also be furnished to SEBI in a soft copy. However, SEBI shall not issue any observation on our Prospectus.

12. In accordance with Regulation 247(1) of the SEBI (ICDR) Regulations, 2018, we had also ensured that the draft offer document filed with the SME exchange was made public for comments for a period of at least twenty-one days from the date of filing, by hosting it on the websites of the issuer, SME exchange and the lead manager.

13. Further, in terms of Regulation 247(2), we had also ensured that the issuer, within two working days of filing the draft offer document with the SME Exchange, made a public announcement in English all editions of Financial Express, and all editions of Jansatta and Ahmedabad edition of Financial Express (Gujarati), a regional language newspaper with wide circulation at the place where the registered office of the issuer was situated, disclosing the fact of filing of the draft offer document with the SME exchange and inviting the public to provide their comments to the SME exchange, the issuer or the lead manager in respect of the disclosures made in the draft offer document.

14. Further, in terms of Regulation 247(3), we had also ensured that the lead manager, after expiry of the period stipulated in sub-regulation (1), filed with the SME exchange the details of the comments received by them or the issuer from the public on the draft offer document during that period and the consequential changes, if any, that were required to be made in the draft offer document.

15. Further, in terms of Regulation 247(4) we shall also ensure that the offer documents are hosted on the websites as required under these regulations and its contents are the same as the versions as filed with the Registrar of Companies, Board and the SME exchange.

16. Further, in terms of Regulation 247(5) we shall also ensure that the copies of the offer document are provided to the public as and when requested and may charge a reasonable sum for providing a copy of the same.

17. 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. For details pertaining to underwriting by BRLM, please refer to Section titled "***General Information***" beginning on page 57 of this Red Herring Prospectus.

18. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled "***General Information***" beginning on page 57 of this Red herring Prospectus.

19. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allotees in the Issue is greater than or equal to 200, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight 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 eight days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and BRLM shall ensure the same.

20. 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 and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We are an issuer whose post issue face value capital will be more than ₹10 Crore and upto ₹ 25 crore and therefore, our company is eligible for the Issue in accordance with Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited ("**NSE Emerge"**) for listing of our Equity Shares. The point wise Criteria for NSE Emerge and compliance thereof are given hereunder:

INCORPORATION

1. **The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India**

   The Company was incorporated in India on May 21, 1985 with the Registrar of Companies under Companies Act, 1956 and has track record of minimum period of 3 years.

2. **POST ISSUE PAID UP CAPITAL**

   The post Issue paid up capital of the company shall not be more than ₹ 25.00 Crore.

   The Company has a total paid up share capital of ₹ 175.00 Lakhs comprising 17,50,000 Equity Shares of face value of ₹10 each as on March 31, 2025 and the Post Issue Capital will be below ₹ 2,500.00 lakhs.

3. **TRACK RECORD**

   The Company should have a track record of at least 3 years

   Our Company was originally incorporated on May 21, 1985 under the name "Ashutosh Fibre Private Limited" at Ahmedabad, Gujarat, under the provisions of the Companies Act, 1956 and the Certificate of Incorporation was issued at Ahmedabad by Registrar of Companies, Gujarat bearing Registration Number 007831 of 1985. Pursuant to a special resolution passed by our Shareholders in the Extra-Ordinary General Meeting held on July 29, 2024, our Company was converted from a private limited company to public limited company and consequently, the name of our Company was changed to "Ashutosh Fibre Limited" and a fresh certificate of incorporation dated April 21, 2025 was issued to our Company by the Registrar of Companies, Central Processing Centre. The present CIN of our Company is U24299GJ1985PLC007831.

4. **FINANCIALS**

A. **The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive**

Based on the Restated Financial Statements, our Company satisfies the criterion of having positive operating profit (Earnings Before Interest, Depreciation, and Tax) from operations in at least two out of the last three financial years.

(₹ in Lakhs)

Particulars	**March 31, 2026**	**March 31, 2025**	**March 31, 2024**
Profit before Tax	2,156.67	1,109.75	978.20
Add: Finance Cost	468.04	407.70	332.44
Add: Depreciation and Amortisation Expenses	488.47	360.14	305.48
Less: Other Income	6.03	94.00	1.74
Operating Profits	**3,107.15**	**1,783.59**	**1,614.38**

B. **The company/entity should have positive free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application**

Our Company meets the criteria for Free Cash Flow to Equity (FCFE) as outlined below, based on the Restated Financial Statements.

(₹ in Lakhs)

Particulars	**March 31, 2026**	**March 31, 2025**	**March 31, 2024**
Net Cash flow from Operations	2,144.35	1,122.22	563.54
Less: Purchase of Fixed Assets (net of sale proceeds of Fixed Assets)	(1,036.96)	(2,645.94)	(762.36)
Add: Net Total Borrowings (net of repayment)	(1,125.63)	2,089.39	441.19
Less: Interest expense x (1-T)	(215.02)	(183.94)	(239.57)
Free cash flow to Equity (FCFE)	**(233.25)**	**381.73**	**2.80**

5. **NET WORTH**

As per the Restated Financial Statements, the net-worth (excluding revaluation reserves) of the Company is as given below, which is positive and higher than ₹ 100.00 lakhs for 3 preceding full financial years.

(₹ in Lakhs)

Particulars	**As at year/ period ended**		
	March 31, 2026	**March 31, 2025**	**March 31, 2024**
Equity	1,575.00	175.00	175.00
Reserve & Surplus	3,614.54	3,410.31	2,580.39
Add/(Less): Adjustments on account of change in Restated Profit/Loss	-	-	-
Add/(Less): Adjustments on account of change in Restated Capital and reserve	-	-	-
Total Adjustments	-	-	-
Equity Share Capital & Reserves & Surplus as per Restated Financial Statements	**5,189.54**	**3,585.31**	**2,755.39**

6. **OFFER FOR SALE**

The proposed Issue is fresh issue and there is no Offer for Sale (OFS) by any shareholders.

7. The Company has Net Tangible Assets of ₹ 5,861.38 Lakhs as on March 31, 2026 which is more than ₹ 300.00 Lakhs.

8. The leverage ratio i.e. Debt Equity ratio of the Company is 0.92:1 as at March 31, 2026 which is less than 3:1

9. The Promoters and Directors of the Company are not Promoters and Directors of any compulsorily de-listed company or companies promoted by the promoters by any of the stock exchange having nationwide terminals.

10. There has been no change in the Promoter(s) of the Company from the date of signing Restated Financial Statements.

11. The Company has facilitated trading in demat securities and has entered into an agreement with both the depositories.

12. **Other Requirements:**

   i. The Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR)
   ii. There is no winding up petition against the Company, which has been admitted by the NCLT/ court or a liquidator has not been appointed.
   iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the Company.
   iv. None of the Issues managed by BRLM are returned by NSE in last six months from the date of this Red Herring Prospectus.
   v. We confirm that the objects of the issue do not consist of Repayment of Loan from Promoter, Promoter Group or any related party, from the issue proceeds, whether directly or indirectly.
   vi. None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.
   vii. It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories. To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
      - Tripartite agreement dated May 29, 2025 with CDSL, our Company and Registrar to the Issue;
      - Tripartite agreement dated October 18, 2024, with NSDL, our Company and Registrar to the Issue;
      - The Company's shares bear an ISIN: **INE19FR01012.**

13. The Company has a functional website**:** www.ashutoshfibre.com/

14. **Disclosures:**

   We confirm that:

   i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting companies of the Company.

   ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.

   iii. There are no litigations record against the applicant, Promoters/promoting company(ies), Group Companies, companies promoted by the Promoters/promoting company(ies).

   iv. There are no criminal cases/investigation/offences and charge-sheeted with serious crimes like murder, rape, forgery, economic offences filed against any of our directors effecting the business of the company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT TO THE 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 OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, MEFCOM CAPITAL MARKETS LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE 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 INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, MEFCOM CAPITAL MARKETS LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, MEFCOM CAPITAL MARKETS LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 29, 2025. IN THE FORMAT

PRESCRIBED UNDER SCHEDULE V(A) TO WHICH THE SITE VISIT REPORT OF THE ISSUER PREPARED BY THE LEAD MANAGER(S) ALSO ANNEXED AS PER SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR 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 OFFER DOCUMENT/ OFFER DOCUMENT.

ALL APPLICABLE LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE ACT, 2013.

DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER ("BRLM")

Our Company its Directors and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this 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, https://www.ashutoshfibre.com/ would be doing so at his or her own risk.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on September 29, 2025, and the Underwriting Agreement dated August 18, 2026 entered into between our Company, Book Running Lead Manager and Underwriters and the Market Making Agreement dated August 18, 2026 entered into among our Company, Book Running Lead Manager and Market Maker.

All information will 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.

Neither our Company, nor Book Running Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Investors are advised to ensure that any application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

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 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 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 issue or invitation in such jurisdiction. Any person into whose possession this 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 Ahmedabad, Gujarat, 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.

Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly and this 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 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.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/6244 dated December 23, 2025, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

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 only 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

The Draft Red Herring Prospectus has been filed with the Emerge Platform of National Stock Exchange India Limited. Pursuant to Regulation 247(1) of SEBI (ICDR) Regulations, 2018, the Draft Red Herring Prospectus filed with NSE Emerge was made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company's website, NSE's website and Book Running Lead Manager's website on https://www.mefcomcap.in/.

Pursuant to Regulation 247(2) of SEBI (ICDR) Regulations, 2018, our Company had, within two working days of filing the Draft Red Herring Prospectus with NSE Emerge, made a public announcement in English in all editions of Financial Express, and in Hindi all editions of Jansatta and Ahmedabad edition of Financial Express (Gujarati), a regional language newspaper, where the Company's Registered Office is located, disclosing the fact of filing of the Draft Red Herring Prospectus with NSE Emerge and inviting the public to provide their comments to NSE Emerge, our Company or the Book Running Lead Manager in respect of the disclosures made in this Draft Red Herring Prospectus. Pursuant to Regulation 247(3) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager shall, after expiry of the period stipulated in sub-regulation (1), file with NSE Emerge, details of the comments received by them or the issuer from the public, on the Draft Red Herring Prospectus, during that period and the consequential changes, if any, that are required to be made in the Draft Red Herring Prospectus.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Draft Red Herring Prospectus was not be submitted to SEBI; however, soft copy of Red Herring Prospectus and Prospectus shall be submitted online to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at https://siportal.sebi.gov.in. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus along with the material contracts and documents referred elsewhere in the RHP required to be filed under Section 26 and Section 32 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at http://www.mca.gov.in, at least (3) three working days prior from the date of opening of the Issue. and a copy of Prospectus to be filed under Section 26 & 32 of the companies Act, 2013 will be filed to RoC through the electronic portal at http://www.mca.gov.in.

LISTING

Application will be made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

The NSE has given its in-principle approval for using its name in our Issue Documents for listing our shares on the Emerge platform of NSE vide its letter dated December 23, 2025.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, our Company shall refund through verifiable means the entire monies received within the prescribed time of receipt of intimation from stock exchanges rejecting the application for listing of specified securities and if any such money is not repaid within the prescribed time after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the prescribed time, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company will ensure that all steps for completion of necessary formalities for listing and commencement of trading at the NSE Emerge mentioned above are taken within three (3) Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of (a) Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Bankers to the Company; (b) Book Running Lead Manager to the Issue, Registrar to the Issue , Legal Advisor to the Issue, Banker to the Issue (Sponsor Bank), Monitoring Agency, Underwriters to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under Section 26 of the Companies Act and will be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/Prospectus for registration with the RoC.

EXPERTS OPINION

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

Our Company has received written consent dated August 01, 2026. from M/s Shah & Patel, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 (5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 and in respect of their (i) examination report dated September 19, 2025 relating to the Restated Financial Statements; and (ii) the statement of special tax benefits of the Company dated September 29, 2025 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated July 28, 2026 from B.P. Oza & Associates, Independent Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of the certification issued by them for Capacity Utilization and List of Machineries in their capacity as an independent chartered engineer to our Company and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated July 28, 2026 from the Practicing Company Secretary, namely, Vivek Vakharia, (Proprietor of M/s Vivek J. Vakharia & Associates having the membership number 11851, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST 5 (FIVE) YEARS AND PERFORMANCE VIS-À-VIS OBJECTS

Our Company has not made any previous public or rights issue during the last 5 (Five) years preceding the date of this Red Herring Prospectus.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

For a detailed description, please refer to section "***Capital Structure***" on page 70 of this Red Herring Prospectus

COMMISSION OR BROKERAGE ON PREVIOUS ISSUES SINCE INCORPORATION OF THE COMPANY

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of the Equity Shares in the 5 (Five) years preceding the date of this Red Herring Prospectus.

CAPITAL ISSUE DURING THE PREVIOUS 3 (THREE) YEARS

Except as disclosed in "***Capital Structure***" on page 70 of this Red Herring Prospectus, our Company has not made any capital issues in the last three years preceding the date of this Red Herring Prospectus.

Further, our company does not have any listed Group Companies/ Subsidiaries/ Associates, hence issue of capital during the last three years is not applicable.

PERFORMANCE VIS- À-VIS OBJECTS: LAST ISSUE OF SUBSIDIARY/PROMOTER

Further, as on the date of this Red Herring Prospectus, our Company does not have any listed promoters, group companies, subsidiaries or associates, Performance vis-à-vis Objects is not applicable.

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STOCK MARKET DATA OF THE EQUITY SHARES

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Red Herring Prospectus and accordingly, no stock market data is available for the Equity Shares.

STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MEFCOM CAPITAL MARKETS LIMITED

Summary statement of price information of past issues handled by Mefcom Capital Markets Limited is as follows:

Sr. No	Issue Name	Issue Size (₹ In Lakhs)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Globe Civil Projects Ltd	11,900.00	71.00	July 01, 2025	91.10	16.79% [-2.65%]	(0.90%) [-3.91%]	(15.23%) [1.61%]

Notes:

1. *Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.*
2. *Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day.*

Summary statement of price information of past public issues handled by Mefcom Capital Markets Ltd.

Financial year	Total no. of IPO	Total funds raised (₹ in Lakhs)	Nos of IPOs trading at discount on 30th Calendar Day from listing date			Nos of IPOs trading at premium on 30th Calendar Day from listing date			Nos of IPOs trading at discount on 180th Calendar Day from listing date				Nos of IPOs trading at premium on 180th Calendar Day 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%
2025-26	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	1	11,900.00	-	-	-	-	-	1	-	-	1	-	-	-	-
2023-24	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the Book Running Lead Manager, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager, i.e., https://www.mefcomcap.in

For further details in relation to the BRLM, see "***General Information***" beginning on page 57 of this Red Herring Prospectus.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchange, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager 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 or non-receipt of funds by electronic mode, etc.

All grievances relating to the Issue, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Application Form was submitted, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID, date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant must enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to the Application submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20,2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Applicant whose Application 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 a delay beyond this period of 15 days. Further, the investors must be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the event of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for the stipulated period. In an event there is a delay in redressal of the investor grievance, the Book Running Lead Manager will compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

For helpline details of the Book Running Lead Manager pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "***General Information***" on page 57 of this Red Herring Prospectus.

Further, the Applicant must also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Anchor Investors are required to address all grievances in relation to the Issue to the Book Running Lead Manager.

The Registrar to the Issue will obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicant. Our Company, the Book Running Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer 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 intimations and non-receipt of funds by electronic mode.

Our Company will obtain authentication on the SCORES and will comply with the SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013, SEBI circular no. (CIR/OIAE/1/2014/ CIR/OIAE/1/2013) dated December 18, 2014 and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021, in relation to redressal of investor grievances through 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

Our Company has not received any complaints as on the date of this Red Herring Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted the Stakeholders Relationship Committee as follows:

Name of Director	Designation	Nature of Directorship
Jayshree Vikram Patel	Chairman	Independent Director
Siddharth Prakash Patel	Member	Managing Director
Abhishek Rajendrakumar Agarwal	Member	Whole-time Director

Our Company has appointed Sonal Bankim Bhansali as the Company Secretary and Compliance Officer and she may be contacted in case of any pre-Issue or post-Issue related problems, at the address set forth hereunder.

Name: Sonal Bankim Bhansali
Address: 111-New Cloth Market Raipur, Ahmedabad - 380002, Gujarat, India.
Telephone: + 91 9727 559 799
Email: sonal@ashutoshfibre.com
Investor Grievance ID: info@ashutoshfibre.com
Website: www.ashutoshfibre.com/

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY OR OUR LISTED SUBSIDIARIES:

We do not have any listed company under the same management or subsidiary company.

Further, our Company has constituted a Stakeholders' Relationship Committee, which is responsible for review and redressal of grievances of the security holders of our Company. For details, see "***Our Management***" on page 212 of this Red Herring Prospectus.

OTHER CONFIRMATIONS

Any person connected with the Issue will not issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

FEES PAYABLE TO BRLM TO THE ISSUE

The total fees payable to the BRLM will be as per the Issue Agreement for Initial Public Issue, a copy of which is available for inspection at the Registered Office of our Company.

FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable to the Registrar to the Issue, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

FEES PAYABLE TO OTHERS

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

TAX IMPLICATIONS

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchange. For details, please refer the section titled "***Statement of Possible Tax Benefits***" beginning on page 110 of this Red Herring Prospectus.

PURCHASE OF PROPERTY

Other than as disclosed in Section "***Our Business***" beginning on page 157 of this Red Herring Prospectus there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus. Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed in chapter titled "***Our Promoters and Promoters Group***", "***Our Management***" and section titled "***Financial Information***" beginning on pages 231, 212 and 242, respectively, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds, or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus

CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS

Except as disclosed under chapter titled "***Capital Structure***" on page 70 of this Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last five years.

REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS

There has not been any revaluation of assets of our company in the last 5 years.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY

SEBI

As on the date of this Red Herring Prospectus, our Company has not been granted by SEBI, any exemption from complying with any provisions of securities laws.

SECTION X – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

*The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act 2013, the SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Red Herring Prospectus, Prospectus, Application Form, any Revision Form, the Confirmation of Allocation Note (**"CAN"**) / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and / or any other authorities while granting its approval for the Issue. Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public issue by Individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

THE ISSUE

The Issue comprises a Fresh Issue of Equity Shares by our Company. The fees and expenses relating to the Issue shall be borne by our Company in the manner specified in the Chapter "***Objects of the Issue – Public Issue Expenses***" on page 97 of the Red Herring Prospectus.

RANKING OF EQUITY SHARES

The Equity Shares being allotted and issued shall be subject to the provisions of the Companies Act 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association will rank *pari-passu* in all respects with the existing Equity Shares including in respect of dividends and other corporate benefits, if any, declared by our company after the date of Allotment. The Allotees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits. For further details, please see the section titled "***Description of Equity Shares and Terms of the Articles of Association***" on page 331 of this Red Herring Prospectus.

AUTHORITY FOR THE PRESENT ISSUE

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 16, 2025 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the Extra-Ordinary General Meeting of the Company held on September 17, 2025.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as recommended by the Board of Directors and approved by 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 dividend, if declared, to our Shareholders as per the provisions of the Companies Act 2013, Memorandum of Association our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors. For further details, see ***"Dividend Policy"*** and ***"Description of Equity Shares and Terms of the Articles of Association"*** on pages 241 and 331 respectively.

FACE VALUE, ISSUE PRICE & PRICE BAND

The face value of the Equity Shares is ₹ 10 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 Issue Price is [●] per Equity Share.

The Price Band and the minimum Bid Lot size in the Issue will be decided by our Company, in consultation with the Book Running Lead Manager (**"BRLM"**) and shall be published in English all editions of Financial Express, and all editions of Jansatta and Ahmedabad edition of Financial Express (Gujarati), a regional language newspaper with wide circulation at the place where the Registered Office of our Company is situated at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading the same on their 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 at the website of the Stock Exchange. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares issued by way of the Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company.

The Issue Price is determined by our Company in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares issued by way of Book Building Process and is justified under the chapter titled "***Basis for Issue Price***" beginning on page 101 of this Red Herring Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018

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.

COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

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 shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations, subject to foreign exchange regulations and other applicable laws: and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Memorandum of Association and Articles of Association of our Company.

For a detailed description of the provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled "***Description of Equity Shares and Terms of the Articles of Association***" beginning on page 331 of this Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29(1) of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form in compliance with the provisions of the Depositories Act, 1996 and the regulations made there under, thus, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI (ICDR) Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue:

a) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated October 18, 2024.

b) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated May 29, 2025.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by Emerge platform of National Stock Exchange of India Limited (**"NSE-Emerge"**) 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 Share 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.

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 (2) lots wherein the minimum application amount shall not be less than ₹2.00 Lakhs (Rupees Two Lakhs) per application.

JOINT HOLDERS

Subject to the provisions contained in the Articles of Association of our company, where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 (1) of SEBI ICDR Regulations, the Minimum number of allottees in this Issue shall be 200 (Two Hundred). 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 within two (2) working days of closure of issue.

NOMINATION FACILITY TO THE INVESTOR

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. 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 Corporate 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 production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the 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, the 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 dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participants of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue and price band advertisements were published, within two (2) 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 BRLM through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this 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 Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Red Herring Prospectus with the Stock Exchange.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad, Gujarat.

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 benefits of the applicants, our Company and the BLRM are not liable for any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this 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.

PERIOD OF SUBSCRIPTION LIST OF PUBLIC ISSUE

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/ Issue Opened on	August 31, 2026[(1)]
Bid/ Issue Closed on	September 02, 2026[(2)]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about September 03, 2026
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account (T+2)	On or about September 04, 2026
Credit of Equity Shares to Demat Accounts of Allottees (T+2)	On or about September 04, 2026
Commencement of Trading of The Equity Shares on the Stock Exchange (T+3)	On or about September 07, 206

Note:
[1]*Our Company in consultation with the Book Running Lead Manager, has considered participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period is one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

[2]*UPI Mandate Acceptance and Confirmation shall be at 5.00 pm IST on issue closing date September 02, 2026.*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue 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 Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non- adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit a report of compliance with T+3 listing timelines and activities, 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:

Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision* in Bids: Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time (**"IST"**)

Bid/Issue Closing Date

Submission and Revision* in Bids: Only between 10.00 a.m. and 4.00 p.m. IST

**Only upward revisions/ modifications can be made by Individual Investors/ Bidder only. There can be no downward modification and cancellation applicable to any of the categories of bidding.*

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

Submission and uploading of Applications: Only between 10.00 a.m. and 4.00 p.m. IST for all categories.

On the Bid/ Issue Closing Date, the bids shall be uploaded until:

a) 4:00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders and

b) Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, 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.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). None among our Company or any 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 accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from Stock may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Issue Period. 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/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue 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 Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three 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, 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 Book Running Lead Manager and the terminals of the Syndicate Members, 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.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying 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 Applicant 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 Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application 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 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 amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, amended pursuant to SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/75 dated May 30, 2022 and SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

MINIMUM SUBSCRIPTION AND UNDERWRITING

This Issue is not restricted to any minimum subscription level and is 100% underwritten. 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 Red Herring Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred per cent underwritten. Thus, the underwriting obligations shall be for the entire hundred per cent of the issue including through the Red Herring Prospectus/Red Herring Prospectus/Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two Hundred).

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 (2) lots wherein the minimum application amount shall not be less than ₹2,00,000 (Rupees Two Lakhs) 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 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.

PRE-ISSUE AND PRICE BAND ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013 our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue and price band advertisement at least two working days before the opening of the Issue, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated in English all editions of Financial Express, and all editions of Jansatta and Ahmedabad edition of Financial Express (Gujarati), a regional language newspaper with wide circulation where the Registered Office of our Company is situated.

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 and regulations, which may occur after the date of this 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 and regulations

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, read with SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on a NSE EMERGE is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on NSE EMERGE to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless –

a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;

b) the Company has obtained an in principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).”

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

As per NSE Circular reference number “NSE/CML/67671” dated April 24, 2025 our Company may migrate its securities from Emerge Platform of National Stock Exchange of India Limited to the Main Board Platform of the National Stock Exchange of India Limited:

Sr. No.	Eligibility Criteria	Details
1.	Paid Up Capital & Market Capitalisation	• Paid-up equity capital is not less than INR 10 crores and • Average capitalisation shall not be less than INR 100 crores. For this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange for 3 months preceding the application date) and the post issue number of equity shares
2.	Revenue From Operation & EBITA	The revenue from operations should be greater than INR 100 Cr in the last financial year. and Should have positive operating profit from operations for at least 2 out 3 financial years.
3.	Listing Period	Should have been listed on SME platform of the Exchange for at least 3 years.
4.	Public Shareholders	The total number of public shareholders should be at least 500 on the date of application.
5.	Promoter and	Promoter and Promoter Group shall be holding at least 20% of the Company at the time of

Sr. No.	Eligibility Criteria	Details
	Promoter Group Holding	making application. Further, as on date of application for migration the holding of Promoter's should not be less than 50% of shares held by them on the date of listing.
6.	Other Listing Conditions	• No proceedings have been admitted under Insolvency and Bankruptcy Code against Applicant company and promoting company. • The company has not received any winding up petition admitted by NCLT/IBC. • The net worth of the company should be at least 75 crores. • No Material regulatory action in the past 3 years like suspension of trading against the applicant Company and Promoter by any Exchange. • No debarment of Company/Promoter, subsidiary Company by SEBI. • No Disqualification/Debarment of director of the Company by any regulatory authority. • The applicant company has no pending investor complaints in SCORES. • Cooling period of two months from the date the security has come out of the trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed. • No Default in respect of payment of interest and /or principal to the debenture/bond/fixed deposit holders by the applicant, promoter/ Subsidiary Company.

Notes:
The Exchange reverse the right to reject application on any of the following grounds:

1. The Applicant does not conform to the eligibility requirements set out herein.
2. The application is not complete in all respects and/or does not conform to the requirements set out herein.
3. The application does not contain such additional information as may be required by NSE; and/or
4. The application is false and/or misleading in any manner.
5. Any other reason as NSE may deem fit

MARKET MAKING

The shares issued are proposed to be listed on the NSE-Emerge wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the NSE-Emerge for a minimum period of 3 (three) years from the date of listing of shares issued though this Red Herring Prospectus. For further details of the agreement entered into between the Company, the BRLM and the Market Maker; please refer to *"**Details of the Market Making Arrangement for this Issue**"* under the section titled *"**General Information**"* beginning on page 57 of this Red Herring Prospectus.

APPLICATION BY ELIGIBLE NRIS, FPIS/FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND QFI

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs 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 issued 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.

The current provisions of the Foreign Exchange Management (Transfer or Offer 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 Offer 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.

ARRANGEMENT 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 NSE-Emerge.

NEW FINANCIAL INSTRUMENTS

Our Company is not issuing any new financial instruments through this Issue.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

As per the provisions of the Depositories Act, 1996 and the regulations made under and pursuant to Section 29 of the Companies Act 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Minimum Promoters' Contribution in the Issue as detailed in the chapter "***Capital Structure***" beginning on page 70 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the chapter titled "***Description of Equity Shares and Terms of the Articles of Association***" on page 331 of this 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 the 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.

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, an issuer whose post issue paid up capital is more than or equal to ₹ 10 crores and upto ₹ 25 crores, shall issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("***SME Exchange***", in this case being the NSE-Emerge). For further details regarding the salient features and terms ofsuch an issue, please refer chapter titled *"**Terms of the Issue**"* and *"**Issue Procedure**"* on page 284 and 298, respectively of this Red Herring Prospectus.

Initial Public Issue of up to 61,24,800 Equity Shares of face value of ₹10/-each for cash at a price of ₹ [●] per Equity Share (the "**issue price**") aggregating to ₹ [●] Lakhs **("The Issue**") by issuer Company.

**Subject to finalization of Basis of Allotment*

The Issue comprises of a Public Issue of upto 61,24,800 Equity Shares of face value of ₹10/- each fully paid (the **"Equity Shares"**) for cash at a price of ₹ [●] per Equity Shares aggregating up to ₹[●] lakhs (**"The Issue"**) by our Company of which upto 3,07,200 Equity Shares of ₹ face value of ₹10/- each will be reserved for subscription by the designated Market Maker (**"Market Maker Reservation Portion"**) and a Net Issue to public of upto 58,17,600 Equity Shares of ₹10/- each is hereinafter referred to as the Net Issue. The Issue and the Net Issue will constitute **[●]** % and **[●]** % respectively of the post issue paid up Equity Share Capital of our Company. The Issue is being made through the Book Building Process.

**Subject to finalization of Basis of Allotment, Number of Equity shares may need to be adjusted for lot size upon determination of the Issue Price.*

Particulars of the Issue	**Market Maker Reservation Portion**	**QIBs**	**Non-Institutional Investors**	**Individual Bidders / Investors (Who applies for minimum application size)**
Number of Equity Shares available for allotment / allocation	Upto 3,07,200 Equity Shares	Not more than 29,06,400 Equity Shares	Not less than 8,73,600 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Individual Bidders(s)	Not less than 20,37,600 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue Size available for allotment / allocation	Up to 5.02% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will 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	Not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to NIBs of which (a) one-third of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than 2 (two) lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-thirds of the Non-Institutional Investor Category shall be available for allocation to Bidders with an application size of more than ₹10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to other sub-category of Non-Institutional Investor and the remaining shares, if	Not less than 35% of the Net Issue or Issue less allocation to QIBs and Non Institutional Bidders will be available for allocation

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non-Institutional Investors	Individual Bidders / Investors (Who applies for minimum application size)
			any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regards in Schedule XIII of SEBI ICDR Regulations.	
Basis of Allotment	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to 57,600 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to 11,05,200 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 17,43,600 Equity Shares may be allocated on a discretionary basis to Anchor Investors 40% of which shall be reserved as: (i) 33.33 % for domestic mutual funds; and (ii) 6.67 % for life insurance companies and pension fund subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion.	Subject to the availability of shares in non-institutional investors' bidders, the allotment of equity shares to each non-institutional bidders shall not be less than the minimum application size in non-institutional investor bidders and the remaining shares, if any, shall be allotted on a proportionate basis, the 2,91,600 Equity Shares shall be allotted in multiples of [●] Equity Shares. For details, see "***Issue Procedure***" beginning on page 298 of this Red Herring Prospectus.	Proportionate basis subject to minimum allotment of [●]Equity Shares
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 Amount exceeds ₹2.00 Lakhs and exceeds 2 lots.	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹2.00 Lakhs and exceeds 2 lots.	2 lots such that the application size shall be above ₹2.00 Lakhs in multiples of [●] Equity Shares.
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the Anchor Investor portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares subject to applicable limits to the Applicant/Bidder.
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non-Institutional Investors	Individual Bidders / Investors (Who applies for minimum application size)
	market as required under the SEBI (ICDR) Regulations, 2018.			
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids			
Mode of Bid	Only through the ASBA process. (excluding the UPI Mechanism)	Only through the ASBA process. (Except for Anchor investors) (excluding the UPI Mechanism)	Only through the ASBA process (including the UPI Mechanism for a Bid size of upto ₹ 5.00 Lakhs)	Through ASBA Process via Banks or by using UPI ID for payment
Who can apply	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs , pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares so that the Bid Amount shall be above two lots, accordingly, the minimum application size shall be above ₹2.00 Lakhs.

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

- *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.* 40 % (*Forty per cent) of the anchor investor portion, within the limits as specified here shall be reserved 33.33 % for domestic mutual funds and 6.67 % for life insurance companies and pension funds; subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*

- *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.*

- *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.*

- *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum-Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

The Bids by FPIs with certain structures as described under "***Issue Procedure - Bids by Foreign Portfolio Investors***" on page 309 of this Red Herring Prospectus 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.

WITHDRAWAL OF THE ISSUE

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspapers.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue and price band advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh 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, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus with RoC.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad, Gujarat.

BID/ISSUE PROGRAMME

Events	Indicative Dates
Bid/Issue Opening Date	August 31, 2026[1]
Bid/Issue Closing Date	September 02, 2026 [2]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before September 03, 2026
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before September 04, 2026
Credit of Equity Shares to Demat accounts of Allottees	On or before September 04, 2026
Commencement of trading of the Equity Shares on the Stock Exchange	On or before September 07, 2026

Note: *[1]Our Company in consultation with the Book Running Lead Manager, has considered participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period is one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

[2] *UPI mandate acceptance / confirmation shall be available upto 5:00 pm IST on last day of the bidding.*

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. IST during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form. On the date of closing the revisions can be only done till 4:00 p.m. IST.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

a) A standard cut-off time of 4.00 p.m. for acceptance of bids for all categories.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days.

ISSUE PROCEDURE

All Bidders should review 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 Book Running 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 Bidders 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 Bidders applying through ASBA process and Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Bid cum 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; (xiii) price discovery and allocation; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, SEBI circular (SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022, SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard from time to time (**"UPI Circulars"**) has proposed to introduce an alternate payment mechanism using Unified Payments Interface (**"UPI"**) and consequent reduction in timelines for listing in a phased manner. For details on the phased implementation of UPI as a payment mechanism, see **"Phased Implementation of Unified Payments Interface"** below. 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 ₹0.50 million shall use the UPI Mechanism. 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 shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Registrar and SCSBs will comply with any additional circulars or other Applicable Law and the instructions of the BRLM, as may be issued in connection with this circular. Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the revised timeline of T+3 days shall be made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**"*T+3 Notification*"**). The issue will be undertaken pursuant to the processes and procedures as notified in the T+3 Notification, subject to any circulars, clarifications or notifications which may be issued by SEBI.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by NSE-Emerge to act as intermediaries for submitting Application Forms are provided on www.nseindia.com. For details on their designated branches for submitting Application Forms, please see the above-mentioned website of NSE-Emerge.

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 Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, 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 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.

With effect from July 1, 2019, with respect to Applications by Individual Investors 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 Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (**"UPI Phase II"**), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by Individual Bidders (**"UPI Phase III"**), as may be prescribed by SEBI.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and 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.

Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the Full Application Amount along with the Application Form.

Bidders should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for Individual Bidders using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

The Allotment of Equity Shares to Bidders other than Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Individual Investors 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 Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

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 UPI 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 / Final Certificate 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 circulates 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 Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees:

- 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 drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3^{rd} and 5^{th} application in each of the lot of the category and these applications 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 allotees, partial allotees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

Phased implementation of Unified Payments Interface:

*SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, 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 and circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (collectively the **"UPI Circulars"**) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by Individual Bidders through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:*

Phase I: *This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.*

Phase II: *This phase commenced on completion of Phase I and will continue till March 31, 2020. Under this phase, submission of the Application Form by a Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue 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 issue closure to listing has been reduced to three Working Days. The issue 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 the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.*

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be published in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office of our Company is situated and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate the collection of requests and/or payment instructions of the Individual Applicants into the UPI payment mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges 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 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.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

The phase wise implementation of Unified Payments Interface has been implemented in the following manner:

Phases	Circular No.	Time Period	Applicability on the current issue
Phase I	SEBI/HO/CFD/DIL2/CIR/P/2018/138	January 1, 2019 to	Not applicable

		June 30, 2019 or floating of five main board public issues.	
Phase II	(SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8,2019	July 1 2019 to March 31, 2020 March 31, 2020 to August 31, 2023.	Not applicable
Phase III	SEBI/HO/CFD/TPD1/CIR/P/2023/140	(i) **Voluntarily** from September 01, 2023 (ii) **Mandatory** from December 01, 2023 – till present date	Applicable In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue 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 the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. Hence, the Issue is being made under Phase III of the UPI (on a mandatory basis)

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the **"SCRR"**) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 40% of which 33.33 per cent for domestic mutual funds; and 6.67 per cent for life insurance companies and pension funds. Any under-subscription in the reserved category specified here 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 QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to NIBs of which (a) one-third of the Non-Institutional Investor shall be available for allocation to Bidders with an application size of more than 2 (two) lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-thirds of the Non-Institutional Investor shall be available for allocation to Bidders with an application size of more than ₹10,00,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to other sub-category of Non-Institutional Investor and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regards in Schedule XIII of SEBI ICDR Regulations and not less than 35 % of the Net Issue shall be available for allocation to Individual Investor, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, 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. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for UPI Bidders using the UPI Mechanism) as applicable, 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 the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the issue, subject to applicable laws.

Bidders must ensure that their PAN is linked with Aadhaar and they are in compliance with the notification issued by the Central Board of Direct Taxes dated February 13, 2020 and press release dated June 25, 2021, September 17, 2021 and CBDT circular No. 7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023.

ISSUE OF SECURITIES IN DEMATERIALISED FORM

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 (2) lots wherein the minimum application amount shall not be less than ₹2,00,000 (Rupees Two Lakhs) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated October 18, 2024.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated May 29, 2025.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be 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. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE-Emerge 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 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.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the 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 Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE-Emerge i.e., www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the 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 SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring 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 Red Herring 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 stock exchange i.e. NSE-Emerge, 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 Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds. ASBA Bidders must provide either (i) the bank account details or authorization 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. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form. Applications made by the Individual Investors 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 Issue 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. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Since the Issue is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

i. Individual Investors (other than the Individual Investors 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. Individual Investors using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Issue 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 Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Resident Indians including resident QIBs, Non-Institutional Bidders, Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. and registered bilateral and multilateral development financial institution applying on a repatriation basis (ASBA)	Blue

Note:
**Excluding Electronic Bid cum Application Form*
*** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by Individual Investors (without using UPI for payment), NIBs 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 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 1 (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 Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For Individual Bidders 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 Individual Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Bidders, 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 Closing Date (**"Cut- Off Time"**). Accordingly, Individual Bidders 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 Individual Bidders (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 Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue 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 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.

WHO CAN BID

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, 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. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. 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);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: -Name of Sole or First Bidder: XYZ Hindu

Undivided Family applying through XYZ, where XYZ is the name of the Kartaǁ. Applications by HUFs would be considered at par with those from individuals;

3. 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;
4. QIBs;
5. Mutual Funds registered with SEBI;
6. 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; 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);
7. 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;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidders;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. 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;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. 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;
18. Multilateral and bilateral development financial institution;
19. Eligible QFIs;
20. Insurance funds set up and managed by army, navy or air force of the Union of India;
21. Insurance funds set up and managed by the Department of Posts, India;
22. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them

APPLICATIONS NOT TO BE MADE BY:

a) Minors (except through their Guardians)
b) Partnership firms or their nominations
c) Foreign Nationals (except NRIs)
d) Overseas Corporate Bodies

As per the existing 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 138 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 by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) **For Individual Applicants:**
The application must be for a minimum of two lots. The bid must be for a minimum of Equity Shares and in multiples of Equity Shares thereafter, so as to ensure that the Bid Price payable by the Applicant exceed ₹ 2,00,000 and bid size of 2 lots. Individual Investors can only revise their Bids upwards and are not allowed to cancel/withdraw their Bids.

b) **For Other than Individual Applicants (Non-Institutional Applicants and QIBs):**
The bid must be for a minimum of such number of Equity Shares that the bid Amount does not exceeds ₹ 10,00,000 and bid size of more than 2 lots and in multiples of Equity Shares thereafter. A bid cannot be submitted for more than the Net Issue Size. However, the maximum bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, Non-Institutional Investors and QIBs cannot withdraw their bids and are required to pay 100% Margin upon submission of bid. In case of revision in Bids, the Non-Institutional Investors and QIBs have to ensure that they cannot revise their Bids downwards.

In case of upward revision in bids, the Non-Institutional Applicants, who are individuals, have to ensure that the bid Amount is more than ₹ 2,00,000 with more than 2 lots for being considered for allocation in the Non-Institutional Portion.

Bidders were advised to ensure that any single Application from them 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 Red Herring Prospectus.

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 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

The Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the Book Running Lead Manager (**"BRLM"**) and be published in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office of our Company is situated at least two Working Days prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

a) The Bid/Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be published in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office of our Company is situated and also by indicating the change on the websites 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 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.

c) 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 Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) 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 Issue. 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".***

e) Except in relation to the Bids received from the Anchor Investors, 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.

f) 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.

g) Along with the Bid cum Application Form, Anchor Investors had made payment in the manner described in "***Payment into Escrow Account for Anchor Investors***" in the section ***"Issue Procedure"*** beginning on page 314 of the Red Herring Prospectus.

h) 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.

i) 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.

j) 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.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue 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 Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT LEVELS AND REVISION OF BIDS

1. 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/ Issue 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.

2. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

3. The Bidders can Bid at any price within the Price Band. Placing bids on cut -off price shall not be applicable to any category of bidding.

4. The price of the specified securities issue to an Anchor Investor shall not be lower than the price offered to other applicants.

5. Downward modifications and cancellations shall not be applicable to any of the category of bidding.

PARTICIPATION BY ASSOCIATES /AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion 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.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

OPTION TO SUBSCRIBE IN THE ISSUE

1. 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.

2. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

3. 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

- Our Company and the Book Running Lead Manager have declared the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation at the place where the registered office of our Company is situated. This advertisement was in prescribed format.

- Our Company has filed the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date or such time as may be prescribed under the applicable laws.

- Copies of the Bid Cum Application Form along with Abridge Red Herring Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

- Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.

- Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

- 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.

- 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.

- 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.

- 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 Issue will be made into the accounts of such Bidders.

- 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 ANCHOR INVESTORS

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue 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 ₹ 200.00 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 ₹ 200.00 lakhs
3) 33.33 % for domestic mutual funds; and 6.67 % for life insurance companies and pension funds. Any under-subscription in the reserved category specified here may be allocated to domestic mutual funds.
4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue 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:

a) where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
b) where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but upto ₹ 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor; and
c) where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs:(i) minimum of 5 (five) and maximum

of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor

6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue 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/Issue 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 Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue 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 Issue 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 terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall 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 by SEBI.
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 Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S

Eligible NRIs could obtain copies of ASBA Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange were considered for Allotment. Eligible NRIs Bidding on a repatriation basis were required to authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their NRE Accounts, or Foreign Currency Non-Resident (**"FCNR"**) accounts and Eligible NRIs Bidding on a non-repatriation basis were required to authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their NRO Accounts for the full Bid amount, at the time of submission of the ASBA Form. NRIs applying in the Issue through the UPI Mechanism were advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRI(s) in the Issue was subjected to the FEMA Rules. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs were permitted to apply in the Issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs could use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE / NRO Accounts.

Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour).

By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

For details of restrictions on investment by NRIs, see the section titled **"*Restrictions on Foreign Ownership of Indian Securities*"** on page 329.

BIDS BY FOREIGN PORTFOLIO INVESTORS

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below

10% of our post-Issue Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be reclassified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM, reserved the right to reject any Bid without assigning any reason. FPIs who wished to participate in the Issue were advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) Such offshore derivative instruments are issued only by persons registered as Category I FPIs;
(b) Such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
(c) Such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
(d) Such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs were not treated as multiple Bids:

a) FPIs which utilised the multi-investment manager structure;
b) Offshore derivative instruments which obtained separate FPI registration for ODI and proprietary derivative investments;
c) Sub funds or separate class of investors with segregated portfolio who obtained separate FPI registration;
d) FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund had multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
e) Multiple branches in different jurisdictions of foreign bank registered as FPIs;
f) Government and Government related investors registered as Category 1 FPIs; and
g) Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Form that the relevant FPIs making multiple Bids utilized any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids were rejected.

Participation of FPIs in the Issue was subject to the FEMA Rules.

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation 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.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission. Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

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.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund I and II or foreign venture capital investor.

BIDS BY HUFS

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum 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"***. Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial information on a standalone basis and a net worth certificate from its statutory auditor(s) and such other approval as may be required by SI-NBFC, were required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserved the right to reject any Bid, without assigning any reason thereof. NBFCSI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time. The investment limit for NBFC-SI shall be as prescribed by RBI from time to time.

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 reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- equity shares of a company: the least of 10% of the investee company's subscribed capital (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;
- 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
- the industry sector in which the investee company belong to: 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 (1), (2) and (3) 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 ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies 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 reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

1. With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
2. With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
3. With respect to Bids made by 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 a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
4. With respect to 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
5. 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 such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY

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 which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**") and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' 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 if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed) and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

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 Industrial Regulations and Policies***" beginning on page 191 of this Red Herring Prospectus.

BIDS BY SCSB'S

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

IN CASE OF RESERVED CATERGORY:

BIDS BY EMPLOYEES

In case of Employee Category, minimum 2 lots (with minimum application size of above 2 Lakhs) and in multiple thereof not exceeding ₹ Five (5) Lakhs

BIDS BY SHAREHOLDER AND POLICYHOLDER CATEGORY

In case of Shareholder and Policyholder Categories, minimum 2 lots (with minimum application size of above 2 Lakhs)

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

ISSUE 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 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 Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

PAYMENT MECHANISM

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account.

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 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, Individual Investors applying in public Issue 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. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a. In case of resident Anchor Investors: - "M/s. ASHUTOSH FIBRE LIMITED-ANCHOR A/C R"
"

b. In case of Non-Resident Anchor Investors: - "M/s. ASHUTOSH FIBRE LIMITED-ANCHOR A/C NR"

Bidders 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 Issue 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 4.00 p.m. of the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,

- the applications accepted by them,
- the applications uploaded by them
- the applications accepted but not uploaded by them or

- 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 Issue, 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 Intermediariesor
(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 Issue. This facility will available at the terminals of Designated Intermediariesand their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediariescan 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 Issue 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
a)	Symbol
b)	Intermediary Code
c)	Location Code
d)	Application No.
e)	Category
f)	PAN
g)	DP ID
h)	Client ID
i)	Quantity
j)	Amount

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:

a) Name of Bidder:
b) IPO Name
c) Bid Cum Application Form Number;
d) Investor Category;
e) PAN (of First Bidder, if more than one Bidder);
f) DP ID of the demat account of the Bidder;
g) Client Identification Number of the demat account of the Bidder;
h) Number of Equity Shares Applied for;
i) Bank Account details;
j) Locations of the Banker to the Issue or Designated Branch, as applicable and bank code of the SCSB branch where the ASBA Account is maintained; and
k) 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 was mentioned in the 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 Promoter, 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 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 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue 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/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

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/ Issue 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/ Issue Period.

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%
1000	23	1500	50.00%
1500	22	3000	100.00%
2000	21	5000	166.67%
2500	20	7500	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 are valid Bids and are considered for allocation in the respective categories.

WITHDRAWAL OF BIDS

There can be no downward modifications and cancellations to any of the category of bidding.

PRICE DISCOVERY AND ALLOCATION

1. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.

2. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

3. Under-subscription in any category (except QIB Portion) 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 Portionis not available for subscription to other categories.

4. In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

5. In case if the Individual Investor is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

6. 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.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF RED HERRING PROSPECTUS WITH ROC

1) Our company has entered into an Underwriting Agreement dated August 18, 2026.

2) A copy of Red Herring Prospectus will be filed with the ROC and copy of Prospectus will be filed with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

PUBLIC ANNOUNCEMENT AFTER FILING DRAFT RED HERRING PROSPECTUS

As per Section 30 of the Companies Act 2013, our Company, within two working days of filing the Draft Red Herring Prospectus with the Designated Stock Exchange, made a public announcement in the form prescribed under Regulations 247 of the SEBI ICDR Regulations in English all editions of Financial Express, and all editions of Jansatta and Ahmedabad edition of Financial Express (Gujarati), a regional language newspaper , where the registered office of the issuer is situated, disclosing the fact of filing of the Draft Red Herring Prospectus with the Designated Stock Exchange and inviting the public to provide their comments to the Designated Stock Exchange, the Issuer or the Book Running Lead Manager in respect of the disclosures made in the Draft Red Herring Prospectus.

PRE-ISSUE AND PRICE BAND ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue and price band advertisement at least two working days before the opening of the issue, in the form prescribed by the SEBI Regulations, in (i) one English National Newspaper; (ii) one Hindi National Newspaper and (iii) one Regional Newspaper each with wide circulation where the registered office of our Company is situated. In the pre-Issue and price band advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 and 264 of SEBI ICRD Regulations. This 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.

ADVERTISEMENT REGARDING ISSUE PRICE AND RED HERRING PROSPECTUS

Our Company will issue a statutory advertisement after the filing the Red Herring Prospectus/Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of the Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Please note that none of the categories are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Only upward revision can be made by Individual Investor in their Bids during the Bid/Issue period.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

i. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
ii. Ensure that you have Bid within the Price Band;
iii. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
iv. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
v. Ensure that you have mentioned the correct ASBA Account number if you are not an Individual Bidder (who applies for minimum application size) bidding using the UPI Mechanism in the Bid cum Application Form and if you are an Individual Bidder (who applies for minimum application size) 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;
vi. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
vii. If the first applicant is not the 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;
viii. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
ix. QIBs, Non-Institutional Bidders and the Individual Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, Individual Investor may submit their bid by using UPI mechanism for payment.
x. 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;
xi. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
xii. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by Individual Investor using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
xiii. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
xiv. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) 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;
xv. Ensure that the Demographic Details are updated, true and correct in all respects;
xvi. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
xvii. 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;
xviii. Ensure that the category and the investor status is indicated;
xix. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
xx. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
xxi. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
xxii. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
xxiii. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
xxiv. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
xxv. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
xxvi. 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 via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

xxvii. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

xxviii. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

i. Do not Bid for lower than the minimum Bid size;
ii. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
iii. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
iv. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
v. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
vi. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
vii. Do not Bid at Cut-off Price (for Bids by any category);
viii. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
ix. Do not Bid for a Bid Amount exceed ₹ 2 Lakhs (for Applications by Individual Bidders);
x. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and /or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
xi. Do not submit the General Index Register number instead of the PAN;
xii. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
xiii. 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 Applicant;
xiv. 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;
xv. 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);
xvi. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.
xvii. 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-Issue or post-Issue 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 refer the section entitled **"*General Information*"** and **"*Our Management*"** beginning on pages 57 and 212 of this Red Herring Prospectus, 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 refer the section titled **"*General Information*"** beginning on page 57 of this Red Herring Prospectus.

OTHER INSTRUCTIONS FOR THE BIDDERS

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

- During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- Placing bids on Cut-off price shall not be applicable/available to any of the category of bidding.
- For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the RHP.

GROUNDS OF TECHNICAL REJECTIONS

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. 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. Applications with PAN having the fourth character as **"P"** or **"H"** bidding in a category other than Individual (IND) and Shareholder (SHA) categories.
6. Applications with PAN having the fourth character as **"P"** bidding in a category other than Policyholder (POL) and Employee (EMP) categories. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
7. GIR number furnished instead of PAN;
8. Bid for lower number of Equity Shares than specified for that category of investors;
9. Bids at Cut-off Price by any category;
10. Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
11. 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;
12. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
13. Category not ticked;
14. Multiple Bids as defined in the RHP;
15. In case of Applications where the DP ID/Client ID or PAN mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the DP ID/Client ID or PAN available in the database of Depositories, i.e., Applications with DP ID/Client ID or Pan mismatch status.
16. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
17. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
18. Signature of sole Bidder is missing;
19. 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 RHP and as per the instructions in the RHP and the Bid cum Application Forms;
20. 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;
21. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
22. Bid by OCBs;
23. Bids by US persons other than in reliance on Regulation(s) or **"qualified institutional buyers"** as defined in Rule 144A under the Securities Act;
24. 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;
25. Bids not uploaded on the terminals of the Stock Exchanges;
26. Where no confirmation is received from SCSB for blocking of funds;
27. 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;
28. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
29. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;

30. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
31. 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
32. Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

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 Bid/ Issue 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/ Issue 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 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.

BASIS OF ALLOCATION

1. The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

2. Under-subscription in any category (except QIB Portion) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Portionis not available for subscription to other categories.

3. In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Individual Investors who applies for minimum application size, Non-Institutional Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. 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 Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

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 UPI 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 / Final Certificate 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"**).
- DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees: -

- 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 drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5^{th} application in each of the lot of the category and these applications 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 allotees, partial allotees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts

BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Individual Investors who applies for minimum application size, Non-Institutional Investors and Anchor 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 and the remaining available shares, if any will be Allotted on a proportionate basis

FOR INDIVIDUAL BIDDERS

Bids received from the Individual Bidders at or above the Issue 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 Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue 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 Issue 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.

FOR NON-INSTITUTIONAL BIDDERS

Bids received from Non-Institutional Bidders at or above the Issue 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 Issue Price.

The Issue size less Allotment to QIBs and Individual Investor shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue 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 Issue 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.

FOR QIBS

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or Red Herring Prospectus. Bids received from QIBs Bidding in the QIB Portion (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Portion may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a. 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 Issue 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;

b. In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto 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, upto 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.

ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

1) 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:

- not more than 60% of the QIB Portion will be allocated to Anchor Investors
- 40 % of the anchor investor portion, within the limits specified as above shall be reserved as under:
    i. 33.33 % for domestic mutual funds; and
    ii. 6.67 % for life insurance companies and pension funds. Any under-subscription in the reserved category specified here may be allocated to domestic mutual funds.

- **allocation to Anchor Investors shall be on a discretionary basis and subject to:**

a) a 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

b) 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.

2) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

3) **In the event that the Issue Price is higher than the Anchor Investor Allocation Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

4) **In the event the Issue Price is lower than the Anchor Investor Allocation Price:** Anchor Investors who have been allotted Equity Shares will directly receive Allotment Advice.

5) **Allocation Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

BASIS OF ALLOTMENT FOR QIBS (OTHER THAN ANCHOR INVESTORS) AND NIBS IN CASE OF OVER SUBSCRIBED ISSUE

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Emerge Platform of National Stock Exchange of India Limited (**"NSE-Emerge").** The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- 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). 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).

- 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.

- 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.

- 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 issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in the RHP.

Individual Investor means an investor who applies for minimum bid size of 2 lots with minimum application size of above ₹ 2.00 Lakhs/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE-Emerge.

The Executive Director/ Managing Director of NSE-Emerge, the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue 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.

METHDOLODY ON ALLOTMENT AND ILLUSTRATION

Receipt & Validation of Bid data:

- Bid data is downloaded from the stock exchange(s) via SFTP and same is validated with depositories to check for Invalid demat accounts, Invalid client status and PAN Mismatch records
- Upon completion of the validation, the error records are marked with respective rejection criteria.

Collection of FCs and Schedule Data

- RTA will follow up with all SCSBs and collect the Final certificate confirming the total amount blocked and no. of applications along with schedule data comprising of detailed application wise details with number of shares applied and amount blocked.
- Reconciliation of bid data vs Bank schedule data will be completed, upon which applications without funds blocked, will be removed from application master.
- Once reconciliation of Final certificate with applications/ bids are completed, the final valid data with funds blocked will be taken for allotment process
- Technical rejection process as per the terms of letter of offer will be carried out thereafter and total valid applications will be identified for preparation of basis of allotment

Basis of allotment

- Basis of allotment will be prepared category wise, i.e., Market Maker who are applying with value more than ₹ 2 lakhs, Individual Investors who are applying for minimum bid size of 2 lots and minimum application size above ₹ 2.00 lakhs and High Networth Individual Investor who are applying with value more than ₹ 2.00 lakhs.
- The applications will be tagged as per above categories and considered for basis of allotment in respective category.
- The allocable shares for each category will as be mentioned in the RHP in the proportion of subscription amongst each category,
- Within each basis of allotment, the number of applications are pooled based on lot category and proportionate eligibility of allotment of shares for each category is calculated as per illustration of HNI basis as shown below:

Allotment Process:

The entire Basis of allotment is based on Reverse Application number so that the lottery system allotment is truly random and there is absolutely no scope of discretion. The basis will be submitted to stock exchange for their approval and draw of lucky numbers for the ratio. The lucky no's are shared by the Exchange as per the ratio arrived for each category. Once the lucky numbers are assigned, the applications forming part of that category will be taken separately and their application numbers will be reversed. For example, if the application no. is 12345678, after reversal it will become 87654321. After reversing the application numbers, they will be arranged in ascending order and will be assigned with numbers starting from 1 according to the ratio. For example, in the first category of 1000 lot, the 30 application numbers will be reversed and arranged in ascending order. They will be assigned numbers from 1 to 3 repeatedly in loop. If the lucky numbers chosen by stock exchange is 1 & 3 for this category, then those applications which were assigned with numbers 1 & 3 will be allottee applications and the applications assigned with number 2 will be non-allottee application. This Process gets repeated for all the categories where allotment needs to be done on lottery basis.

ISSUANCE OF ALLOTMENT ADVICE

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

(b) 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 issue.

(c) The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

(d) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the 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 Issue Account to Public Issue account of the issuer.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue 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 NSE-Emerge- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue 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.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non- Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

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 Issue on October 18, 2024.

b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on May 29, 2025.

c) The Company's Equity shares bear an ISIN- **INE19FR01012.**

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.

DESIGNATED DATE

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue 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 4 working days of the Bid/Issue 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 issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com and 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 Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of NSE-Emerge 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 Issue will obtain front the Depository the demographic details including address, Bidders 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 Issue.

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 Issue, 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 NSE-Emerge where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue 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 3 (Three) days of the Issue Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Issue 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.

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.

IMPERSONATION

Attention of the Bidders 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 for action under Section 447."

UNDERTAKINGS BY OUR COMPANY

We undertake as follows:

- That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;

- 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 six working days from Issue Closure date.

- 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;

- Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six 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;

- That our Promoter's contribution in full has already been brought in;

- That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;

- That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the

Basis of Allotment;

- 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 and price band advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

- 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;

- 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 ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

i. All monies received out of the Issue 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;

ii. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;

iii. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and;

iv. 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.

v. 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.

vi. 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.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

1. Tripartite Agreement dated October 18, 2024 between NSDL, the Company and the Registrar to the Issue;
2. Tripartite Agreement dated May 29, 2025 between CDSL, the Company and the Registrar to the Issue;
3. The Company’s equity shares bear an ISIN- **INE19FR01012.**

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 Foreign Exchange Management Act, 1999 (**"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 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 government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (**"RBI"**) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**"DIPP"**).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the **"FDI Policy"**), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

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 foreign direct investment 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.

Up to 100% foreign investment under the automatic route is currently permitted in our Industry.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, 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 (**"Restricted Investors"**), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% 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 FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as **"Capital Instruments"**) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, 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 issued 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.

Further, no issue to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the **"Red Herring Prospectus Directive"**) has been or will be made in respect of the issue in any member State of the European Economic Area which has implemented the Red Herring Prospectus Directive except for any such issue made under exemptions available under the Red Herring Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a Red Herring Prospectus pursuant to the Red Herring Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

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 Application 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 Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION XI – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act and the SEBI (ICDR) Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

The following regulations comprised in the Articles of Association were adopted pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on July 29, 2024. In substitution for and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

Except otherwise mentioned in this Red herring prospectus no material clause of Article of Association have been left out from disclosure having bearing on the IPO/disclosure.

ARTICLES OF ASSOCIATION

I. INTERPRETATION

(1) In these regulations—
(a) "the Act" means the Companies Act, 2013,
(b) "the seal" means the common seal of the company.
(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

II. SHARE CAPITAL AND VARIATION OF RIGHTS

1.Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. That option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.
2.

i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided
(a) one certificate for all his shares without payment of any charges or
(b) several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first.
ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3.
i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5.
i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.
ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6.
i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48 and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
ii. To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. 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 share ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

NEW CAPITAL SAME AS ORIGINAL CAPITAL

9. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

FURTHER ISSUE OF SHARES

10.
(1) Where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered -
(a) to persons who at the date of the offer are holders of equity shares of the company in proportion, as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
(i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
(ii) unless the articles of the company otherwise provide, 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 clause (i) shall contain a statement of this right;
(iii) after the 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 of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;
(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be determined by central government; or
(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), 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 determined by central government.
(2) The notice referred to in sub-clause (i) of clause (1) (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
(3) Nothing in this section shall apply to the increase of the subscribed capital of a 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.
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 general meeting.
(4) The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

SWEAT EQUITY

11. Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE

12. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any.

DEMATERIALIZATION OF SECURITIES

13. Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

14. LIEN

15. (i) The company shall have a first and paramount lien—
a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
c) Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.
(ii) The company's lien, if any, on a share shall extend to all dividend payable and bonuses declared from time to time in respect of such shares.
(iii) Every fully paid share shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

16. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
Provided that no sale shall be made—
a) unless a sum in respect of which the lien exists is presently payable; or
b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

17.
i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

18.
i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

19. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call
(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
(iii) A call may be revoked or postponed at the discretion of the Board.

20. 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.

21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

22.
(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

23.
(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

24. The Board—

(i) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
(ii) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

25.
(i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
(ii) The 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 registration thereof. The Company shall use a common form for transfer
(iii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

26. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(b) any transfer of shares on which the company has a lien.

27. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
(c) the instrument of transfer is in respect of only one class of shares.
Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the issuer on any accounts whatsoever.

28. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

29.
(i) On the death of a member, the survivor or survivors where the member was a joint holder and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

30.
(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
(a) to be registered himself as holder of the share; or
(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

31.

(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

32. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

FORFEITURE OF SHARE

33. (i) If a member fails to pay any call, or installment 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 installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
(ii) There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law:

34. The notice aforesaid shall—
(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

36.
(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

37.
(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

38.
(i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
(iii) The transferee shall thereupon be registered as the holder of the share; and
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

39. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

40. The company may, from time to time, by increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution and as per the companies Act, 2013.

41. Subject to the provisions of section 61, the company may, by ordinary resolution, —

(a) Consolidate, Sub-division, split and divide all or any of its share capital into shares of larger amount than its existing shares;
(b) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination;
(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

42. Where shares are converted into stock, —
(a) the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

43. The company may, by special resolution, reduce in any manner and with and subject to, any incident authorised and consent required by law, —
(a) its share capital;
(b) any capital redemption reserve account; or
(c) any share premium account.

CAPITALIZTION OF PROFIT

44. The company in general meeting may, upon the recommendation of the Board, resolve—
a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
(c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

45. Whenever such a resolution as aforesaid shall have been passed, the Board shall—
(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any; and
(b) Generally, do all acts and things required to give effect thereto.

(ii) The Board shall have power—
(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

46. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETING

47. All general meetings other than annual general meeting shall be called extraordinary general meeting.

48.
(i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

49.
(i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

50. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

51. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

52. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETINGS

53.
(i) The Chairperson may, with the consent of any meeting at which a quorum is present and shall, if so, directed by the meeting, adjourn the meeting from time to time and from place to place.
(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
(iv) Save as aforesaid and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

54. Subject to any rights or restrictions for the time being attached to any class or classes of shares, —
(a) on a show of hands, every member present in person shall have one vote; and
(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

55. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

56.
(i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

57. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.

58. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

59. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

60. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

61. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

62. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

63. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

64. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
The following shall be the first directors of the company and shall hold the office unless they resign or otherwise
1. Sanjay Birjkishor Agarwal
2. Khimrajji Ganeshmal Balar
2. Ushadevi Jadishchadra Agarwal

65.
(i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
b) in connection with the business of the company.

66. The Board may pay all expenses incurred in getting up and registering the company.

67. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.

68. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

69. 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.

70.
(i) Subject to the provisions of section 149, the Board shall have power at any time and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Nominee Directors and Casual Vacancy of Directors

71.

(I) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys shall be owing by the Company to the any financial institutions, corporations, banks or such other financing entities, or so long as any of the aforesaid banks, financial institutions or such other financing entities hold any shares/debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid financial institutions or such other financing entities in respect of any financial obligation or commitment of the Company remains outstanding, then in that event any of the said financial institutions or such other financing entities shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) on the Board of Director as their nominee on the Board of Company. The aforesaid financial institutions or such other financing entities may at any time and from time to time remove the Nominee Director appointed by it and may in the event of such removal and also in case of the Nominee Director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant corporation and shall be delivered to the Company and the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings and meetings of the Committee of which he is a member and he and the financial institutions or such other financing entities appointing him shall also be entitled to receive notice of all such meetings.

(II) 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, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:
Provided that 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.
A Director need not hold any qualification shares.

Board May Appoint Chairman, Co-Chairman and Vice Chairman

72. The Board may elect a Chairman, a Co-Chairman and a Vice Chairman of their Meetings and of the Company and determine the period for which he is to hold office. The Chairman or in his absence the Co- Chairman or the Vice Chairman shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary, or if there be no such Chairman or Co-Chairman or Vice Chairman of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairman of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the Meeting

Proceedings of the Board

73.
(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
(ii) A director may and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

74.
(i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

75. 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.

76.
(i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
77.
(i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

78.
(i) A committee may elect a chairperson of its meetings.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

79.

(i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairperson shall have a second or casting vote.

80. 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.

81. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

POWERS AND DUTIES OF DIRECTORS

82. The following powers shall be exercised by the Board or any Committee of the Board, or otherwise by the Company as may be so required:

a) To make calls on shareholders in respect of moneys unpaid on shares held by them.

b) To increase or reduce the Company's capital.

c) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares

d) convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination

e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled

f) To issue and allot new shares.

g) To make any Rights Issue of shares.

h) To adopt any resolution to alter the Memorandum and Articles of Association.

i) To invest or to join any company to invest in any other company.

j) To Issue Debentures.

k) To undertake or permit any merger, consolidation or reorganisation of the Company.

I) To decide on the declaration of dividends and appropriation of profits according to provisions of Section 51 of the Companies Act, 2013.

m) Subject to the provisions of Section 186 of the Companies Act 2013, to give to make any loan to any person or other body corporate or give guarantee or provide security in connection with a loan made by any other person to or to any other person by anybody corporate.

83. The business of the Company shall be managed by the Board of Directors who may pay all such expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit and may exercise all such power of the Company and do on behalf of the Company all such acts as may be exercised or done by the Company in general meeting and are not barred by statute or by these Articles and are required to be exercised or done by the Company in General Meeting, subject nevertheless to any regulations of the Articles, to the provisions of the statute and to such regulations not being inconsistent with aforesaid regulations or provisions as may be prescribed by the Company in general meeting but no regulation made by the Company general meeting shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made.

BORROWING POWERS

84. Subject to section 73-76A and 179 of the Companies Act 2013 and Regulations made thereunder and Directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member companies or banks or they may themselves advance money to the company on such interest or no interest as may be approved by the Directors, without security or on security.

85. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

86. Any debenture, bonds, or other securities may be issued at premium or otherwise and with special privileges as to redemption, surrender, drawing and allotment of shares of the Company and otherwise.

OPERATION OF BANK ACCOUNTS

87. The Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundis and bills or may authorise any other person or persons to exercise such powers.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

88. Subject to the provisions of the Act, —

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

(iii) An individual may be appointed or re-appointed as the chairperson of the company, as well as the managing director or chief executive officer of the company at the same time

89.A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

90. The requirement of the common seal of the company is not applicable as per the section 9 of the companies Act, 2013.

DIVIDENDS AND RESERVE

91. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

92. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

93. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

94.

(i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

95.

(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

96. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

97.

(i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

98. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

99. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

100. No dividend shall bear interest against the company.

ACCOUNTS & AUDIT

101.

(ii) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(iii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

APPOINTMENT OF ATTORNEY/AGENT OF THE COMPANY

102.

i. The Board from time to time to provide for the management transaction of the affairs of the Company outside the Registered Office or in any specified locality in India or outside India, in such manner as they think fit and in particular to appoint any person to be the Attorneys or agents of the Company with such powers, authorities and discretions (including power to sub-delegate) but not exceeding those vested in or exercisable by the Directors and also not the power to make calls or issue debentures and for such period and upon such terms and subject to such conditions as the Directors may think fit and at any time to remove any person so appointed or withdraw or vary any such powers as may be thought fit.

ii. Subject to and in terms of Section 179 of the Companies Act, 2013 to delegate all or any of the powers, authorities and discretions for the time being vested in the Directors, subject to the ultimate control and authority being retained by them.

WINDING UP

103. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

104. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION XII – OTHER INFORMATION

MATERIAL CONTRACT AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder may be inspected at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at https://www.ashutoshfibre.com and will be available for inspection from date of the Red Herring Prospectus until the Bid/Issue Closing Date (except for such agreements executed after the Bid/Issue Closing Date).

MATERIAL CONTRACTS

1. Issue Agreement dated September 29, 2025 between our Company and the Book Running Lead Manager.

2. Registrar Agreement dated September 29, 2025 between our Company and the Registrar to the Issue.

3. Market Making Agreement dated August 18, 2026 between our Company and the Book Running Lead Manager and Market Maker.

4. Underwriting Agreement dated August 18, 2026 between our Company and Book Running Lead Manager and the Underwriters.

5. Cash Escrow and Sponsor Bank Agreement dated July 29, 2026 between our Company, Book Running Lead Manager, Public Issue Bank/Refund Bank/Sponsor Bank and the Registrar to the Issue.

6. Tripartite agreement dated May 29, 2025 between the CDSL, our Company and the Registrar to the Issue.

7. Tripartite agreement dated October 18, 2024 between the NSDL, our Company and the Registrar to the Issue.

8. Monitoring Agency Agreement dated July 27, 2026 between our Company and the Monitoring Agency

MATERIAL DOCUMENTS

- Certified true copies of the Memorandum and Articles of Association of our Company, as amended until date.

- Certificate of Incorporation dated May 21, 1985 issued under the name Ashutosh Fibre Private Limited, issued at Ahmedabad by Registrar of Companies, Gujarat.

- Fresh Certificate of Incorporation dated April 21, 2025, issued by Registrar of Companies, Central Processing Centre, consequent to change of name of the company from “Ashutosh Fibre Private Limited” to “Ashutosh Fibre Limited” pursuant to the conversion of our Company into a Public Limited Company.

- Copy of the Board Resolution dated September 16, 2025 authorizing the Issue and other related matters.

- Copy of Shareholder’s Resolution passed at the extra-ordinary general meeting dated September 17, 2025 authorizing the Issue and other related matters.

- Examination report for Restated Financial Statements dated July 29, 2026, from our Statutory Auditors included in this Red Herring Prospectus.

- The Statement of Possible Tax Benefits dated August 01, 2026, from our Statutory Auditors included in this Red Herring Prospectus.

- Copy of Restated Financial Statements of the Company for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024.

- Copies of annual reports of the Company for the last three financial years.

- Written consent dated August 01,2026 from our Statutory Auditor, namely, M/s Shah & Patel, Chartered Accountants to include their names as required under section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in in respect of their (a) examination report dated July 29, 2026 on the Restated Financial Statements; (b) report dated August 1, 2026 on the statement of special tax benefits; and (c) the certificates issued by them in relation to this Issue, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

- Our Company has received written consent dated July 28, 2026, from the Practicing Company Secretary, namely, Vivek Vakharia, (Proprietor of M/s Vivek J. Vakharia & Associates having the membership number 11851, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

- Our Company has received written consent dated July 28, 2026 from B.P. Oza & Associates (Chartered Engineer Registration No: M-131433-5), Independent Chartered Engineer to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and his capacity as independent chartered engineer in respect of details in relation to capacity and capacity utilization of manufacturing units of our Company and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

- Consents of our Directors, Promoter, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management, Banker(s) to the Company, Monitoring Agency, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Underwriters and Market Maker to act in their respective capacities.

- Consent letter dated July 29, 2026 from Dun & Bradstreet Information Services India Private Limited, for industry report on Industry Report on Indian Technical Textile Yarns.

- Industry report titled "Industry Report on Indian Technical Textile Yarns" dated July 28, 2026 prepared by Dun & Bradstreet Information Services India Private Limited and commissioned and paid for by our Company, available on our Company's website at https://www.ashutoshfibre.com/investor.html.

- Certificate on KPI's issued by the Statutory Auditor M/s Shah & Patel, Chartered Accountants, by way of their certificate dated August 24, 2026.

- PCS ROC Report dated August 24, 2026 issued by M/s Vivek J. Vakharia & Associates.

- Resolution dated August 24, 2026 passed by the Audit Committee approving the KPIs for disclosure.

- Board Resolution dated September 29, 2025, for approval of Draft Red Herring Prospectus, dated August 24, 2026 for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.

- Site visit report dated September 17, 2025 prepared by the Book Running Lead Manager.

- Due Diligence Certificate addressed to NSE dated September 29, 2025 by the Book Running Lead Manager.

- Letter to RoC dated September 26, 2025 for intimation of inadvertent errors identified in statutory filings with RoC for Ashutosh Fibre Limited.

- In principle Approval from NSE vide letter dated December 23, 2025 to use the name of NSE for listing of Equity Shares on the Emerge Platform of National Stock Exchange of India Limited.

Any of the contracts or documents mentioned in this 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 the consent of shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India and the rules, guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued there under, as the case may be. I further certify that all statements, disclosures or undertakings made in this Red Herring Prospectus are true and correct.

SIGNED BY THE MANAGING DIRECTOR AND CHAIRMAN OF OUR COMPANY

Sd/-
Siddharth Prakash Patel
Chairman and Managing Director
DIN: 01477471

Date: August 24, 2026
Place: Ahmedabad

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. I further certify that all statements and disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY THE WHOLE TIME DIRECTOR OF OUR COMPANY

Sd/-
Abhishek Rajendrakumar Agarwal
Whole Time Director
DIN: 01567158

Date: August 24, 2026
Place: Ahmedabad

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. I further certify that all statements and disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-
Piyush Ravishanker Bhatt
Independent Director
DIN: 10143807

Date: August 24, 2026
Place: Ahmedabad

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. I further certify that all statements and disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-
Dhwani Lalitbhai Nagar
Independent Director
DIN: 10874632

Date: August 24, 2026
Place: Ahmedabad

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. I further certify that all statements and disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Sd/-
Jayshree Vikram Patel
Independent Director
DIN: 10940066

Date: August 24, 2026
Place: Ahmedabad

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. I further certify that all statements and disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY

Sd/-
Sonal Bankim Bhansali
Company Secretary and Compliance Officer

Date: August 24, 2026
Place: Ahmedabad

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. I further certify that all statements and disclosures made in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-
Alpesh Rameshchandra Bhavsar
Chief Financial Officer

Date: August 24, 2026
Place: Ahmedabad