DRAFT RED HERRING PROSPECTUS
Dated: December 11, 2025
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Issue

(Please scan this QR Code to view the DRHP)

SONASELECTION INDIA LIMITED

Corporate Identity Number: U17299RJ2022PLC079631

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
18th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara- 311025, Rajasthan, India	**Harish Sharma** *Company Secretary and Compliance Officer*	**Email:** cs@sonaselection.com **Telephone:** +91 8386090831	www.sonaselection.com

THE PROMOTERS OF OUR COMPANY

HARSHIL NUWAL, SUBHASH CHANDRA NUWAL, UMA NUWAL, DEEPANK BHANDARI AND SONA POLYSPIN PRIVATE LIMITED

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE*	ELIGIBILITY AND RESERVATION
Fresh Issue	Fresh issue of up to 14,300,000* Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] million	NIL	Up to 14,300,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] million	The Issue is being made in accordance with Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”). For further details, see “*Other Regulatory and Statutory Disclosures – Eligibility for the Issue*” on page 488. For details of share reservation among Qualified Institutional Buyers (“**QIBs**”), Non-Institutional Bidders (“**NIBs**”) and Retail Individual Bidders (“**RIBs**”), see “*Issue Structure*” on page 514.

DETAILS OF THE OFFER FOR SALE

NOT APPLICABLE

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for our Equity Shares. The face value of each Equity Share is ₹ 10/- each. The Floor Price, Cap Price and Issue Price (determined by our Company, in consultation with the Book Running Lead Manager), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process in accordance with the SEBI ICDR Regulations, as stated in “*Basis for Issue Price*” beginning on page 153, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, Investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have neither been recommended, nor approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Investors is invited to “*Risk Factors*” beginning on page 44.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares that will be issued through the Red Herring Prospectus are proposed to be listed on the BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**” and together with BSE, the **“Stock Exchanges”)**. For the purposes of the Issue, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

Name and Logo of the Book Running Lead Manager	Contact Person	E-mail and Telephone
Choice Capital Advisors Private Limited	**Nimisha Joshi/ Nishant Baghmar**	**E-mail:** ssil.ipo@choiceindia.com **Tel:** +91-022-6707 9999 (7919)

REGISTRAR TO THE ISSUE

Name of the Registrar	Contact Person	E-mail and Telephone
Kfin Technologies Limited	**M Murali Krishna**	**E-mail:** sona.ipo@kfintech.com **Tel:** +91 40 6716 2222

BID/ ISSUE PERIOD

ANCHOR INVESTOR BID/ ISSUE DATE#	[●]#	BID/ ISSUE OPENS ON	[●]	BID/ ISSUE CLOSES ON**	[●]^

#Our Company may in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.
***Our Company may in consultation with the Book Running Lead Manager, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.*
^ The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

DRAFT RED HERRING PROSPECTUS
Dated: December 11,, 2025
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Issue

SONASELECTION INDIA LIMITED

Our Company was incorporated as "Sonaselection India Limited" at Bhilwara, Rajasthan, as a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated February 11, 2022, issued by Registrar of Companies, Central Registration Centre. For details of changes in the name and registered office address of our Company, see '*History and Certain Corporate Matters*' beginning on page 304.

Registered Office: 18th KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara – 311025, Rajasthan, India.
Telephone: +91 – 8386090831 **Contact person:** Harish Sharma, Company Secretary and Compliance Officer
E-mail: cs@sonaselection.com ; **Website:** www.sonaselection.com
Corporate Identity Number: U17299RJ2022PLC079631

THE PROMOTERS OF OUR COMPANY

HARSHIL NUWAL, SUBHASH CHANDRA NUWAL, UMA NUWAL, DEEPANK BHANDARI AND SONA POLYSPIN PRIVATE LIMITED

INITIAL PUBLIC OFFER OF UP TO 14,300,000* EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF SONASELECTION INDIA LIMITED ("OUR COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "ISSUE PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "ISSUE"). THE ISSUE WILL CONSTITUTE [●]% OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10/- EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. 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 IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE OF RAJASTHAN WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE AND NSE (THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

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 10 Working Days. In cases of force majeure, banking strike or similar unforeseen 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 one Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("**SCSBs**"), other Designated Intermediaries and the Sponsor Banks, as applicable.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (**"SCRR"**) read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"), 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 ("**Anchor Investor Portion**"), of which 40% shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the remaining QIB Portion ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Issue Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIB bidders (other than Anchor Investors) including Mutual Funds subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. One-third of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹1.00 million provided that under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Non-Institutional 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. All potential Bidders (except Anchor Investors) are mandatorily required to participate in the Issue through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the 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 519.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for Equity Shares. The face value of each Equity Share is ₹ 10/- each. The Floor Price, Cap Price and Issue Price (determined by our Company, in consultation with the Book Running Lead Manager), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process in accordance with the SEBI ICDR Regulations, as stated in "*Basis for Issue Price*" beginning on page 153 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, Investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have neither been recommended, nor approved by the Securities and Exchange Board of India (**"SEBI"**), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Investors is invited to "*Risk Factors*" beginning on page 44.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares that will be issued through the Red Herring Prospectus are proposed to be listed on the BSE Limited (**"BSE"**) and National Stock Exchange of India Limited (**"NSE"**, and together with BSE, the **"Stock Exchanges"**). For the purposes of the Issue, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
Choice Capital Advisors Private Limited Sunil Patodia Tower, Plot No. 156-158 J B Nagar, Andheri (East) – 400099, Mumbai, Maharashtra **Tel:** +91-022-6707 9999 (7919) **E-mail:** ssil.ipo@choiceindia.com **Investor grievance email:** investorgrievances_advisors@choiceindia.com **Website:** www.choiceindia.com/merchant-investment-banking **Contact Person:** Nimisha Joshi/ Nishant Baghmar **SEBI Registration No.:** INM000011872	**Kfin Technologies Limited** 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai– 400070, Maharashtra. **Tel**: +91 40 6716 2222 **E-mail**: sona.ipo@kfintech.com **Investor grievance e-mail**: einward.ris@kfintech.com **Website**: www.kfintech.com **Contact Person**: M Murali Krishna **SEBI Registration No.**: INR000000221

BID/ ISSUE PROGRAMME

ANCHOR INVESTOR BID / ISSUE DATE#:	[●] #	BID / ISSUE OPENS ON:	[●]	BID / ISSUE CLOSES ON**:	[●]^

* *Subject to finalisation of basis of allotment*
\# *Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.*
** *Our Company may, in consultation with the Book Running Lead Manager, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.*
^ *The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, the terms used in chapters titled "Basis for Issue Price", "Statement of Possible Special Tax Benefits" "Industry Overview", "Our Business" "Key Industry Regulations and Policies", "History and Certain Corporate Matters", "Restated Financial Information", "Financial Indebtedness", "Outstanding Litigations and Material Developments", "Other Regulatory and Statutory Disclosures" and "Description of Equity Shares and Terms of the Articles of Association" beginning on pages 153, 167, 172, 261, 291, 304, 351, 421, 472, 487 *and* 552 *respectively, shall have the meaning ascribed to them in the relevant section.*

Conventional or General Terms

Term	Description
"Our Company", "the Company" or "the Issuer"	Unless the context otherwise indicates or implies, refers to, Sonaselection India Limited, a public limited company duly incorporated under the provision of Companies Act, 2013 having its registered office at 18th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara – 311025, Rajasthan, India.
"You" or "Your" or "Yours"	Prospective investors in the Issue.
"we" or "us" or "our"	Unless otherwise indicated or the context otherwise indicates, requires or implies, references to "we" "our" or "us" refer to (1) for any period prior to July, 2025, is a reference to our Company, on a standalone basis, and (2) for any period on or after July, 2025, is a reference to our Company together with our Subsidiary, on a consolidated basis, as of and for the relevant years covered by the Restated Financial Information. Accordingly, unless stated otherwise, all financial and operational statistics for Three Months Period ended June 30, 2025 and on Fiscal 2025, Fiscal 2024, and Fiscal 2023 are presented on a standalone basis.

Company Related Terms

Term	Description
"Articles" or "Articles of	Articles of association of our Company, as amended from time to time.

Term	Description
Association" or "AoA"	
"Audit Committee"	The Audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Our Management-Committees of the Board – Audit Committee*" on page 323.
"Auditors" or "Statutory Auditors"	The statutory auditor of our Company, namely Pokharna Somani & Associates, Chartered Accountants. For details, see, "*General Information – Statutory Auditors to our Company*" on page 105.
"Bankers to the Company"	Bankers to the Company being State Bank of India. For details, see "*General Information – Bankers to the Company*" on page 106.
"Board" or "Board of Directors"	The board of directors of our Company, as constituted from time to time, including any duly constituted committees thereof. "*Our Management – Board of Directors*" on page 311.
"Chairman" or "Chairman and Non – Executive Director"	The Chairman and Non- Executive Director of our Company, Subhash Chandra Nuwal. For details, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 331.
"Chief Financial Officer" or "CFO"	Chief Financial Officer of our Company, Ramesh Chandra Vyas. For details, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 331.
"Company Secretary and Compliance Officer"	Company secretary and compliance officer of our Company, Harish Sharma. For details, see "*Our Management - Key Managerial Personnel and Senior Management*" on page 331.
"Committee(s)"	Duly constituted committee(s) of our Board.
"Corporate Identification Number" or "CIN"	Corporate Identification Number of our Company being U17299RJ2022PLC079631, unless otherwise specified.
"Corporate Social Responsibility Committee" or "CSR Committee"	The Corporate Social Responsibility Committee of our Board was constituted in accordance with the Companies Act. For details see "*Our Management - Committees of the Board – Corporate Social Responsibility Committee*" on page 330.
"Director(s)"	Directors on our Board, as appointed from time to time. For details see "*Our Management*" on page 311.
"Equity Shares"	The equity shares of our Company of face value of ₹ 10/- each, unless otherwise specified in the context thereof.
"Executive Director(s)"	Executive director(s) of our Company. For further details of the Executive Directors, see "*Our Management*" on page 311.
"Equity Shareholder(s)" or "Shareholder(s)"	Persons/ Entities holding Equity Shares of our Company from time to time.
"Executive Director (s)"	Executive directors of our Company. For details see Chapter titled "*Our Management – Board of Directors*" beginning on page 311.
"Exemption Application"	Application dated July 10, 2025 filed with SEBI under Regulation 300(1)(c) of the SEBI ICDR Regulations, requesting for relaxation of the strict enforcement of the provisions of the SEBI ICDR Regulations with respect to identifying and disclosing, Rajinder Singh Grover, Anju Singh and Arjun Singh Grover (relatives of Deepank Bhandari) and their related entities as a part of the Promoter Group of our Company in which the aforementioned individual holds 20% or more

Term	Description
	of the equity share capital, as members of Promoter Group, and from disclosing information and confirmations regarding, and from, such natural person(s) and entities, as required under the SEBI ICDR Regulations.
"Group Company"	Group Companies in terms of SEBI ICDR Regulations 'shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board of the issuer'. For details, refer chapter titled "*Group Companies*" on page 346.
"Independent Chartered Engineer" or "ICE"	The Independent Chartered Engineer being R.K. Maheshwari, Chartered Engineer.
"Independent Director(s)"	Independent directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "*Our Management – Board of Directors*" on page 311.
"Individual Promoter(s)"	Individual Promoters of our company being Harshil Nuwal, Subhash Chandra Nuwal, Uma Nuwal and Deepank Bhandari. For further details, see "*Our Promoters and Promoter Group*" beginning on page 335.
"ISIN"	International Securities Identification Number. The ISIN for equity shares in this case being INE0LLZ01011.
"IT Act"	The Income Tax Act 1961, as amended till date.
"Key Managerial Personnel(s)" or "Key Managerial Personnel(s)" or "KMP(s)"	Key management personnel of our Company in terms of SEBI ICDR Regulations and Companies Act, 2013. For details, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 331.
"Key Performance Indicators" or "KPIs"	Key financial and operational performance indicators of our Company, as detailed in the chapter "*Basis for Issue Price*" beginning on page 153.
"Materiality Policy"	The policy adopted by our Board pursuant to its resolution dated October 28, 2025 for identification of: (a) material outstanding litigations; (b) material creditors; and (c) identification of group companies, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
"MoA" or "Memorandum of Association" or "Memorandum"	Memorandum of Association of our Company, as amended.
"Managing Director"	The Managing Director of our Company, Harshil Nuwal. For details see chapter titled "*Our Management – Board of Directors*" on page 311.
"Manufacturing Facility"	The manufacturing facility of our Company located at 18th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara- 311025 Rajasthan, India.
"Nomination and Remuneration Committee"	Nomination and remuneration committee of our Board constituted in accordance with SEBI Listing Regulations and Companies Act. For

Term	Description
or "NRC"	details see "*Our Management – Committees of the Board – Nomination and Remuneration Committee*" on page 327.
"Non-Executive Directors"	Non-Executive and Non-Independent directors of our Board. For details see "*Our Management – Board of Directors*" beginning on page 311.
"Promoter" or "Promoters" or "Our Promoters"	The Promoters of our company, being Harshil Nuwal, Subhash Chandra Nuwal, Uma Nuwal, Deepank Bhandari and Sona Polyspin Private Limited. For details, see "*Our Promoters and Promoter Group*" beginning on page 335**.**
"Promoter Group" or "Members of the Promoter Group"	Such Persons and entities which constitute the promoter group of our Company pursuant to Regulation 2(1) (pp) of the SEBI ICDR Regulations. For further details, see "*Our Promoters and Promoter Group*" beginning on page 335.
"Registered and Corporate Office" or "Registered Office"	The registered and corporate office of our Company, situated at 18th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara – 311025 Rajasthan, India.
"Registrar of Companies" or "RoC"	Registrar of Companies, Jaipur at Rajasthan.
"Restated Financial Information"	Restated Financial Information of our Company included in this Draft Red Herring Prospectus comprising the Restated Financial Information of Assets and Liabilities of our Company and the Restated Information of Profit and Loss (including other comprehensive income), the Restated Information of Changes in Equity, the Restated Information of Cash Flow for the Three Months Period ended June 30, 2025 and Fiscal period ended on March 31, 2025, March 31, 2024 and March 31, 2023 along with the summary statement of significant accounting policies and other explanatory information prepared in accordance with the Companies Act, Ind AS and Guidance Note on Reports in Company Prospectus (Revised 2019) issued by ICAI, and restated in accordance with SEBI ICDR Regulations, included in the "*Restated Financial Information*" beginning on page 351.
"Senior Management" or "SMP" or "Senior Management Personnel"	Senior Management of our company in terms of Regulation 2 (1) (bbbb) of the SEBI ICDR Regulation, 2018, as identified in the "*Our Management – Key Managerial Personnel and Senior Management*" on page 331.
"Stakeholders' Relationship Committee"	Stakeholders Relationship Committee of our Board constituted in accordance with SEBI Listing Regulations and Companies Act. For details see "*Our Management – Committees of the Board – Stakeholders Relationship Committee*" on page 329.
"Subsidiary" or "our Subsidiary" or "Subsidiary"	Subsidiary of our Company as described in "*History and Certain Corporate Matters – Our Subsidiary Company*" on page 306.
"Whole-Time Director(s)"	Whole-time director(s) of our Company. For details see "*Our Management – Board of Directors*" beginning on page 311.

Issue Related Term

Term	Description
"Abridged Prospectus"	The abridged prospectus means a memorandum containing such silent features of prospectus as may be specified by the SEBI in this behalf.
"Acknowledgement Slip"	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
"Allocation" or "Allocation of Equity Shares"	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Bidders.
"Allot" or "Allotment" or "Allotted"	A successful Bidder otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Bidders.
"Allotment Advice"	Note or advice or intimation of Allotment, sent to the successful Bidders who have been or are to be Allotted the Equity Shares after approval of Basis of Allotment by Designated Stock Exchange.
"Allottee(s)"	A successful Bidder to whom the Equity Shares are Allotted.
"Anchor Investor(s)"	Qualified Institutional Buyers, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus who has Bid for an amount of at least ₹100.00 million.
"Anchor Investor Allocation Price"	Price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLM.
"Anchor Investor Application Form"	Bid cum Application 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 Bid/ Issue Period" or "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, prior to and after which BRLM will not accept any bid from Anchor Investors and allocation to Anchor Investors shall be completed.
"Anchor Investor Issue Price"	Final 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 the BRLM, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Forty- percent of the Anchor Investor Portion shall be reserved for (i) 33.33 per cent for domestic Mutual Funds; and (ii) 6.67 per cent for

Term	Description
	Life Insurance Companies and Pension Funds, subject to valid Bids being received from the domestic Mutual Funds and Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price.
"Application Supported by Blocked Amount" or "ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid by authorizing an SCSB to block the Bid Amount in the ASBA Account the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
"ASBA Account"	Bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of the UPI Bidders which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders using the UPI Mechanism.
"ASBA Bid"	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
"ASBA Bidders"	All Bidders except Anchor Investors.
"ASBA Form"	Application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
"Banker(s) to the Issue"	Collectively, Escrow Collection Bank, Refund Bank, Public Issue Account Bank and Sponsor Bank.
"Basis of Allotment"	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue, as described in "*Issue Procedure*" beginning on page 519.
"Bid (s)"	Indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding date by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
"Bid Amount"	The highest value of Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.
"Bid cum Application Form"	Anchor Investor Application Form and/or the ASBA Form, as the context requires.
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
"Bidding"	The process of making the Bid.
"Bid/ Issue Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a regional daily newspaper,

Term	Description
	(Hindi being the regional language of Bhilwara, Rajasthan where our Registered Office is situated), each with wide circulation. In case of any revision, the extended Bid/Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing public notice, and also by indicating the change on the websites of the BRLM and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank. Our Company, in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with 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, being [●], which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a regional daily newspaper, (Hindi being the regional language of Bhilwara, Rajasthan where our Registered and Corporate Office is situated), each with wide circulation.
"Bid/Issue Period"	Except in relation to Bid received from Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective ASBA 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, other than Anchor Investors.
"Bidder" or "Applicant" or "Investor"	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, which includes an ASBA Bidder and an Anchor Investor.
"Bidding Centres" or "Collection Centres"	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
"Book Building Process" or "Book Building Method"	The Book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
"Book Running Lead Manager" or "BRLM"	Book Running Lead Manager to the Issue in this case being Choice Capital Advisors Private Limited.
"Broker Centres"	Centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker, provided that retail individual bidders may only submit ASBA Forms at such broker Centres if they bidding using the UPI Mechanism.

Term	Description
	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 (www.bseindia.com and www.nseindia.com).
"CARE Edge"	CARE Analytics and Advisory Private Limited.
"CareEdge Report"	An Industry report titled "Textile Research Report" dated December, 2025, prepared by Care Edge, appointed by our Company pursuant to engagement letter dated April 19, 2025, exclusively commissioned by and paid for in connection with the Issue and is available on the website of our Company at www.sonaselection.com.
"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 or after the Anchor Investor Bid/Issue Period.
"Cap Price"	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.
"Cash Escrow and Sponsor Bank Agreement"	The cash escrow and sponsor bank agreement dated [●] entered into amongst our Company, the BRLM, the Bankers to the Issue, the Syndicate Member(s) and Registrar to the Issue for, *inter alia*, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refund of the amounts collected from the Anchor Investors, on the terms and conditions thereof, in accordance with the UPI Circulars.
"Choice"	Choice Capital Advisors Private Limited.
"Client ID"	Client identification number of the Bidders beneficiary account.
"Collecting Depository Participant" or "CDP"	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 list available on the respective websites of the Stock Exchanges, (www.bseindia.com & www.nseindia.com), as updated from time to time.
"Collecting Registrar and Share Transfer Agents or CRTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circular.
"CRISIL"	CRISIL Limited
"Cut-off Price"	The Issue Price, finalised by our Company in consultation with the BRLM, which shall be any price within the Price Band. Only RIBs Bidding in the Individual Investor Portion are entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut- off Price.
"Designated Branches of	Such branches of the SCSBs which shall collect the ASBA Forms, a

Term	Description
the SCSBs" or "Designated SCSB Branches"	list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
"Demographic Details"	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details, PAN and UPI ID, wherever applicable.
"Designated CDP Locations"	Such locations of the Collecting Depository Participants (CDPs) where ASBA Bidders can submit the ASBA Forms, provided that Retail Individual Bidders may only submit ASBA Forms at such locations if they are Bidding using the UPI Mechanism. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants are available on the respective websites of the Stock Exchanges (www.bseindia.com & www.nseindia.com), as updated from time to time.
"Designated Date"	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or are unblocked, as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalisation of the basis of allotment in consultation with Designated Stock Exchange, following which Equity Shares will be allotted in the Issue.
"Designated Intermediary(ies)"	In relation to ASBA Forms submitted by Individual Bidders (IBs) (not using the UPI mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs (bidding using UPI Mechanism) where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such IB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate / agents, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs.
"Designated RTA Locations"	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs, provided that RIBs may only submit ASBA Forms at such locations if they are Bidding using the UPI Mechanism. The details of such Designated RTA Locations, along with names and contact details of the RTAs are available on the respective websites of

Term	Description
	the Stock Exchanges (www.bseindia.com & www.nseindia.com) as updated from time to time.
"Designated Stock Exchange"	[●]
"Draft Red Herring Prospectus" or "DRHP"	This Draft Red Herring Prospectus dated December 11, 2025 filed with the SEBI and Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares will be allotted and the size of the Issue, including any addenda or corrigenda thereto.
"Eligible FPI(s)"	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individual, corporate bodies and family offices.
"Eligible NRI(s)"	NRI(s) from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
"Escrow Account(s)"	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid.
"Escrow Collection Bank(s)"	Bank(s) which is a clearing member and registered with SEBI as banker to an offer, under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Account in relation to the Issue for Bids by Anchor Investors, will be opened, in this case being [●].
"First Bidder" or "Sole Bidder"	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
"Floor Price"	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
"Fraudulent Borrower"	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
"Fugitive Economic Offender"	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018.
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
"Gross Proceeds"	Gross Proceeds of the Fresh Issue
"Issue" or "Fresh Issue" or " Net Issue"	The initial public offering of up to 14,300,000* Equity Shares of face value of ₹10/- each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million.

Term	Description
	**Subject to finalization of Basis of Allotment*
"Issue Agreement"	Agreement entered between our Company and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Issue.
"Issue Price"	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of this Draft 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 this Draft 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 the Red Herring Prospectus.
"Issue Proceeds"	The proceeds of the Issue, which shall be available to our Company. For details about use of the Issue Proceeds, see "*Objects of the Issue*" on page 141.
"Mobile App"	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.
"Monitoring Agency"	[●] being a credit rating agency registered with SEBI.
"Monitoring Agency Agreement"	Agreement entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus.
"Mutual Fund(s)"	A Mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
"Mutual Fund Portion"	Up to 5% of the Net QIB Portion, or [●] 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.
"Net Proceeds"	Gross Proceeds of the Fresh Issue less our Company's share of the Issue expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, For details see "*Objects of the Issue*" beginning on page 141.
"Net QIB Portion"	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors.
"Non-Institutional Bidders" or "Non-Institutional Investors" or "NIIs" or NIBs"	All Bidders that are not QIBs and RIBs and who have Bid for Equity Shares for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs).
"Non-Institutional Portion"	The portion of the Net Issue, being not less than 15% of the Net Issue or not less than [●] Equity Shares of face value of ₹ 10/- each, which are available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price of which one third shall be available for allocation to bidders with an application size of more than ₹0.20 million and up to

Term	Description
	₹1.00 million and two third shall be available for allocation to bidders with an application size of more than ₹1.00 million in accordance with the SEBI ICDR Regulations, subject to valid bids received at or above the Issue Price.
"Non- Resident"	A person resident outside India, as defined under FEMA and includes FPIs, VCFs, FVCIs.
"Non-Resident Indians" or "NRI"	A non- resident Indian as defined under the FEMA NDI Rules.
"Other Investors"	Investors other than Individual Investors. These include Bidders other than Individual Investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
"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.
"Price Band"	The price band of a minimum price of ₹ [●] per Equity Share (i.e. the Floor Price) and the maximum price of ₹ [●] per Equity Share (i.e. the Cap Price) including any revisions thereof. The price band and the minimum bid lot size for the Issue will be decided by our company in consultation with the BRLM and will be advertised, at least two working days prior to the Bid/ Issue opening date, which shall be published in all editions of [●], the English national daily newspaper, all editions of [●], the Hindi national daily newspaper and all editions of [●], the Regional daily newspaper, (Hindi being the regional language of Bhilwara, Rajasthan, where our Registered Office is situated), each with wide circulation and shall be made available to the stock exchanges for the purpose of uploading on their respective websites.
"Pricing Date"	Date on which our Company in consultation with the BRLM will finalize the Issue Price.
"Promoters Contribution"	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company that is eligible to form part of the minimum promoter's contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked in for a period of 18 months from the date of Allotment.
"Prospectus"	Prospectus dated [●] to be filed with the RoC on or after the Pricing Date in accordance with provisions of Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
"Public Issue Account"	Bank account to be opened with the Public Issue Account Bank, under Section 40(3) of the Companies Act to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.

Term	Description
"Public Issue Account Bank"	The bank with whom the Public Issue Account(s) will be opened for collection of Bid Amounts from the Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●].
"QIB Portion"	The portion of the Issue, being not more than 50% of the Net Issue or not more than [●] Equity Shares of face value of ₹ 10 each which shall be allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
"Qualified Institutional Buyers" or "QIBs" or "QIB Bidders"	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
"QIB Bid/Issue Closing Date"	In the event our Company in consultation with the BRLM decides to close bidding by QIBs one day prior to the bid/ Issue closing date, the date one day prior to the bid/ Issue Closing date; otherwise, it shall be the same as the bid/ Issue closing date.
"Red Herring Prospectus" or "RHP"	The Red Herring Prospectus dated [●] to be issued in accordance with Section 32 of the Companies Act, and SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be allotted 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 including any agenda or corrigenda thereto.
"Refund Account(s)"	Account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
"Refund Bank(s)"	The bank(s) which are clearing members registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [●].
"Registered Brokers"	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI.
"Registrar and Share Transfer Agents"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI and available on the websites of NSE at www.nseindia.com and BSE at www.bseindia.com.
"Registrar to the Issue" or "Registrar"	Kfin Technologies Limited
"Resident Indian"	A person resident in India, as defined under FEMA.
"Retail Individual	Individual Bidders, who have Bid for the Equity Shares for an amount

Term	Description
Bidder(s)" or "RIB(s)" or "Retail Individual Investors" or "RIIs"	which is not more than ₹0.20 million in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs) and does not include NRIs (other than Eligible NRIs).
"Retail Portion"	The portion of Net Issue, being not less than 35% of the Net Issue or not less than [●] Equity Shares of face value of ₹10 each, available for allocation to RIBs as per SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
"Revision Form"	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Form(s) or any previous Revision Form(s), as applicable. QIBs bidding in QIB portion and NIBs bidding in non-institutional portion are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/Issue Closing Date.
"SCORES"	SEBI Complaints Redress System, a centralised web-based complaints redressal system launched by SEBI.
"Self-Certified Syndicate Bank(s)" or "SCSBs"	The banks registered with SEBI, offering the facility of ASBA services, in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, 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 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as applicable and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, in relation to RIBs 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 and updated 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 Issue using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and such other website as may be prescribed by SEBI from time to time.
"Share Escrow Agent"	Share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●].
"Share Escrow Agreement"	Agreement to be entered amongst our Company and the Share Escrow

Term	Description
	Agent in connection with the transfer of the respective portion of Issued Shares by credit of such Equity Shares to the demat account of the Allottees.
"Specified Locations"	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is included in the ASBA Form.
"Sponsor Bank"	Banker to the Issue registered with SEBI which is appointed by our company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the UPI mandate request and/or payment instructions of the RIBs using the UPI, and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●].
"Stock Exchanges"	Together, the BSE and the NSE.
"Sub Syndicate Member"	The sub syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
"Syndicate" or "Members of the Syndicate"	Together, the BRLM and the Syndicate Members.
"Syndicate Agreement"	Agreement entered into amongst our Company, the Registrar to the Issue, the BRLM and the members of the Syndicate in relation to the procurement of Bid cum Application Forms by the Syndicate.
"Syndicate Members"	Intermediaries (other than BRLM) registered with SEBI who are permitted to accept bids, applications and place orders with respect to the Issue and carry out activities as underwriters namely, [●].
"Systemically Important Non-Banking Financial Company/NBFC-SI"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulation.
"Underwriters"	[●]
"Underwriting Agreement"	Agreement entered into amongst the Underwriters, Our Company on or after pricing date but before filing of the Prospectus with the ROC.
"UPI"	Unified payments interface which is an instant payment mechanism, developed by NPCI.
"UPI Bidder"	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; (ii) Non -Institutional Bidders with an application size of up to ₹0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹0.50 million shall use UPI and shall provide their UPI ID in the bid - cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognised stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an offer and share transfer (whose name is mentioned on the website of the stock exchange as eligible for such activity).

Term	Description
"UPI Circulars"	Collectively, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, the SEBI RTA Master Circular and SEBI ICDR Master Circular, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
"UPI ID"	ID created on the UPI for single-window mobile payment system developed by NPCI.
"UPI Mandate Request"	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of a SMS directing the RIB to such UPI linked mobile application) to the RIB using the UPI Mechanism) initiated by the Sponsor Bank to authorise blocking of funds equivalent to Bid Amount in the relevant ASBA account through the UPI linked mobile application, and subsequent debit of funds in case of Allotment.
"UPI Mechanism"	The bidding mechanism that may be used by UPI Bidders to make the bid in the Issue in accordance with the UPI Circulars.
"UPI PIN"	Password to authenticate UPI transaction.
"Willful Defaulter" or "Fraudulent Borrower"	A company or person, as the case may be, categorised as a willful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1) (lll) of the SEBI ICDR Regulations.
"Working Day"	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a), announcement of Price Band; and (b) Bid/ Issue Period, "Working Day" shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c), the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Business/Technical/Industry Related Terms or Abbreviation

Term	Description
ASEAN	Association of Southeast Asian Nations
ATDC	Apparel Training & Design Centre
ATIRA	Ahmedabad Textile Industry's Research Association
ATUFS	Amended Technology Upgradation Fund Scheme
CAD	Computer Aided Design
CAM	Computer Aided Manufacturing
CCI	Cotton Corporation of India
CETP	Common Effluent Treatment Plant
CEPA	Comprehensive Economic Partnership Agreement
COVID	Coronavirus Disease of 2019

Term	Description
CPI	Consumer Price Index
CSP	Count Strength Product
CY	Calendar Year
CTE	Consent to Establish
CTO	Consent to Operate
D2C	Direct to Consumer
DoCP	Date for Commercial Production
DTA	Domestic Tariff Area
eFCI	Eligible Fixed Capital Investment
EU	European Union
EPCG	Export Promotion Capital Goods
EPF	Employee Provident Fund
F	Forecasted
FE	Final Estimates
FDI	Foreign Direct Investment
FMGC	Fast Moving Consumer Goods
FOB	Freight on Board
FRE	First Revised Estimates
FTAs	Free Trade Agreements
FY	Fiscal
GDP	Gross Domestic Product
GOTS	Global organic Textile Standard
GIST 2.0	Grant for Internship Support in Technical Textiles
GNDI	Gross National Disposable Income
GDP	Gross Domestic Product
GVA	Gross Value Added
GREAT Scheme	Grant for Research & Entrepreneurship across Aspiring Innovators in Technical Textiles
HS codes	Harmonised System Codes
IIP	Index of Industrial Production
IMD	India Meteorological Department
IMF	International Monetary Fund
IoT	Internet of Things
IPDS	Integrated Processing Development Scheme
Itema S.p.A.	Italian business designation
JLGs	Joint Liability Groups
Kva	Kilovolt Amperes
KWH	Kilowatt-Hour
LED	Light Emitting Diode
MEIS	Merchandise Exports from India Scheme
MITRA	Mega Integrated Textile Region and Apparel
MMF	Man Made Fibres
MMPA	Million Meter Per Annum
MW	Mega Watt
MSMEs	Micro, Small, and Medium Enterprises

Term	Description
MSP	Minimum Support Price
MUDRA	Micro Units Development and Refinance Agency
MW	Megawatt
NID	National Institute of Design
NIFT	National Institute of Fashion Technology
NTTM	National Technical Textiles Mission
OE	Open End (spinning method)
P	Projected
PE	Provisional Estimates
PFCE	Private Final Consumption Expenditure
PLI	Production Linked Incentive
PM MITRA	Prime Minister Mega Integrated Textile Region and Apparel
PPE kits	Personal Protective Equipment kits
PPM	Parts Per Million
PSF	Polyester Staple Fibre
PVA	Polyvinyl Alcohol
R&D	Research and Development
RC	Ranchhodlal Chhotalal Technical Institute
RBI	Reserve Bank of India
RIPS	Rajasthan Investment Promotion Scheme
RMG	Ready Made Garments
RoDTEP	Remission of Duties and Taxes on Exported Products
RoSCTL	Rebate of State and Central Levies and Taxes
SAMARTH	Scheme for Capacity Building in Textile Sector
SDP	State Domestic Product
SEZ	Special Economic Zone
SHGs	Self Help Groups
SITP	Scheme for Integrated Textile Parks
SMEs	Small and Medium Enterprises
TCDS	Textile Cluster Development Scheme
TPI	Twist Per Inch
TUFS	Technology Upgradation Fund Scheme
USD	United States Dollar
US	United States
VSF	Viscose Staple Fibre
ZLD	Zero Liquid Discharge

Conventional and General Terms or Abbreviation

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees
“AAEC”	Appreciable Adverse Effect on Competition
“A/c”	Account
“AGM”	Annual General Meeting

Term	Description
"AIF(s)"	An alternative investment fund as defined in, and registered with SEBI under, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
"AS" or "Accounting Standard"	Accounting Standards as issued by the Institute of Chartered Accountants of India
"Associate"	Mean a person or any entity which is an associate under sub-section (6) of section 2 of the Companies Act, 2013 or under the applicable accounting standards
Authorised Dealers	Authorised Dealers registered with RBI under Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
"BSE"	BSE Limited
"CAGR"	Compound Annual Growth Rate
"Category I AIF"	AIFs registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
"Category II AIF"	AIFs registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
"Category III AIF"	AIFs registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
"Category I FPI"	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations, 2019
"Category II FPI"	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations, 2019
"CCI"	Competition Commission of India
"CDSL"	Central Depository Services (India) Limited
"Companies Act, 1956"	The erstwhile Companies Act, 1956 along with relevant rules made thereunder
"Companies Act, 2013" or "Companies Act"	Companies Act, 2013 as amended read with rules, regulations, clarifications and modifications thereunder
"Competition Act"	Competition Act, 2002, as amended and the rules and regulations made thereunder
"COVID-19"	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
"Consolidated FDI Policy"	The current consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
"Control"	Control as defined under the Takeover Regulations, and the term "controller" shall be construed accordingly
"CrPC"	Code of Criminal Procedure, 1973
"CSR"	Corporate Social Responsibility
"CY" or "Calendar Year"	The 12-month period ending December 31
"Debt to Equity Ratio"	Debt equity ratio is calculated as total borrowings divided by total equity
"Depositories Act"	The Depositories Act, 1996

Term	Description
"DIN"	Director Identification Number
"DPIIT"	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), GoI
"DP ID"	Depository participant identity number
"EBITDA"	Earnings before interest, taxes, depreciation and amortization
"EBITDA Margin"	EBITDA Margin is the percentage of EBITDA divided by revenue from operations
"EGM"	Extraordinary general meeting
"EMI"	Equated Monthly Instalment
"EPS"	Earnings per share
"Euro" or "EUR"	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
"FCNR"	Foreign Currency Non-resident account
"FDI"	Foreign direct investment
"FDI Circular"	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 9(2)/2020-FDI Policy dated October 15, 2020, as issued by DPIIT, GoI and any modifications thereto
"FEMA"	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
"FEMA NDI Rules"	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Fiscal"	The period of 12 months commencing April 1 and ending March 31 of that particular Calendar Year
"FPIs"	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
"FVCI"	Foreign Venture Capital Investor (as defined under the SEBI (Foreign Venture Capital Investors) Regulations, 2000)
"GDP"	Gross Domestic Product
"GoI" or "Government"	Government of India
"GST"	Goods and Services Tax
"HUF(s)"	Hindu Undivided Family(ies)
"ICAI"	Institute of Chartered Accountants of India, New Delhi
"IFRS"	International Financial Reporting Standards of the International Accounting Standards Board
"Income Tax Act" or "IT Act"	Income-tax Act, 1961, read with rules framed thereunder
"Income Tax Rules"	Income-tax Rules, 1962, as amended
"Ind AS"	The Indian Accounting Standards referred to in the Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015
"Indian GAAP"	Generally Accepted Accounting Principles in India
"IRDA"	Insurance Regulatory and Development Authority of India

Term	Description
"ISO"	International Organization for Standardization
"IST"	Indian Standard Time
"IT"	Information Technology
"MCA"	Ministry of Corporate Affairs, Government of India
"Mutual Funds"	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
"NA" or "N/A" or "N.A."	Not Applicable
"NACH"	National Automated Clearing House
"NAV"	Net Asset Value
"NEFT"	National Electronic Fund Transfer
"NCLT"	National Company Law Tribunal
"NRI Accounts"	NRI Non-Resident External account
"NRI" or "Non-resident Indian"	A person resident outside India, who is a citizen of India as defined under the Citizenship Amendment (Sovereign) Regulations, 2012 or an Overseas Citizen of India, who resides outside India in accordance with the Citizenship Act, 1955
"NRO Accounts"	Non-Resident Ordinary accounts
"NSDL"	National Securities Depository Limited
"NSE"	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs
"(Deposits) Regulations"	(Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this OCBs are not*
"P/E Ratio"	Price Earnings Ratio
"PAN"	Permanent Account Number
"PAT"	Profit After Tax
"PCB(s)"	Pollution Control Board(s)
"PPE"	Property Plant Equipment
Provident Fund	Provident fund for employees managed by the Employees' Provident Fund Organisation in India
"RBI"	Reserve Bank of India
"RONW"	Return on Net Worth
"SCRA"	Securities Contracts (Regulation) Act, 1956
"SCRR"	Securities Contracts (Regulation) Rules, 1957
"SCSB"	Self-Certified Syndicate Bank
"SCORES"	Securities and Exchange Board of India Complaints Redress System
"SEBI"	Securities and Exchange Board of India established under Section 3 of the SEBI Act, as amended
"SEBI Act"	Securities and Exchange Board of India Act, 1992, as amended
"SEBI AIF Regulations"	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
"SEBI BIT Regulations"	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended

Term	Description
"SEBI FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
"SEBI FVCI Regulations"	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Master Circular	SEBI master circular bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, dated November 11, 2024, as amended
"SEBI LODR Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
"SEBI Merchant Bankers Regulations"	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Master Circular	SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023
"SEBI RTA Master Circular"	SEBI circular bearing number SEBI/HO/MIRSD/MIRSD10/P/CIR/2025/01 dated June 23, 2025
"State Government"	The Government of a state in India
"STT"	Securities Transaction Tax
"Takeover Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
"TAN"	Tax Deduction Account Number
"TDS"	Tax deducted at source
"U.S." or "United States"	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia
"U.S. Securities Act"	United States Securities Act of 1933, as amended
"VCF(s)"	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

CERTAIN CONVENTIONS

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. Further, all references to the "U.S.", "US", "U.S.A" or "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year.

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

FINANCIAL DATA

Our fiscal commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, Fiscal or FY, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year.

Unless the context requires otherwise or as otherwise stated, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information, for the Three Months Period ended June 30, 2025 and Fiscals 2025, 2024 and 2023, comprising the restated statement of assets and liabilities as at June 30, 2025, March 31, 2025, March 31, 2024, and March 31, 2023, the restated statement of profit and loss (including other comprehensive income), the restated statement of cash flows and restated statement of changes in equity for the Three Months Period ended June 30, 2025 and for the Fiscals 2025, 2024, and 2023, the summary statement of material accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI, as amended from time to time. The Restated Financial Statements has been prepared to comply in all material respects with the Indian Accounting Standards ("**Ind AS**") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, as applicable to the financial statements and other relevant provisions of the Companies Act. For further information, see "*Restated Financial Information*" beginning on page 351.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of IFRS or any other accounting principles or standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition*" on page 84. Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. The degree to which the financial information included in this Draft 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 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Red Herring Prospectus, including in the Sections titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 44, 261 and 433, respectively and elsewhere in this Draft Red Herring Prospectus, have been calculated on the basis of the Restated Financial Information of our Company included in this Draft Red Herring Prospectus.

NON-GAAP FINANCIAL MEASURES

Certain Non-GAAP Measure and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, PAT Margin, CAGR, Net Asset Value per Equity Share, Return on Net worth, Return on equity, Net worth, Return on Capital Employed and others ("**Non-GAAP Measures**"), have been included in this Draft 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 financial measures are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP financial measures should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP financial measures are not standardised terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. 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 standard 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 Ind AS and may not be comparable to similarly titled measures presented by other companies and hence have limited usefulness as a comparative measure.

For details, see "*Risk Factors – We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies*." on page 82.

INDUSTRY AND MARKET DATA

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "***Textile Research Report***" dated December 2025 ("**CareEdge Report**") prepared and issued by CARE Analytics and Advisory Private Limited ("**CareEdge**"), appointed by us and exclusively commissioned and paid for by us in connection with the Issue pursuant to a mandate letter dated April 19, 2025. CareEdge is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the CareEdge 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 CareEdge Report and included herein with respect to any particular year refers to such information for the relevant financial year. A copy of the CareEdge Report is available on the website of our Company at www.sonaselection.com until the Bid/Issue Closing Date.

Unless otherwise indicated, all financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year, refers to such information for the relevant year. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. For risks in relation to the CareEdge Report, see "*Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the CareEdge Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks*" on page 75.

CURRENCY AND UNITS OF PRESENTATION

All references to "**Rupee(s)**", "**₹**", "**INR**" or "**Rs.**" are to Indian Rupees, the official currency of the Republic of India. All references to "**€**" or "**EUR**" are to the Euro, the official currency of Federal Republic of Germany/ European Union. All references to "**$**", "**U.S. Dollar(s)**", "**USD**" or "**US Dollar**" are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All financial figures sourced from our internal records have been expressed in million, where one million represents 10,00,000. However, where any figures have been sourced from third-party industry publications or databases and are expressed in denominations other than million, such figures have been reproduced in the denominations as stated in their respective sources.

EXCHANGE RATES

This Draft Red Herring Prospectus may contain conversions of certain 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 such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The exchange rates of USD and Euro into Indian Rupees for the periods indicated are provided below:

Currency	Exchange rate as on			
	June 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
1 USD	85.54	85.58	83.37	82.22
1 EUR	100.45	92.32	90.22	89.61

Source: Foreign exchange reference rates as available on www.fbil.org.in/ and www.rbi.org.in
Notes:
(i) Exchange rate is rounded off to two decimal point
(ii) In the event that any of the aforementioned date is a public holiday, the previous calendar day not being a public holiday has been considered.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as ***"aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "will continue", "seek to", "will achieve", "will likely", "will pursue"*** or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Red Herring Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, and including, 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, changes in the incidence of any natural calamities and/ or violence, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. A major portion of our revenue from operations is dependent upon a limited number of customers. Loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
2. We depend on a certain limited set of suppliers for the supply of primary raw materials. Any loss of suppliers or interruptions in the timely delivery of supplies and services could have an adverse impact on our business, financial condition, cash flows and results of operations.
3. A large share of our revenue and procurement of raw material comes from Rajasthan, where our manufacturing facility and registered office are located. This concentration exposes us to geographic risks that could negatively impact our operations and financial performance.
4. Any slowdown or shutdown of our manufacturing operations at our manufacturing facility could have an adverse effect on our business, financial condition and results of operations.
5. We are subject to stringent quality requirements from our buyers. Any failure to meet prescribed quality specifications may result in product rejections, loss of customer confidence, and reputational damage, which could adversely affect our business and results of operations.
6. Under-utilisation of our manufacturing capacity and an inability to effectively utilize our manufacturing capacity could have an adverse effect on our business, future prospects and future financial performance.

7. There are outstanding litigations involving our Company, Promoters, Directors and SMP. An adverse outcome in any of these proceedings may affect our reputation and standing and impact our future business and could have a material adverse effect on our business, financial condition, cash flows and results of operations.
8. We have experienced negative cash flows in the past, and sustained or significant negative cash flows may adversely affect our business, financial condition and growth prospects.
9. Some members of the Promoter Group did not provide required information or consent, so disclosures about them are based solely on publicly available data and may not be complete or accurate. Additionally, details of certain Connected Entities that may form part of the Promoter Group have not been included.
10. We have significant working capital requirements and our inability to meet such working capital requirements may have an adverse effect on our results of operations.

For a further discussion of factors that could cause our actual results to differ, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 44, 261 and 433, 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 be materially different from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views on the date of this Draft Red Herring Prospectus are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoter, our Directors, the BRLM, the Syndicate Members nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the BRLM will ensure that the Bidder in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Issue.

SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant for prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including in "Risk Factors", "The Issue", "Capital Structure", "Objects of the Issue", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Restated Financial Information", "Outstanding Litigation and Material Developments", "Issue Procedure", and "Description of Equity Shares and Terms of the Articles of Association" beginning *on pages* 44, 92, 113, 141, 172, 261, 335, 351, 472, 519 and 552 respectively.

SUMMARY OF THE BUSINESS

We are an integrated fabric manufacturing and processing company engaged in the production of value added products. Leveraging advanced technology, well established production capabilities and stringent quality systems, we convert raw textiles into finished, high-quality fabrics. Our model enables us to offer a diversified product portfolio, maintain consistent quality, support innovation in fabric development and provide our customers with reliable, cost-efficient and timely solutions, thereby positioning us as a preferred partner for brands seeking consistency, innovation and faster delivery timelines. We specialize in the manufacturing of 100% cotton fabric, cotton lycra (stretch) fabric, cotton blends, polyester blends, and in the processing of fabric including 100% cotton, cotton blends, polyester-viscose (P/V) and polyester fabric.

Our manufacturing process commences with (i) the procurement of greige fabric from third-party suppliers; or (ii) the procurement of yarn, which is subsequently converted into greige fabric through outsourced job-work arrangements undertaken in accordance with our technical specifications. Upon receipt of the greige fabric, all subsequent processing operations, including bleaching, dyeing and finishing, are carried out in-house at our manufacturing facility. Through these processes, we convert greige fabric into finished fabric of the requisite quality, specifications and end-use requirements.

For further details, see *"Our Business"* beginning on page 261.

SUMMARY OF THE INDUSTRY IN WHICH WE OPERATE

The Indian textile and apparel industry spans a vast, interconnected value chain, starting from the cultivation of natural fibres and production of synthetic materials to spinning, weaving, processing, apparel manufacturing, and retail. As the world's second-largest producer of textiles and garments and the third-largest exporter, India holds a significant position in the global market. The sector contributes around 13% to industrial production, 2.3% to GDP, and 12% to national exports. The industry's scope includes not just apparel, but also home textiles and technical textiles, placing India among the top five global exporters across various textile segments (*Source: CareEdge Report*).

The Indian textile processing industry was valued at USD 159 billion in 2024 and is expected to reach USD 241 billion by 2030, growing at a compound annual growth rate (CAGR) of approximately 6% between 2024 and 2030. Further, the natural textiles segment is projected to grow at a CAGR of around 5% over the next five years through financial year 2030, driven by increasing demand for eco-friendly and sustainable textile products (*Source: CareEdge Report*).

For details, see "*Industry Overview*" beginning on page 172.

OUR PROMOTERS

Harshil Nuwal, Subhash Chandra Nuwal, Deepank Bhandari, Uma Nuwal and Sona Polyspin Private Limited are the Promoters of our Company. For further details, see "*Our Promoters and Promoter Group*" beginning on page 335.

ISSUE SIZE

The following table summarizes the details of the Issue size:

Issue(1)	Up to 14,300,000* Equity Shares of face value of ₹10/- each for cash at price ₹ [•] per Equity Share, aggregating to ₹ [•] million*

(1) The Issue has been authorised by a resolution of our Board of Directors passed at its meeting held on October 28, 2025 and by our Shareholders pursuant to a special resolution passed at their meeting held on November 04, 2025.

**Subject to finalization of Basis of Allotment.*

The Issue shall constitute [•]% of the post-Issue paid-up Equity Share capital of our Company. For further details, see "*The Issue*" and "*Issue Structure*" on pages 92 and 514, respectively.

OBJECTS OF ISSUE

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

(₹ in million)

S. No.	Particulars	Amount
1.	Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company from Banks	800.00
2.	Funding of capital expenditure towards purchase of plant and machineries at the existing Manufacturing Facility	475.50
3.	General Corporate Purposes (1)	**[•]**
	Grand Total(1)	**[•]**

(1) 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 not exceed 25% of the Gross Proceeds from the Issue.

For further details, see *"Objects of Issue"* beginning on page 141.

AGGREGATE PRE-ISSUE AND POST-ISSUE SHAREHOLDING OF PROMOTERS, OUR PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF OUR COMPANY

S. No.	Pre-Issue shareholding as at the date of the price band advertisement			Post-Issue shareholding			
				At the lower end of the price band (₹ [•])		At the upper end of the price band (₹ [•])	
	Name of Shareholder	Number of Equity Shares	Percentage of paid-up Equity Share capital (%)	Number of Equity Shares*	Shareholding (in%)*	Number of Equity Shares*	Shareholding (in%)*
Promoters							
1.	Harshil Nuwal	8,449,935	19.87	[•]	[•]	[•]	[•]
2.	Subhash Chandra Nuwal	0	0.00	[•]	[•]	[•]	[•]
3.	Uma Nuwal	13	0.00	[•]	[•]	[•]	[•]
4.	Deepank Bhandari	20,085,000	47.23	[•]	[•]	[•]	[•]
5.	Sona Polyspin Private Limited	11,765,000	27.66	[•]	[•]	[•]	[•]
Promoter group							
1.	Anita Bhandari	13	0.00	[•]	[•]	[•]	[•]
2.	Kailash Bhandari	13	0.00	[•]	[•]	[•]	[•]
3.	Shikha Nuwal	13	0.00	[•]	[•]	[•]	[•]
Additional top 10 Shareholders							
1.	Invicta Continuum Fund I	442,182	1.04	[•]	[•]	[•]	[•]
2.	Chirag Yashwantbhai Thakkar	177,060	0.42	[•]	[•]	[•]	[•]
3.	Abhishek Agarwal	176,930	0.42	[•]	[•]	[•]	[•]
4.	Juggernaut Corporate Advisors LLP	176,865	0.42	[•]	[•]	[•]	[•]
5.	Equity Projects Private Limited	88,439	0.21	[•]	[•]	[•]	[•]
6.	Shreyans Jain	88,426	0.21	[•]	[•]	[•]	[•]

7.	Sangam Finserve Limited	88,400	0.21	[•]	[•]	[•]	[•]
8.	Inter Globe Overseas Limited	88,400	0.21	[•]	[•]	[•]	[•]
9.	Transcoal Impex LLP	88,400	0.21	[•]	[•]	[•]	[•]
10.	Sukriti Luthra	53,066	0.12	[•]	[•]	[•]	[•]

**The Pre-Issue and post-Issue shareholding shall be updated in the Prospectus.*

For further details, see "*Capital Structure*" beginning on page 113.

SUMMARY OF RESTATED FINANCIAL INFORMATION

A summary of the financial information of our Company as derived from the Restated Financial Information as of and for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 are as follows:

(₹ in million, unless stated otherwise)

Particulars	June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Equity share capital	158.74	158.74	31.00	31.00
Net worth(1)	749.19	700.71	388.81	258.43
Revenue from Operations	1,042.35	3,159.52	1,209.79	939.12
EBITDA	163.43	581.19	284.87	180.76
EBITDA Margin (in %)	15.68%	18.39%	23.55%	19.25%
Net Profit after tax	47.98	185.63	130.95	25.09
Net Profit Margin (in %)	4.60%	5.88%	10.82%	2.67%
Basic Earnings Per Share (in ₹)(2)(4)	1.16	4.57	3.25	0.68
Diluted Earnings Per Share (in ₹)(3)(4)	1.13	4.49	3.25	0.68
Net asset value per Share (in ₹)(5)	18.15	17.24	9.65	6.99
Total borrowings(6)	2,102.02	2,073.97	1,446.02	452.07

(1) Net Worth is calculated as the sum of equity share capital and other equity of the Company
(2) Basic EPS = Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the fiscal.
(3) Diluted EPS = Net Profit after tax, as restated, divided by weighted average no. of diluted equity shares outstanding during the fiscal.
(4) The basic and diluted earnings per share for the Equity Shares of our Company has been presented to reflect the adjustments as per Ind AS 33.
(5) Net Asset Value per equity share represents net worth attributable to Equity Shareholder (Equity Share capital together with other equity as per Restated Financial Information) as at the end of the fiscal divided by the weighted average number of Equity Shares outstanding at the end of the fiscal.
(6) Total borrowings is calculated as the sum of long term borrowings and short term borrowings.

For further details, see "*Restated Financial Information*" beginning on page 351.

QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL INFORMATION

Our Statutory Auditor has not made any qualifications in the examination report that have not been given effect to in the Restated Financial Information.

SUMMARY OF OUTSTANDING LITIGATION

A summary of outstanding litigation proceedings involving our Company, Promoters, Directors, Subsidiary, and Key Managerial Personnel and members of Senior Management as on the date of this Draft Red Herring Prospectus:

(*₹ in million*)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges Disciplinary actions by the SEBI or Stock Exchanges in last 5 years, including outstanding action	Material Civil litigations	Aggregate amount involved*
Company						
By our Company	Nil	Nil	Nil	Not applicable	Nil	Nil
Against our Company	Nil	7**	1	Not applicable	Nil	1.27
Promoters						
By the Promoters	1	Nil	Nil	Nil	Nil	Nil
Against the Promoters	1	1	Nil	Nil	Nil	Negligible
Directors (Other than Promoters)						
By the Directors	Nil	Nil	Nil	Not applicable	Nil	Nil
Against the Directors	Nil	Nil	Nil	Not applicable	Nil	Nil
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	Not applicable	Nil	Nil
Against the Subsidiary	Nil	Nil	Nil	Not applicable	Nil	Nil
Key Managerial Personnel other than Directors						
By our Key Managerial Personnel	Nil	Not applicable	Nil	Not applicable	Not applicable	Not applicable

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges Disciplinary actions by the SEBI or Stock Exchanges in last 5 years, including outstanding action	Material Civil litigations	Aggregate amount involved*
Against our Key Managerial Personnel	Nil	Not applicable	Nil	Not applicable	Not applicable	Not applicable
Senior Management						
By members of our Senior Management	1	Not applicable	Nil	Not applicable	Not applicable	Not applicable
Against members of our Senior Management	1	Not applicable	Nil	Not applicable	Not applicable	Not applicable

**To the extent quantifiable and ascertainable*

***Number of cases includes notice in respect of assessment proceedings under Section 143(3) of the Income Tax Act, 1961 wherein no demand has been quantified yet.*

Additionally, as on the date of this Draft Red Herring Prospectus, there are no outstanding litigations involving the Group Companies, which may have a material impact on the Company.

For further details of the outstanding litigation proceedings involving our Company, Directors, Promoters, and Subsidiaries see *"Outstanding Litigation and Material Developments" and "Risk Factors"* beginning on pages 472 and 44, respectively.

RISK FACTORS

Specific attention of the Bidders is invited to the section "*Risk Factors*" beginning on page 44 to have an informed view before making an investment decision. Bidders are advised to read the risk factors carefully before taking an investment decision in the Issue.

SUMMARY OF CONTINGENT LIABILITIES

The details of our contingent liabilities as per Ind AS 37 derived from our Restated Financial Information are set forth in the table below:

(*₹ in million*)

Particulars	Three Months Period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Contingent Liability-				
Claims Against the company not acknowledged as debt	-	-	-	-
Commitments-				
In respect of Procurement of capital goods under Zero duty Export Promotion Capital Goods Scheme of Foreign Trade Policy, 2023, the company has an export obligation, which is required to be fulfilled at different dates, on or before 24.06.2031. In the event of non-fulfillment of the export obligation, the company will be liable to pay custom duties and penalties, as applicable.	194.66	191.86	183.63	-

For details, see "*Restated Financial Information Note 44 – Contingent Liabilities*" beginning on page 414.

SUMMARY OF RELATED PARTY TRANSACTIONS

Summary of the related party transactions of our Company for Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, as per Ind AS 24 – Related Party Disclosures read with the SEBI ICDR Regulations, derived from Restated Financial Information read with SEBI ICDR Regulations are set forth in the table below:

Following transactions were carried out with related parties in the ordinary course of Business:

(*₹ in million*)

Transaction Type / Party	For the Three Months Period ended June 30, 2025	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Remuneration to Key Managerial Personnel				
Harshil Nuwal	3.00	12.00	11.60	7.04
Uma Nuwal	1.50	6.00	5.80	3.52
Ramesh Chandra Vyas	0.15	0.52	0.68	0.38

Harish Sharma	0.18	0.29	-	-
Professional Fees				
Deepank Bhandari	3.00	12.00	12.00	4.72
Sitting Fees Paid to Independent Directors				
Kanhaiya Lal Acharya	0.01	-	-	-
Aditi Kakhani	0.01	-	-	-
Interest Payment				
Uma Nuwal net of TDS	-	0.04	-	-
Harshil Nuwal net of TDS	-	2.45	-	-
Repayment of Loans				
Uma Nuwal	-	-	1.00	-
Harshil Nuwal	85.60	99.00	7.00	-
Deepank Bhandari	-	20.00	-	-
Subhash Nuwal	-	41.20	5.00	-
Starnet real Estate & project Limited	-	-	-	-
Loan taken				
Uma Nuwal	4.40	-	5.00	-
Harshil Nuwal	32.75	72.30	128.10	-
Deepank Bhandari	-	22.00	51.00	-
Subhash Nuwal	7.56	24.20	22.00	-
Starnet real Estate & project Limited	-	1.00	-	-
Sales and Other Income				
Sona Styles Limited	-	29.76	117.92	22.84
Sona Texfab Private Limited	-	-	9.29	3.76
Sona Processors India Limited	9.30	8.42	4.72	9.59
Purchase and job processing charges				
Sona Texfab Private Limited	-	1.67	0.51	0.27
Sona Styles Limited	87.19	1,206.40	2.13	1.79
Sona Processors India Limited	5.43	35.12	0.24	8.69
Business Transfer				
Sona Processors India Limited	-	-	-	162.10
Rent Expense				
Sona Processors India Limited	-	-	-	23.07

Following were the balances outstanding with related parties in the ordinary course of Business at the end of following Periods:

(*₹ in million*)

Related Party	As at June 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Borrowing Payable				
Uma Nuwal	8.40	4.00	4.00	-
Harshil Nuwal	41.55	94.40	121.10	-
Deepank Bhandari	53.00	53.00	51.00	-
Subhash Nuwal	7.56	-	17.00	-
Starnet real Estate & project Limited	1.00	1.00	-	-
Payable / (Advance to suppliers)				
Sona Styles Limited	377.68	430.51	-	(0.05)
Sona Texfab Private Limited	-	1.75	-	0.06
Sona Processors India Limited	5.10	(0.76)	-	1.65
Deepank Bhandari	4.32	1.08	3.00	0.08
Receivable / (Advance from customers)				
Sona Styles Limited	0.32	0.14	11.03	13.66
Sona Texfab Private Limited	-	(0.23)	0.01	3.87
Sona Processors India Limited	2.02	(0.34)	0.29	-

As certified by Statutory Auditors pursuant to their certificate dated December 08, 2025.

For details, see "*Restated Financial Information Note 34 – Related Party Disclosure*" on page 398.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby the Promoters, members of the Promoter Group, our Directors, and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

DETAILS OF PRICE AT WHICH SPECIFIED SECURITIES WERE ACQUIRED BY OUR PROMOTERS, THE MEMBERS OF THE PROMOTER GROUP AND SHAREHOLDERS WITH RIGHTS TO NOMINATE DIRECTORS OR ANY OTHER SPECIAL RIGHTS IN THE LAST THREE YEARS PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

Except as disclosed below, our Promoters, members of the Promoter Group and Shareholder(s) with nominee director rights or other rights have not acquired any Equity Shares in the last three years preceding the date of this Draft Red Herring Prospectus:

Name of shareholders/Acquirer	Number of specified securities acquired	Nature of specified security	Date of acquisition of specified securities	Cost of acquisition per specified security (in ₹)	Face value per specified security (₹)	Mode of acquisition
Promoters						
Harshil Nuwal	1,179,988	Equity shares	October 25, 2024	Nil	10	Bonus Issue in the ratio of 4 Equity shares for 1 fully paid-up Equity Share held
	1,774,990	Equity shares	July 09, 2025	Nil	10	Transfer of shares as gift from Subhash Chandra Nuwal
	5,199,960	Equity shares	November 10, 2025	Nil	10	Bonus Issue in the ratio of 16 Equity shares for 10 fully paid-up Equity Shares held
Subhash Chandra Nuwal	1,419,992	Equity shares	October 25, 2024	Nil	10	Bonus Issue in the ratio of 4 Equity shares for 1 fully paid-up Equity Share held
Uma Nuwal	4	Equity shares	October 25, 2024	Nil	10	Bonus Issue in the ratio of 4 Equity shares for

Name of shareholders/Acquirer	Number of specified securities acquired	Nature of specified security	Date of acquisition of specified securities	Cost of acquisition per specified security (in ₹)	Face value per specified security (₹)	Mode of acquisition
						1 fully paid-up Equity Share held
	8	Equity shares	November 10, 2025	Nil	10	Bonus Issue in the ratio of 16 Equity shares for 10 fully paid-up Equity Shares held
Deepank Bhandari	6,180,000	Equity shares	October 25, 2024	Nil	10	Bonus Issue in the ratio of 4 Equity shares for 1 fully paid-up Equity Share held
	12,360,000	Equity shares	November 10, 2025	Nil	10	Bonus Issue in the ratio of 16 Equity shares for 10 fully paid-up Equity Shares held
Sona Polyspin Private Limited	3,620,000	Equity shares	October 25, 2024	Nil	10	Bonus Issue in the ratio of 4 Equity shares for 1 fully paid-up

Name of shareholders/Acquirer	Number of specified securities acquired	Nature of specified security	Date of acquisition of specified securities	Cost of acquisition per specified security (in ₹)	Face value per specified security (₹)	Mode of acquisition
						Equity Share held
	7,240,000	Equity shares	November 10, 2025	Nil	10	Bonus Issue in the ratio of 16 Equity shares for 10 fully paid-up Equity Shares held
Promoter Group						
Anita Bhandari	4	Equity shares	October 25, 2024	Nil	10	Bonus Issue in the ratio of 4 Equity shares for 1 fully paid-up Equity Share held
	8	Equity shares	November 10, 2025	Nil	10	Bonus Issue in the ratio of 16 Equity shares for 10 fully paid-up Equity Shares held
Kailash Bhandari	4	Equity shares	October 25, 2024	Nil	10	Bonus Issue in the ratio of 4 Equity shares for 1 fully paid-up

Name of shareholders/Acquirer	Number of specified securities acquired	Nature of specified security	Date of acquisition of specified securities	Cost of acquisition per specified security (in ₹)	Face value per specified security (₹)	Mode of acquisition
						Equity Share held
	8	Equity shares	November 10, 2025	Nil	10	Bonus Issue in the ratio of 16 Equity shares for 10 fully paid-up Equity Shares held
Shikha Nuwal	4	Equity shares	October 25, 2024	Nil	10	Bonus Issue in the ratio of 4 Equity shares for 1 fully paid-up Equity Share held
	8	Equity shares	November 10, 2025	Nil	10	Bonus Issue in the ratio of 16 Equity shares for 10 fully paid-up Equity Shares held

As certified by Statutory Auditors pursuant to their certificate dated December 11, 2025.

For further details in relation to the aforesaid allotments, including in relation to acquisition cost, see "*Capital Structure – Build-up of the Equity Shareholding of our Promoters in our Company*" on page 131.

WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WERE ACQUIRED BY THE PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

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

S. No.	Name of the Promoter	Number of Equity Shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (in ₹)
1.	Harshil Nuwal	6,974,950	Nil**
2.	Subhash Chandra Nuwal	Nil	Nil
3.	Uma Nuwal	8	Nil*
4.	Deepank Bhandari	12,360,000	Nil*
5.	Sona Polyspin Private Limited	7,240,000	Nil*

As certified by Statutory Auditors pursuant to their certificate dated December 11, 2025.

**Equity shares were acquired pursuant to bonus issue, hence, weighted average price is Nil.*

***Equity shares were acquired pursuant to gift and bonus issue, hence, weighted average price is Nil.*

WEIGHTED AVERAGE COST OF ACQUISITION OF ALL EQUITY SHARES TRANSACTED IN THE LAST ONE YEAR, 18 MONTHS AND THREE YEARS PRECEDING THE DATE OF THIS DRAFT RED HERRING PROSPECTUS

Period	Weighted average cost of acquisition per Equity Share (in ₹)	Cap Price is 'X' times the weighted average cost of acquisition*	Range of acquisition price per Equity share: lowest price-higher price (in ₹)#
Last Three Years	3.06	[•]	Nil** - 147
Last 18 Months	3.06	[•]	Nil** - 147
Last One Year	2.50	[•]	Nil** - 147

As certified by Statutory Auditors pursuant to their certificate dated December 11, 2025.

**To be included once the price band information is available.*

***Equity shares were acquired pursuant to bonus issue, hence, acquisition price is Nil*

AVERAGE COST OF ACQUISITION FOR OUR PROMOTERS

The average cost of acquisition per Equity Share acquired by our Promoters as on the date of this Draft Red Herring Prospectus is:

Name of Promoter	Number of Equity Shares	Average cost of acquisition per Equity Share (in ₹)
Harshil Nuwal	8,449,935	1.72
Subhash Chandra Nuwal	Nil*	9.89
Uma Nuwal	13	0.77
Deepank Bhandari	20,085,000	3.85
Sona Polyspin Private Limited	11,765,000	3.85

As certified by Statutory Auditors pursuant to their certificate dated December 11, 2025.

** Shares held by Subhash Chandra Nuwal were transferred to Harshil Nuwal on May 17, 2025 by way of Gift. Hence as on the date of DRHP, Subhash Chandra Nuwal does not hold any equity shares of the company.*

DETAILS OF PRE-IPO PLACEMENT

Our Company does not propose to undertake any pre-IPO Placement.

ISSUANCES OF EQUITY SHARES MADE IN THE LAST ONE YEAR FOR CONSIDERATION OTHER THAN CASH (EXCLUDING BONUS ISSUANCE)

Other than as disclosed in "*Capital Structure*" beginning on page 113, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the equity shares in the one year preceding the date of this Draft Red Herring Prospectus.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Except as disclosed in "*Our Promoter and Promoter Group – SEBI Exemption Sought by our Company in Relation to Promoter Group*" on page 344, our Company has not made any application under the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION – II – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before evaluating our business and making an investment in the Equity Shares pursuant to the Issue. This section should be read in conjunction with "Industry Overview", "Our Business", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 172, 261, 351, and 433, respectively, before making an investment decision in relation to the Equity Shares. For capitalised terms used but not defined herein, see "Definitions and Abbreviations" on page 1.

The risks and uncertainties described in this section are not the only risks that are relevant to us, the Equity Shares or the industry and sector in which we operate. Additional risks and uncertainties not currently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, cash flows and financial condition. If any of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of their investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors described below. However, there are certain risk factors where such implications are not quantifiable, and hence any quantification of the underlying risks has not been disclosed in 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 risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences they may encounter from investing in the Equity Shares.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "Forward-Looking Statements" on page 27.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Restated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" on page 351. Our financial or fiscal year ends on March 31 of each relevant year. Accordingly, references to a "Fiscal" or "fiscal year" are to the 12-month period ended March 31 of the relevant year.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled "Textile Research Report" dated December, 2025 ("**CareEdge Report**") prepared and issued by CARE Analytics and Advisory Private Limited and exclusively commissioned and paid for by us in connection with the Issue, pursuant to an engagement letter dated April 19, 2025. CareEdge is an independent agency which has no relationship with our Company, our Promoter and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the CareEdge 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 have been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from* *the CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CareEdge Report is available on the website of our Company at www.sonaselection.com until the Bid/Issue Closing Date.*

INTERNAL RISKS

1. ***A major portion of our revenue from operations is dependent upon a limited number of customers, our revenue from our top ten customers is ₹352.35 million, ₹1,199.85 million, ₹582.51 million and ₹425.77 million constituting 33.80%, 37.98%, 48.15% and 45.34% of our overall revenue from operations for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively. Loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

A major portion of our revenue is concentrated among few key customers. While our business relationships with our key customers have been built over time, we typically do not enter into long-term contracts with our customers and conduct our operations on a purchase order basis. The absence of long-term contracts with our customers exposes us to a significant risk of customer attrition and challenges in relation to production planning.

The table below outlines the revenue generated from our top one (1), top five (5) and top ten (10) customers for the Three Months Period ended June 30, 2025, Fiscal 2025, 2024 and 2023, including their respective percentage of total revenue from operations.

(*₹ in million, unless stated otherwise*)

Particulars	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Top 1 customers	64.22	6.16%	216.59	6.86%	117.31	9.70%	55.74	5.94%
Top 5 customers	226.32	21.71%	852.40	26.98%	388.23	32.09%	239.95	25.55%
Top 10 customers	352.35	33.80%	1,199.85	37.98%	582.51	48.15%	425.77	45.34%

As certified by Statutory Auditors pursuant to their certificate dated December 09, 2025.

For details, see "*Our Business – Strong standing relationships with customers with high retention rate*" on page 272.

We are dependent on a limited number of key customers, and the loss of one or more of these customers could adversely affect our business, results of operations, cash flows and financial condition. We do not have long-term contracts with our customers and conduct our business primarily through individual purchase orders, which define the terms and volumes of sale. While we believe we have developed recurring relationships with certain key customers, there can be no assurance that these relationships will continue or that we will be able to maintain historical levels of business with them.

The loss of one or more key customers, or a significant reduction in orders from them, for any reason, including an inability to negotiate acceptable terms, failure to renew business arrangements, disputes, customer financial distress or insolvency, mergers or acquisitions involving our customers, changes in customer requirements, or work stoppages, could materially and adversely affect our revenues profitability. Although our company has not suffered any loss of key customer in the Three Months Period ended June 30, 2025 and last three Fiscals, we cannot assure that the same will not happen in future.

Further, as we expand our customer base, the composition of our revenues may change. Adverse developments involving any of our key customers, including reduction or discontinuation of orders, disputes, or disqualifications, could have a material impact on our revenues, cash flows, and liquidity.

In addition, our key customers may choose to reduce their dependence on us, switch to our competitors, adopt alternative products not offered by us, or may not continue to place orders on favourable terms. We cannot assure you that we will be able to retain such customers or reduce our dependence on a limited number of them. Any such development could materially and adversely affect our business, results of operations, financial condition and cash flows.

2. ***We depend on a certain limited set of suppliers for the supply of primary raw materials. Our procurement of raw materials from our top ten suppliers is ₹616.49 million, ₹2,124.48 million, ₹407.37 million and ₹409.08 million constituting 68.92%, 80.74%, 77.52% and 74.33% of our overall procurement for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively. Any loss of suppliers or interruptions in the timely delivery of supplies and services could have an adverse impact on our business, financial condition, cash flows and results of operations***.

Our operations depend on third-party suppliers for the procurement of primary raw materials, including yarn and greige fabric. The break-up of the primary raw materials consumed during the Three Months Period ended June 30, 2025 and last three Fiscals based on our Restated Financial Information, is as follows:

(₹ in million)

Particulars	Three Months Period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Yarn	248.47	116.55	-	-
Greige Fabric	234.20	1,543.15	134.32	45.03

As certified by Statutory Auditors pursuant to their certificate dated December 09, 2025.

The details of top one (1), top five (5) and top ten (10) suppliers and their amount as a percentage (%) of total purchases is given below:

(₹ in million, unless stated otherwise)

Particulars	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase
Top 1 suppliers	111.10	12.42%	1,172.22	44.55%	103.98	19.79%	104.59	19.00%
Top 5 suppliers	421.34	47.10%	1,894.35	71.99%	307.76	58.57%	296.33	53.84%
Top 10 suppliers	616.49	68.92%	2,124.48	80.74%	407.37	77.52%	409.08	74.33%

As certified by Statutory Auditors pursuant to their certificate dated December 09, 2025.

Our suppliers may not perform their obligations in a timely manner or at all, resulting in delays to our production schedule and adversely affecting our output. Relying on a certain limited set of suppliers for primary raw materials also exposes us to the risk of production disruption as any supplier issues could adversely impact our manufacturing operations. While there has been no instance where any of our suppliers did not perform their obligations in a timely manner in the Three Months Period ended June 30, 2025 and last three Fiscals, which had an adverse impact on our financials or business operations, we cannot assure that no instance will arise in the future where delay in supply of raw materials or non-performance of obligations would not have an adverse impact on our results of operations, cash flows, financial condition or business.

We cannot assure you that the raw materials that we procure from our suppliers will conform with our quality or performance standards. Further, depending on supplier reliability for quality and timely delivery poses the risk of shortages or delays which may lead to supply chain disruptions thereby impacting our relationship with our customers. We may also be required to replace a supplier if its products or services do not meet our safety, quality or performance standards. While there has been no instance where our suppliers were unable to supply us desired quantities of the specific raw materials or any instance where we could not find a replacement for any particular supplier in the Three Months Period ended June 30, 2025 and last three Fiscals, we cannot assure you that such instances will not arise in future. In the event if any of our supplier shows its inability to provide us the specific quantity of raw materials and even if we may be able to procure such raw materials from other suppliers, there is no guarantee that we will be able to do so at the same price or within our delivery timelines, which may have impact on our ability to procure an uninterrupted supply of primary raw material for our operations, which in turn may affect our profit margins and financial performance.

3. ***Our Manufacturing Facility and Registered Office are located in Rajasthan, and a significant portion of our revenue amounting to ₹369.72 million, ₹1,594.57 million, ₹1,153.06 million and ₹911.10 million constituting 35.47%, 50.47%, 95.31% and 97.02% of our total revenue from operations for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively is also derived from this state. Further, our procurement from***

Rajasthan amounted to ₹858.13 million, ₹2587.97 million, ₹505.83 million and ₹457.88 million constituting 95.93%, 98.36%, 96.26% and 83.19% of purchases for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023. As a result, we are exposed to geographic concentration risks that may adversely affect our operations, financial condition, and results of operations.

As on the date of this Draft Red Herring Prospectus, our manufacturing facility and registered office, are located in Bhilwara, in the state of Rajasthan, India. In addition, Rajasthan contributes a major share of our operational revenue. During the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, revenue from sales in Rajasthan amounted to ₹369.72 million, ₹1,594.57 million, ₹1,153.06 million and ₹911.10 million, respectively representing approximately 35.47%, 50.47%, 95.31% and 97.02% respectively of our total revenue from operations. For further details, see "*Our Business – Overview*" on page 261.

Set out below is our revenue from operations, based on our Restated Financial Information, from various states in India during Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(*₹ in million, unless stated otherwise*)

Particulars	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Rajasthan	369.72	35.47%	1,594.57	50.47%	1,153.06	95.31%	911.10	97.02%
Delhi	316.95	30.41%	700.81	22.18%	0.15	0.01%	0.13	0.01%
Maharashtra	185.47	17.79%	488.77	15.47%	33.28	2.75%	18.86	2.01%
Karnataka	70.26	6.74%	159.81	5.06%	-	0.00%	-	0.00%
West Bengal	35.37	3.39%	50.22	1.59%	-	0.00%	-	0.00%
Gujarat	22.04	2.12%	41.47	1.31%	1.68	0.14%	2.11	0.23%
Uttar Pradesh	16.49	1.58%	66.33	2.10%	0.29	0.02%	0.17	0.02%
Tamil Nadu	9.80	0.94%	10.57	0.33%	-	0.00%	-	0.00%
Punjab	9.12	0.88%	17.33	0.55%	-	0.00%	-	0.00%
Dadra,Nagar Haveli, Daman and Diu	4.36	0.42%	2.15	0.07%	-	0.00%	-	0.00%
Madhya Pradesh	1.60	0.15%	14.99	0.47%	19.31	1.60%	0.04	0.00%
Haryana	1.17	0.11%	6.48	0.21%	2.02	0.17%	6.71	0.71%

Particulars	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Andhra Pradesh	-	0.00%	6.02	0.19%	-	0.00%	-	0.00%
Total	**1,042.35**	**100.00%**	**3,159.52**	**100.00%**	**1,209.79**	**100.00%**	**939.12**	**100.00%**

As certified by Statutory Auditors pursuant to their certificate dated December 09, 2025.

Further, our procurement from Rajasthan amounted to ₹858.13 million, ₹2587.97 million, ₹505.83 million and ₹457.88 million constituting 95.93%, 98.36%, 96.26% and 83.19% of purchases for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023. Set out below are our procurements, from various states in India during Three Months Period ended June 30, 2025, and Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(₹ in million)

Particulars	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase
Rajasthan	858.13	95.93%	2,587.97	98.36%	505.83	96.26%	457.88	83.19%
Gujarat	14.36	1.61%	21.53	0.82%	3.44	0.65%	49.57	9.01%
West Bengal	10.95	1.22%	-	0.00%	-	0.00%	-	0.00%
Madhya Pradesh	5.08	0.57%	0.04	0.00%	2.84	0.54%	3.07	0.56%
Uttar Pradesh	4.11	0.46%	15.81	0.60%	10.21	1.94%	39.70	7.21%
Tamil Nadu	1.08	0.12%	-	0.00%	-	0.00%	-	0.00%
Telangana	0.55	0.06%	-	0.00%	-	0.00%	-	0.00%
Maharashtra	0.16	0.02%	1.24	0.05%	0.39	0.07%	0.17	0.03%
Goa	0.07	0.01%	-	0.00%	-	0.00%	-	0.00%
Haryana	0.01	0.00%	3.51	0.13%	2.77	0.53%	-	0.00%
Punjab	-	0.00%	1.17	0.04%	-	0.00%	-	0.00%
Total	**894.50**	**100.00%**	**2,631.27**	**100.00%**	**525.48**	**100.00%**	**550.39**	**100.00%**

As certified by our Statutory Auditors vide their certificate dated December 09, 2025.

This operational and commercial concentration in Rajasthan exposes us to significant geographic concentration risks. Any local or regional disruptions such as changes in state regulations, labour unrest, infrastructure bottlenecks, natural calamities such as floods, droughts, or earthquakes, industrial accidents, political or social unrest, or public health emergencies, could have a direct and adverse impact on both our production and sales functions.

While we have not experienced any material operational disruptions at our manufacturing facility during the Three Months Period ended June 30, 2025 and last three Fiscals, there is no assurance that such disruptions will not occur in the future.

Any significant disruption at our manufacturing facility may delay production, result in inventory pile-up, impact our ability to meet customer orders in a timely manner, and create supply chain imbalances. This, in turn, may lead to order cancellations, penalties, customer attrition, and reputational harm, ultimately impacting our revenue and profitability.

Given the absence of geographic diversification in our operations, any adverse event impacting the state of Rajasthan may have a material and disproportionate effect on our overall business, financial condition, results of operations, and cash flows. Further, since a substantial portion of our revenue is concentrated in Rajasthan and our revenue contributions from other states remain limited, the lack of revenue diversification may increase the impact of any adverse developments in Rajasthan on our business and operating performance.

4. ***Any slowdown or shutdown of our manufacturing operations at our manufacturing facility could have an adverse effect on our business, financial condition and results of operations.***

As on the date of this Draft Red Herring Prospectus, our Company operates a single manufacturing facility located in Bhilwara, Rajasthan. For details of our manufacturing facility, see "*Our Business – Our Manufacturing Facility*" on page 276. Our business is dependent upon our ability to effectively operate and manage this facility, which is subject to various operational risks, including those beyond our control, such as breakdown or failure of equipment, automation systems, industrial accidents, labour unrest, pandemics, fire hazards, power supply interruptions, severe weather conditions, and other natural or man-made disasters.

Our manufacturing facility is central to our operations, with end-to-end processing infrastructure for products such as100% cotton fabric, cotton lycra (stretch) fabric, cotton blends and polyester blends and includes in-house quality control lab, warehousing capacity of approximately five (5) million meters. Any significant malfunction or failure of the equipment or systems at this facility may entail substantial repair and maintenance costs and lead to production delays. While we incurred ₹3.86 million , ₹6.49 million, ₹6.16 million and ₹3.99 million towards repairs and maintenance constituting 0.40%, 0.22%, 0.59% and 0.49% of the total expense during the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively, there can be no assurance that such costs will not increase in the future or that we will be able to address such failures in a timely and cost-effective manner.

Additionally, we may be required to undertake planned shutdowns of our manufacturing facility from time to time for equipment upgrades. Although we have not experienced any material disruptions or shutdowns at our facility during Three Months Period ended June 30, 2025 and last three Fiscals, any future shutdowns, whether planned or unanticipated, may adversely affect our production schedules and delay customer deliveries.

As on the date of this Draft Red Herring Prospectus, we do not operate any alternate or backup manufacturing facility. Accordingly, any material slowdown, under-utilisation, or temporary or permanent shutdown of our manufacturing facility located at Bhilwara, whether due to site-specific disruptions, regional socio-political unrest, industrial policy changes in Rajasthan, or any other unforeseen circumstance, could significantly impair our ability to meet customer demand and fulfill contractual obligations. Such disruption may have an adverse effect on our business operations, results of operations, cash flows, and financial conditions.

5. ***We are subject to stringent quality requirements from our buyers. Any failure to meet prescribed quality specifications may result in product rejections, loss of customer confidence, and reputational damage, which could adversely affect our business and results of operations.***

Our business involves the manufacturing and processing of fabric used by textile traders and garment brands. Our customers often have specific quality expectations regarding parameters such as strength, colour fastness, flexibility, durability. Compliance with these requirements is critical to ensuring sustained customer relationships and repeat business.

The fabric processing involves multiple interdependent stages such as singeing, scouring, bleaching, peaching, dyeing, among others, each requiring precise control, skilled manpower, and continuous monitoring. Any deviation from process norms, equipment malfunction, operator error, or inconsistency in fabric quality may result in defects in the finished fabric which could lead to customer complaints or even cancellation of orders.

Our reputation in the market is closely tied to our ability to deliver finished fabric that meets consistent quality benchmarks. Our buyers may conduct internal testing or engage third-party laboratories for quality verification before accepting shipments. In certain cases, we are required to provide samples for technical evaluation prior to final orders. Failure to meet quality standards during such evaluations or post-delivery assessments may not only lead to immediate loss of sales but could also impair our standing with existing and prospective customers. While we have not experienced any material instances of product rejections or quality-related order cancellations during the Three Months Period ended June 30, 2025 and last three Fiscals there can be no assurance that such events will not occur in the future.

The loss of confidence among our buyers could significantly affect our future order pipeline, customer retention, and financial performance. Lapses in quality even if infrequent could expose us to higher product scrutiny, tighter payment terms, or eventual delisting as an approved vendor. This could adversely affect our revenue, growth prospects, and overall market positioning.

6. ***Under-utilisation of our manufacturing capacity and an inability to effectively utilize our manufacturing capacity could have an adverse effect on our business, future prospects and future financial performance.***

The following table sets forth certain information relating to the capacity utilisation of our Manufacturing Facility calculated on the basis of total installed production capacity and actual production, as of and for the years/periods indicated herein:

Particulars	Three month ended June 30, 2025	Fiscal 2025*	Fiscal 2024	Fiscal 2023
Installed Capacity (MMPA)	82.44	82.44	54.00	54.00
Actual Production (MMPA)	16.83	58.94	48.33	47.33
Percentage of Utilisation	81.66%#	78.24%*	89.50%	87.65%

As certified by R. K. Maheshwari, Chartered Engineer vide their certificate dated December 06, 2025
**The Manufacturing facility has an installed processing capacity of 54.00 million meters per annum, which has been increased by 28.44 million meters per annum as per consent to operate letter dated April 23, 2024. Commercial production under the enhanced capacity commenced in July 2024. So, percentage of utilization has been annualised for the same.*
 # Percentage of utilization has been annualised.

Any disruption in operations at our Bhilwara facility, whether due to equipment breakdowns, labour disputes, natural calamities, industrial accidents could result in underutilisation of the capacity and directly affect our ability to meet customer requirements in a timely manner. Since customer retention in our business is closely tied to consistent quality and timely delivery, even temporary interruptions could adversely impact customer confidence and order volumes.

Further, while the increase in installed capacity is expected to support higher volumes, there can be no assurance that actual demand from our customers will increase proportionately or that we will be able to fully utilize the capacity. Failure to achieve optimal utilisation of this capacity, or delays in scaling operations to match market demand, may result in higher fixed costs per unit, reduced operating efficiency, and lower profitability.

Accordingly, while the capacity enhancement strengthens our operational capabilities, any inability to effectively utilize or sustain this capacity could materially and adversely affect our business, results of operations, cash flows, and financial condition.

7. ***There are outstanding litigations involving our Company, Subsidiary, Promoters, Directors, KMPs and SMPs. An adverse outcome in any of these proceedings may affect our reputation and standing and impact our future business and could have a material adverse effect on our business, financial condition, cash flows and results of operations.***

As on the date of this Draft Red Herring Prospectus, we are involved in certain tax, civil and criminal legal proceedings which are pending at different levels of adjudication before various courts, tribunals and appellate authorities. We cannot assure you that these legal proceedings will be decided in our favour. Decisions in proceedings against our interests may have a significant adverse effect on our business, financial condition, cash flows and results of operations. In relation to tax proceedings, in the event of any adverse outcome, we may be required to pay the disputed amounts along with applicable interest and penalty and may also incur additional tax incidence going forward.

A summary of pending material civil, tax and criminal proceedings involving our Company, Subsidiary, Directors, Promoters, KMPs and SMPs in accordance with the SEBI ICDR Regulations and as per the Materiality Policy adopted by our Board is provided below:

(₹ *in million*)

Particulars	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges Disciplinary actions by the SEBI or Stock Exchanges in last 5 years, including outstanding action	Material Civil litigations	Aggregate amount involved*
Company						
By our Company	Nil	Nil	Nil	Not applicable	Nil	Nil
Against our Company	Nil	7**	1	Not applicable	Nil	1.27
Promoters						
By the Promoters	1	Nil	Nil	Nil	Nil	Nil
Against the Promoters	1	1	Nil	Nil	Nil	Negligible
Directors (Other than Promoters)						
By the Directors	Nil	Nil	Nil	Not applicable	Nil	Nil
Against the Directors	Nil	Nil	Nil	Not applicable	Nil	Nil
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	Not applicable	Nil	Nil
Against the Subsidiary	Nil	Nil	Nil	Not applicable	Nil	Nil
Key Managerial Personnel other than Directors						
By our Key Managerial	Nil	Not applicable	Nil	Not applicable	Not applicable	Not applicable

Particulars	Criminal Proceedings	Tax Proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges Disciplinary actions by the SEBI or Stock Exchanges in last 5 years, including outstanding action	Material Civil litigations	Aggregate amount involved*
Personnel						
Against our Key Managerial Personnel	Nil	Not applicable	Nil	Not applicable	Not applicable	Not applicable
Senior Management						
By members of our Senior Management	1	Not applicable	Nil	Not applicable	Not applicable	Not applicable
Against members of our Senior Management	1	Not applicable	Nil	Not applicable	Not applicable	Not applicable

**To the extent quantifiable and ascertainable*

*** Number of cases includes notice in respect of assessment proceedings under Section 143(3) of Income Tax Act, 1961 wherein no demand has been quantified yet.*

Further, as on the date of this Draft Red Herring Prospectus, there are no outstanding litigations involving the Group Companies which may have a material impact on our Company. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current or long-term liabilities or reduce our cash and bank balance. For details, see *"Outstanding Litigation and Material Developments"* beginning on page 472.

As reflected in the table above, our Promoters, Subhash Chandra Nuwal, Uma Nuwal, Harshil Nuwal, and our SMP, Rajnikant Saraswat, are party to a criminal matter being, FIR No. 05/2015 dated March 7, 2015 at Bhopal, Madhya Pradesh, which is linked to prior operations of the Promoter Group entity, Starnet Breeding and Research Farms Private Limited. The said Promoter

Group entity has settled all complainant claims in the year 2023 for ₹1.08 Million. Based on such settlements, the matter has been amicably resolved between the parties, however, the said matter is presently pending formal closure before the concerned authorities. Our above-named Promoters and SMP, have also filed petition (*Misc. Criminal Case No. 49058/2018*) for quashing of the said FIR under Section 482 of CrPC which is currently pending adjudication before the Hon'ble High Court of Madhya Pradesh. For details, see "*Outstanding Litigation and Material Developments – Litigation against our Promoters*" and "*Outstanding Litigation and Material Developments – Litigation by our Promoters*" on page 474. While no further monetary claims have been asserted by the complainants in connection with these matters after the settlement and have undertaken to withdraw the FIR and complaint as per the settlement terms, formal closure of the above proceedings is pending. Any unforeseen delay in final disposal may deviate attention of our management and therefore, may adversely affect our business and reputation.

8. ***We have experienced negative cash flows in the past, and sustained or significant negative cash flows may adversely affect our business, financial condition and growth prospects.***

We have experienced negative cash flows in prior periods, as disclosed in our Restated Financial Information:

(*₹ in million*)

Particulars	For the period ended June 30, 2025	Fiscal		
		2025	2024	2023
Net cash flow from operating activities	10.39	(141.77)	176.08	(5.72)
Net cash flow from investing activities	5.70	(504.19)	(1,081.20)	(464.01)
Net cash flow from financing activities	(15.91)	606.71	946.50	469.63

For further details, see "*Restated Financial Information*" on page 351.

In Fiscal 2025, we recorded negative cash flows from operating activities of ₹141.77 million. The increase in our working capital requirements was primarily driven by a significant rise in sales from ₹1,209.79 million in Fiscal 2024 to ₹3,159.52 million in Fiscal 2025. This growth resulted in higher trade receivables and increased inventory levels, which were only partially offset by a corresponding rise in trade payables.

Sustained negative cash flows may limit our ability to meet our operating expenses, service debt, fund working capital requirements, invest in strategic initiatives or respond to competitive pressures. Further, if we continue to experience negative cash flows, we may be required to seek external financing, incur additional indebtedness or curtail our expansion and investment plans. Reliance on external funding, if required, may be subject to availability, cost, covenants and market conditions, which may not always be favourable to us.

Any inability to improve cash generation, efficiently manage liquidity or access necessary financing resources in a timely and cost-effective manner may materially and adversely affect our business, financial condition, results of operations and future growth prospects.

9. ***Some of the members of our Promoter Group have not consented to the inclusion of, nor have they provided, information or any confirmations or undertakings pertaining to themselves or the entities in which they hold interest, which are required to be disclosed in relation to Promoter Group under the SEBI ICDR Regulations in this Draft Red Herring Prospectus. The disclosures relating to these members of the Promoter Group have been included in this Draft Red Herring Prospectus based on information available in public domain. Accordingly, we cannot assure you that the disclosures relating to such members of our Promoter Group are accurate, complete, or updated. Further, details in relation to Connected Entities which may qualify as a member of our Promoter Group have not been disclosed in this Draft Red Herring Prospectus.***

Our Company had filed an application dated July 10, 2025 with SEBI under Regulation 300(1)(c) of the SEBI ICDR Regulations, requesting for relaxation of the applicable provisions of the SEBI ICDR Regulations with respect to identifying and disclosing (i) Rajinder Singh Grover (spouse's father of our Promoter, Deepank Bhandari), (ii) Anju Singh (spouse's mother of our Promoter, Deepank Bhandari) and (iii) Arjun Singh Grover (spouse's brother of our Promoter, Deepank Bhandari) (collectively, "**Concerned Relatives**") and body corporates/entities connected to such Concerned Relatives ("**Connected Entities**") from disclosing information and confirmations regarding, and from, such natural person(s) and entities, as required under the SEBI ICDR Regulations ("**Exemption Application**"). By way of a letter dated September 5, 2025, SEBI has rejected the Exemption Application and directed our Company to include the names of the relevant Concerned Relatives and Connected Entities as members of our Promoter Group, and to disclose details pertaining to such individuals /entities based on information available in the public domain. Since our Company has not been able to procure relevant information, from, and in relation to, the Concerned Relatives and Connected Entities, and to comply with the provisions of the SEBI ICDR Regulations, the disclosures in relation to the Related Individuals in this Draft Red Herring Prospectus have been included to the best of our Company's knowledge and to the extent the information were available and accessible in the public domain including as published on the websites of (i) Watchout Investors (accessible at https://www.watchoutinvestors.com); (ii) CIBIL (accessible at https://suit.cibil.com/), (iii) BSE Limited (list of debarred entities accessible at https://www.bseindia.com/investors/debent.aspx); and (iv) National Stock Exchange of India Limited (accessible at https://www.nseindia.com/regulations/member-sebi-debarred-entities), on a 'name search' basis. .

Given that the disclosures related to the Concerned Relatives and Connected Entities included in this Draft Red Herring Prospectus are solely based on the information which was available and accessible in the public domain, our Company has not ascertained the veracity or completeness of the information or if such information is updated. Our Company will also not be in a position to ascertain any subsequent developments in relation to the information of the Concerned Relatives and Connected Entities. Further, since our Company did not receive any information from the Concerned Relatives despite its request, our Company has not been able to ascertain any other entity forming part of the Connected Entities which would qualify as a member of our Promoter Group. Accordingly, details in relation to the Connected Entities, which may qualify as a member of our Promoter Group have not been disclosed in this Draft Red Herring Prospectus.

10. ***We have significant working capital requirements and our inability to meet such working capital requirements may have an adverse effect on our results of operations.***

Our business demands significant working capital to fund the procurement of our key raw material yarn/greige fabric, facilitate manufacturing processes, and maintain adequate inventory of yarn/greige fabric and finished fabric for timely customer deliveries. Furthermore, our working capital requirements is higher due to B2B customers, which requires offering extended credit terms. Increased working capital demands may also arise as we take on a larger volume of orders due to business growth.

Our working capital is funded through borrowings and internal accruals. For details, see "*Financial Indebtedness*" on page 421.

The table below presents our working capital requirement and its funding pattern for the indicated years:

(in ₹ million)

Particulars	Threemonths period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Working capital requirement	1,049.66	934.08	340.84	245.2
Short term borrowings from banks	663.54	592.94	239.42	155.82
Internal accruals and equity	386.12	341.14	101.42	89.38

As certified by Statutory Auditors, pursuant to their certificate dated December 09, 2025

We typically rely on internal accruals as well as credit facilities with banks to provide for our working capital arrangements. During the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024, and Fiscal 2023, our working capital days was 104 days, 122 days, 104 days and 103 days respectively. As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our working capital requirements in the future. Any increase in debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements.

Furthermore, the objects of the Issue include full or part repayment and/or prepayment of certain outstanding borrowings availed by our Company. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. For information in relation to our management estimates and assumptions on the Objects of the Issue, see "*Objects of the Issue*" on page 141.

Additional equity financing could dilute our earnings per Equity Share and your interest in the Company and could adversely impact our Equity Share price. There can be no assurance that we will generate sufficient cash flows or be able to borrow funds in a timely basis, or at all, to meet our working capital and other requirements, or to pay our debt, which could materially and adversely affect our business and results of operations.

11. We enter into certain related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not adversely affect our business, results of operations, profitability and margins, cash flows and financial condition

We enter into certain transactions with related parties in the ordinary course of our business and may continue to enter into related party transactions in the future. Our related party transactions includes sales and other income, purchase and job processing charges, business transfer, rent expenses, remuneration to key managerial personnel, professional fees, sitting fees paid to independent directors, interest payments, repayment of loans and loan taken.

The transactions we may enter into with our related parties in the future could potentially involve conflicts of interest, which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority Shareholders and will not adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions, all related party transactions that we may enter into post-listing will be subject to an approval by our Audit Committee, our Board, or our Shareholders, as required under the Companies Act and the SEBI Listing Regulations.

For details of our related party transactions, see "*Summary of the Issue Document —Summary of related party transactions*" and "*Restated Financial Information – Related Party Disclosures*" on pages 35 and 398, respectively.

12. There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities, which may have an adverse impact on our financial condition and cash flows.

There have been certain instances of delays in payment of statutory dues during the Three Months Period ended June 30, 2025 and last three Fiscals, which inter-alia include late filing of GST returns and delayed payment of provident fund and ESIC. These delays primarily occurred due to increased transaction volumes during the relevant periods, resulting in late receipt of invoices and consequential delays in reconciliation and filing of returns. In a few cases, delays also arose on account of inadvertent oversight and procedural delays in verification and submission of the requisite filings. All such dues as on the date of this Draft Red Herring Prospectus has been deposited with relevant authorities. For instance, please see below instances of delay/ irregularity in payment of provident fund dues, ESIC and GST for the periods indicated:

The following table depicts the delays in filing GST returns by the Company:

Fiscal/Period	Return Type	Delayed filings
For the period ended June 30, 2025	GSTR-3B	1
Fiscal 2025	GSTR-3B	3
Fiscal 2024	GSTR-3B	1
Fiscal 2023	GSTR-3B	1

As certified by the Statutory Auditors pursuant to their certificate dated December 11, 2025.

Governing laws	June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Provident Fund				
Amount in million	NA	NA	NA	0.15
Number of cases of delay	NA	NA	NA	1
Average number of days delayed	NA	NA	NA	129
Employee State Insurance Corporation contribution				
Amount in million	NA	0.11	0.12	NA
Number of cases of delay	NA	1	1	NA
Average number of days delayed	NA	5	1	NA
Income Tax and Tax Deducted at source				
Amount in million	NA	NA	NA	NA
Number of cases of delay	NA	NA	NA	NA
Average number of days delayed	NA	NA	NA	NA

As certified by the Statutory Auditors pursuant to their certificate dated December 11, 2025.

Recognizing the importance of timely and accurate regulatory compliance, our Company has undertaken corrective steps to address and prevent such delays in the future. These measures include the appointment of dedicated personnel specifically tasked with overseeing compliance, regulatory reporting, and statutory filings.

In addition, we have implemented enhanced internal processes and reporting structures to ensure that all regulatory requirements are tracked, escalated, and fulfilled within the prescribed timelines.

While we believe that these initiatives have significantly improved our internal compliance capabilities, there can be no assurance that future delays or lapses will not occur. Any failure to comply with applicable laws and regulatory filing requirements in a timely manner may subject us to warnings, penalties, or reputational risks, all of which could adversely affect our operations or delay future corporate actions.

13. Our manufacturing business is dependent on the availability and pricing of yarn / greige fabric as a key raw material and any fluctuations in supply or cost, and the working capital required to procure and store the same, may adversely affect our manufacturing operations, profitability and cash flows.

Our manufacturing operations are significantly dependent on the availability and cost of yarn and greige fabric, which constitute our primary raw materials for fabric manufacturing. Any fluctuations in the price or availability of these inputs can materially impact our production schedules, cost structure, and overall profitability.

The price of cotton yarn has seen significant fluctuations in recent years and is influenced by several factors that are largely beyond our control, such as global supply chain disruptions, demand variations, and input cost pressures, climatic disruptions including droughts or floods, government procurement policies.

Our procurement model involves sourcing yarn and greige fabric through suppliers across key producing regions in India, and we do not typically enter into long-term fixed-price contracts with such suppliers. While this model offers flexibility and access to competitive pricing, it also exposes us to considerable risks of supply disruption and price spikes, particularly during periods of high demand. Any occurrence of supplier/vendor-specific risks such as delivery delays, quality inconsistencies, and operational disruptions at the supplier's end, may impair our production continuity and customer order fulfilment.

Further, any sharp increase in raw material costs during the peak seasons could escalate our working capital requirements and lead to increased borrowings and higher interest outflows. A sustained mismatch between procurement costs and selling prices may also result in margin erosion, especially in the context of the highly price-sensitive textile industry, where our ability to pass on increase in input costs to customers is limited.

Although we have not experienced any material supply disruptions in the Three Months Period ended June 30, 2025 and last three Fiscals, and have maintained stable relationships with our vendors, there is no assurance that these conditions will prevail going forward. Any adverse development relating to raw material procurement, be it related to cost, availability, policy changes, or financing constraints, may materially affect our manufacturing operations, cash flows, and overall financial performance.

14. We have contingent liability obligations and our financial condition could be adversely affected if any of these contingent liabilities materializes.

As on June 30, 2025, there were commitments disclosed in the notes to our audited and Restated Financial Information aggregated ₹194.66 million. The following table sets forth our contingent liabilities as on Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 as per the Restated Financial Information:

(in ₹ million)

Particulars	Three Months Period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Contingent Liability-				
Claims Against the company not acknowledged as debt	-	-	-	-
Commitments-				
In respect of Procurement of capital goods under Zero duty Export Promotion Capital Goods Scheme of Foreign Trade Policy, 2023, the company has an export obligation, which is required to be fulfilled	194.66	191.86	183.63	-

at different dates, on or before 24.06.2031. In the event of non-fulfillment of the export obligation, the company will be liable to pay custom duties and penalties, as applicable.				

Notes: The Company has certain disputes, lawsuits and claims, which arise in from time to time in the ordinary course of business. The amount in some of the cases can not be ascertained and in some cases not material.

The commitment mentioned in the table above are in the nature of export promotion incentives, including customs duty exemptions under authorisation schemes linked to specified export obligations. These obligations require us to manufacture and export designated amounts within prescribed timelines. Any delay or inability to meet such conditions could result in liability to pay applicable customs duties together with interest. If any of these contingent liabilities materialize, our financial condition and results of operation may be adversely affected. For details, see "*Restated Financial Information - Note no. 44 - Contingent Liabilities*" on page 414.

15. ***Non-availability of contract workers at reasonable cost or any strikes, work stoppages or increased wage demands could lead to disruption in our operations, which could adversely impact our business, financial condition, cash flows and results of operations*.**

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage onsite contract workers for performance of certain of our operations at our manufacturing facility. For details regarding the number of our contract workers, see "*Our Business – Human Resources*" on page 288.

While we do not engage our contract workers directly, we may be responsible for any wage payments to be made to such workers in the event of default by their respective independent contractors. Any requirement to fund such defaulted wage requirements may have an adverse impact on our results of operations and our financial condition. Thus, if we are subjected to any such order from a regulatory body or court or if we are unable to renew the engagement with our independent contractors at commercially viable terms or at all, our business, financial condition, cash flows and results of operations may be adversely affected. Our business is labour intensive and our dependence on contract labour may result in significant risks for our operations, relating to the cost, availability and skill of such contract workers in India, as well as contingencies affecting availability of such contract workers during peak periods or during festive periods in labour intensive sectors such as ours. Further, our contract workers may participate in strikes, work stoppages or other industrial actions in the future which could disrupt our operations. While we have not faced any instances of non-availability of contract workers at reasonable cost or any strikes, work stoppages or increased wage demands from such contract workers that led to any adverse effect on our business or operations in the Three Months Period ended June 30, 2025, Fiscals 2025, 2024 and 2023, there can be no assurance that such instances will not occur in the future. We may not have adequate access to skilled and unskilled workmen at reasonable rates or favourable terms at all times in the future and any increase in the cost of labour or failure to procure availability of labour due to any other reason, will adversely affect our business, financial condition, cash flows and result of operations.

16. ***We rely on third-party transportation providers for inbound raw materials and outbound finished goods, and any disruption or inefficiency in such logistics arrangements may adversely affect our business, financial condition, results of operations, and cash flows.***

We are dependent on third-party logistics and transportation providers for (i) the movement of our raw material i.e. yarn and greige fabric and other inputs from our suppliers to our manufacturing facility, and (ii) the delivery of our finished products to our customers across various states in India. Any delay, disruption, or inefficiency in the logistics network may impair our ability to maintain smooth operations or timely order fulfilment.

Delays in transportation can arise from multiple external factors including labour strikes, fuel price volatility, adverse weather, road blockages, natural disasters, public health emergencies and regulatory changes affecting freight movement. Additionally, products and raw materials in transit may be exposed to risks such as theft, mishandling, damage, or loss, which could result in quality degradation or shortfall in quantity at destination.

While we have not faced any material disruptions in transportation during the Three Months Period ended June 30, 2025, Fiscals 2025, 2024 and 2023, we cannot assure you that such incidents will not occur in the future. Any delay or non-delivery of raw materials may impact our production schedules, while delays in customer deliveries could affect our reputation and customer retention.

The table below sets forth our transportation cost as a percentage of total expenses for the years/period indicated:

(in ₹ million, unless stated otherwise)

Particulars	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Expenses	Amount	% of Total Expenses	Amount	% of Total Expenses	Amount	% of Total Expenses
Transportation cost	9.68	0.99%	34.06	1.17%	18.00	1.72%	14.74	1.80%

We could be required to expend considerable resources in addressing our transportation requirements, including by way of absorbing any excess charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

17. ***There have been instances of delay in compliances and discrepancies in e-forms filed with respect to regulatory filings under the Companies Act, 2013 by our Company in the past. Our Company has filed suo moto adjudication applications with the RoC for these delays and discrepancies.***

There have been instances of delay in filings and discrepancies in eforms filed with respect to regulatory filings under the Companies Act, 2013 by our Company in the past.

Our Company has, on its own initiative, filed two adjudication applications with the Ministry of Corporate Affairs, Regional Director and the RoC, Rajasthan at Jaipur, seeking adjudication of certain non-compliances under the Companies Act. There were non-compliances pertain to delays in filing of eform PAS 3 pursuant to Section 39(4) & 42(9) of the Companies Act, 2013 read with Rule 12 & 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Company had originally issued Compulsorily Convertible Debentures; however, Form PAS-3 was inadvertently filed reflecting the allotment of Optional Convertible Debentures instead of CCDs. Subsequently, the Company filed a rectified Form PAS-3 with the correct particulars pertaining to the allotment of conversion of CCDs into equity shares. In order to regularise this inadvertent error of 51 days of delay filing of the correct e-form, the Company has submitted an adjudication application before the Registrar of Companies in Form GNL-1 bearing SRN AB9648655 dated December 06, 2025. Further, the Company had originally allotted Equity Shares on private placement basis and filed the return of allotment in form PAS-3 dated November 23, 2024. However, the said form PAS-3 was inadvertently filed with the incorrect number of allotted equity shares with incorrect issue price specified in the allotment resolution. The Company proceeded to rectify the said default and filed a new fresh PAS-3 to reflect the correct allotment of equity shares. In order to regularise this inadvertent error of 194 days of delay filing of the correct e-form, the Company has submitted an adjudication application before the Registrar of Companies in Form GNL-1 bearing SRN AB9648788 dated December 06, 2025, covering the errors, omissions, and incorrect filings identified by the management. For further details please see "*Capital Structure- Paid-up Share capital history of our Company*" on page 114.

While our adjudication applications have been accepted and acknowledged and late filing fees have been submitted for the delayed filings, the outcome of these applications remain uncertain and the RoC may impose penalties to take corrective actions pursuant to Section 454 of the Companies Act. There can be no assurance that we will not be subject to any further regulatory actions and/ or penalties which may adversely affect our business, financial condition and reputation, based on the actions taken on the adjudication on the offence. Further, we cannot assure you that there will be any future non-compliances which will not result in the application of any penalties or arise again, or that we will be able to rectify or mitigate any such non-compliances, in a timely manner or at all.

18. In the past our individual Promoter Deepank Bhandari was subject to disqualification and default. He was also associated with entities that have been struck off, which may pose compliance risk and could subject us to adverse regulatory perceptions.

In past, our Promoter, Deepank Bhandari, was showing in the list of defaulters issued by Ministry of Corporate Affairs for non-filling of financial statements or annual returns for any continuous period of 3 financial years, by virtue of being a director of Great Eastern Appmill Private Limited. Deepank Bhandari was disqualified from directorship for the period November 01, 2017 to October 31, 2022. At present, Great Eastern Appmill Private Limited has been Struck off and his name is not appearing in the defaulter list as issued by the Ministry of Corporate Affairs. He does not hold position of director in our Company as on the date of this Draft Red Herring Prospectus.

He was previously a designated partner in two limited liability partnerships, namely Shiso Fintech Ventures LLP and West World Mobility LLP, which were struck off by the Registrar of Companies. We cannot assure you that such past associations will not result in any regulatory action, non-compliance, etc., which may have occurred during his period of association with such entities. Any such enquiry or action if occurs could divert the attention of our Promoter. Further, if any proceedings or liabilities associated with such entities were to arise in the future and involve or implicate our Promoter, it may divert promoter attention and could impact our business and results of operations.

19. There have been instances of irregularities, discrepancies in filings with the Registrar of Companies and other non-compliances under the Companies Act in the past, which may result in penalties and adverse consequences.

Our Company has, in the past, experienced prolonged and continuous delays in filing certain forms and returns with the RoC, including instances where revisions were made to previously filed forms. Additionally, there have been certain clerical errors and procedural non-compliances, some of which may or may not be rectifiable under applicable laws. While we have taken steps to address these issues, we cannot assure you that the RoC or any other regulatory authority will not initiate inquiries, impose penalties, or take other regulatory action against us or our officers for such past non-compliances. Any such proceedings or penalties, including those arising from continued delays or inadvertent lapses in future filings, may result in additional financial liabilities beyond statutory late filing fees and may adversely affect our cash flows. We cannot assure you that similar instances will not recur in the future or that we will not be subjected to further penalties or regulatory scrutiny. We have outlined below few instances of delays for the fiscal 2023, 2024, 2025 and till the date of this DRHP, occurred in our regulatory filings with the RoC:

S. No.	Description of Form	Delay Ranging Between/ Delay in No. of Days	No. of Instances of Delays
1.	Form CHG-1	4 – 22	5
2.	Form DIR-12	29 – 1317	4
3.	Form ADT-1	23	1
4.	Form PAS-3	5 – 165	3
5.	Form DPT-3	4 – 67	2
6.	Form MGT-14	13 – 298	9
7.	Form AOC-4	10	1

Further, there is no assurance that such discrepancies will not occur in the future, and we may still be subject to regulatory actions or penalties, which could adversely affect our business operations and financial position.

20. ***Our Company does not own any registered intellectual property rights, and any inability to protect our brand, business processes or proprietary information may adversely affect our business, financial condition and results of operations.***

Our Company currently does not own or hold any registered intellectual property rights such as trademarks, copyrights, patents or designs in relation to our brand name, logo, trade dress, technology, know-how, business processes or other proprietary information. As a result, we may not have adequate legal protection against potential infringement, imitation, counterfeiting or unauthorised use of our trade name, brand identity, processes or know-how by third parties. The absence of such protection could expose us to risks of brand dilution, erosion of goodwill, diversion of business opportunities, or reputational harm. Our Company has made applications for registration of 20 trademarks in respect of the name and logo of our Company under the Trade Marks Act, 1999. There can be no assurance that these trademarks will be successfully registered. For details of the trademark application, see "*Government and Other Approvals*" at page 479.

Further, if competitors, vendors or other entities succeed in registering similar or identical marks, names or processes, it could create significant legal and operational challenges for us, including the possibility of litigation, restrictions on our use of our existing business identifiers, and potential rebranding costs. Defending claims relating to intellectual property rights, whether initiated by us or against us, may be expensive, time-consuming, and could divert management's attention from the conduct of our core operations.

Additionally, any future changes in the regulatory framework, including potential requirements for mandatory registration, stricter enforcement of intellectual property rights, or heightened compliance obligations under applicable laws, may further increase our exposure and costs of compliance. The inability to secure, maintain and enforce intellectual property rights, or to adequately safeguard our unregistered proprietary information, may adversely affect our business operations, growth prospects, reputation, financial condition and results of operations.

21. Our Company operates in a highly competitive and evolving textile landscape, and any inability to respond to pricing pressures, technological developments or industry consolidation could negatively affect our operations, market share and financial results.

The Indian textile industry is fragmented, with a mix of large integrated manufacturers and smaller regional players. We primarily compete on the basis of product quality, customer relationships, pricing, and timely delivery. Our key competitors include established domestic players with larger capacities, vertically integrated textile groups.

Many of our competitors have longer operating histories, greater brand recognition, access to cheaper raw materials or capital, and larger economies of scale. They may also be better positioned to absorb cost volatility or offer more attractive credit terms to customers. This may place pricing pressure on our offerings and restrict our ability to fully pass on raw material cost increases to our customers.

Furthermore, consolidation in the textile industry or the entry of global players with robust financial and operational capabilities may intensify competition. Some competitors may also invest more aggressively in technology, backward integration, or marketing, creating additional barriers to growth for us.

As per the CareEdge Report, synthetic textiles form the fastest-growing segment in India's textile processing industry, driven by their versatility, durability, and affordability. Their capacity for mass production and limited reliance on agricultural cycles further enhances their appeal. The industry is also embracing sustainability, with rising adoption of recycled fibres and eco-friendly manufacturing processes to meet global environmental standards. Supported by technological advancements and strong export potential, synthetic textiles are rapidly gaining market share. These benefits are increasingly aligning with the expectations of both manufacturers and end consumers. Also, see "*Our Business – Competition*" and "*Industry Overview*" on pages 289 and 172, respectively, for further details on competitive conditions that we face across our various business segments. Moreover, aggressive competition may force us to lower our prices or increase credit terms to retain customers, which can negatively impact our margins. Any failure to compete effectively, upgrade our product mix, or match the pace of technological and material innovations in the industry may lead to loss of market share, lower capacity utilisation, and weakened financial performance.

22. Our Company's Promoters and Directors and some of our Group Companies are at present involved and may enter into ventures that may lead to real or potential conflicts of interest with our business

As on the date of this Draft Red Herring Prospectus, our Promoter namely Harshil Nuwal, and Subhash Chandra Nuwal, have interest in Sona Processors (India) Limited, Sona Texfab Private Limited, and Sona Styles Limited which are authorised by their constitutional documents to undertake activities similar or synergistic to those carried out by our Company. However, as on the date of this Draft Red Herring Prospectus, Sona Texfab Private Limited, and Sona Styles Limited are not undertaking any business activities that are similar to those of our Company. For details, see "*Our Group Company – Common Pursuits between our Group Companies and our Company*" on page 348.

Sona Processors (India) Limited is engaged in activities similar to those of our Company. Although we have entered into non-compete agreement with Sona Processors (India) Limited, there can be no assurance that in future, conflicts of interests may not arise in allocating business opportunities amongst our Company, our Group Company and Promoters in circumstances where our respective interests may be diverged.

We cannot assure that conflicts will not arise in the future, particularly if any said companies or ventures chooses to engage in business activities that are similar to those carried out by our Company. In the event that such a situation arises, our Company shall adopt appropriate procedures and measures, in accordance with applicable laws and regulatory guidelines, which may include the execution of further non-compete agreements or other conflict mitigation strategies, to effectively address and manage any such potential conflicts of interest.

23. ***We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, any failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations may adversely affect our operation.***

Our business operations are subject to numerous statutory and regulatory approvals, permits, licenses, and registrations at the central, state, and local levels. These approvals are critical for conducting and expanding our activities, particularly in relation to our manufacturing facility at Bhilwara, Rajasthan, and our compliance with applicable, industrial and environmental regulations. Many of these approvals are valid only for specific periods and are subject to periodic renewal, modification, or replacement by the relevant authorities. Any delay or failure in obtaining, maintaining, or renewing such approvals may result in interruptions to our operations, the imposition of penalties, or restrictions on our ability to conduct business.

As on the date of this Draft Red Herring Prospectus approvals pertaining to certain scope certificates, for verification of processes, products, and specific standards, are pending for renewal. While these applications are under consideration, we cannot assure you that they will be granted or renewed in a timely manner, or at all. Any refusal or delay in obtaining such approvals could impact our ability to produce certified products and may adversely affect our contractual obligations, reputation and may result in loss of customer confidence. For more details relating to applications relating to the licenses and approvals relating to our business, see "*Government and Other Approvals*" on page 479.

While we have not had any material instances of failure to obtain registrations or making applications required to conduct our businesses during the Three Months Period ended June 30, 2025, Fiscals 2025, 2024 and 2023, we cannot assure you that approvals, licenses and registrations will be successfully granted or renewed in a timely manner or at all in the future. We also cannot assure you that our approvals and consents will not be suspended or revoked in the future. Failure to obtain, maintain or renew the approvals, licenses and registrations required to operate our business could adversely affect our business, financial condition, cash flows and results of operations.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals which may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations. For more details relating to licenses and approvals relating to our business, see "*Government and Other Approvals*" on page 479.

24. We may be unable to attract and retain employees with the requisite skills, expertise and experience, which would adversely affect our operations, business growth and financial results.

We rely on the skills, expertise and experience of our employees to provide continuous and quality products to our customers. For instance, we require experienced employee for production process and to carry out quality checks and inspections at all stages of our operations. Our employees may terminate their employment with us prematurely and we may not be able to retain them. The details of attrition rate of employees of the Company during the Three Months Period ended June 30, 2025, and last three Fiscals are as under:

Particulars	Three Months Period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Average No. of Employees during the year	830	737	486	449

No. of Employees left/retired	19	76	61	58
Attrition rate (%)	2.29%	10.31%	12.56%	12.92%

If we experience any failure to attract and retain competent personnel or any material increase in manpower costs as a result of the shortage of skilled manpower, our competitiveness and business would be damaged, thereby adversely affecting our financial condition and operating results. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth and expansions may be inhibited.

25. Our Company has availed unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

Our Company has, from time to time, availed unsecured loans from Promoters and others to meet business requirements. Such loans are unsecured and repayable on demand. As at October 31, 2025, our Company had outstanding unsecured loans aggregating to ₹149.76 million.

For further details, "*Financial Indebtedness*" on page 421.

If any or all of these lenders demand repayment of their respective loans, our Company will be required to arrange alternative financing, which may not be available on commercially reasonable terms, or at all. Any such event may adversely affect our business, cash flows, financial condition and results of operations.

26. We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. Any defaults could lead to acceleration of our repayment obligations, cross defaults under other financing agreements, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition

We have entered into agreements for secured short term borrowings and long-term borrowings with certain lenders. As on October 31, 2025, an aggregate of ₹2,335.06 million was outstanding towards loans availed from banks. The credit facilities availed by us are secured by way of mortgage of fixed assets, hypothecation of current assets (both present and future), personal guarantees given by our Promoters and Promoter Group, namely Subhash Chandra Nuwal, Harshil Nuwal, Deepank Bhandari, Uma Nuwal, Kailash Bhandari and Anita Bhandari. For details, see "*Financial Indebtedness*" on page 421.

In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to us may be recalled with penal interest. This could severely affect our operations and financial condition. Our financing agreements include certain covenants that require us to obtain lender consents prior to carrying out certain corporate activities and entering into certain transactions, such as, incurring any additional borrowings, undertaking capital expenditure, diversifying business, advance or repay loans, effect any dividend pay-out in case of delays in debt servicing, effect any change in shareholding pattern and management control of the

Company, amongst others. Although, we have received the requisite prior consent from our lenders in relation to the proposed Issue, any intentional or unintentional breach of financial or non-financial covenant in the future may qualify as an event of default under financing agreements.

We cannot assure you that the lenders will not seek to enforce their rights in respect of any breach by us under our financing agreements. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lenders or is not otherwise cured by us, may lead to a termination of our credit facilities and/or acceleration of all amounts due under the relevant credit facility. Further, such breach and relevant actions by the lenders could also trigger enforcement action by other lenders pursuant to cross-default provisions under certain of our financing agreements. Further, 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 the financing documents, thereby reducing the availability of cash for our operations. In addition, the lenders may enforce their security interest in certain of our assets. Any future inability to comply with the covenants under our financing agreements or to obtain the necessary consents required thereunder may lead to termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such financing agreements and enforcement of any security provided. Any of these circumstances would have an adverse effect our business, results of operation and financial condition.

Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lenders refuse to renew / enhance the credit facilities and/or cancel / suspend / reduce the said credit facilities and/or alter the terms and conditions to the derogation of our Company, then our existing operations as well as our future business prospects and financial condition may be severely affected.

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

We have provided security in respect of loans/facilities availed by us from banks by creating a charge over our movable and immovable properties. The total amount outstanding and payable by us as secured loans was ₹ 2,335.06 million, as on October 31, 2025. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be subject to forfeiture by lenders, which in turn could have a significant adverse effect on our business, financial condition or results of operations. However, in the Three Months Period ended June 30, 2025, and last three Fiscals, there have been no such instances of delayed payment to our bankers. For further details of the loans availed by us, see "*Financial Indebtedness*" on page 421.

28. ***Our inability to effectively manage our growth or successfully implement our business strategies may adversely affect our business, financial condition, and results of operations***

We have identified several strategic initiatives that are critical to our future growth, including: (i) Forward Integration and Expansion through our Subsidiary; (ii) Strengthen Our Sustainability Framework and Expand Renewable Energy Usage; (iii) Focus on cost optimisation; and (iv) Focus on deleveraging and enhancing financial flexibility. For further details, see "*Our Business – Our Strategies*" on page 273. The execution of these strategies will require careful planning, precise demand forecasting, effective procurement of equipment, timely capital deployment, and the ability to realize projected reductions in energy costs through renewable sourcing initiatives.

The success of these initiatives, however, is dependent on several external factors that are beyond our control, such as receipt of timely regulatory and environmental clearances, availability of infrastructure, performance of agents and contractors, and overall macroeconomic and trade conditions. Rising input costs and supply chain constraints could further delay or increase the cost of implementation. Any such delays or cost overruns may materially affect the pace and profitability of our growth.

In addition, the successful implementation of our strategic initiatives will place increased demands on our management, systems, and internal controls. We will need to continuously strengthen our operational infrastructure, attract and retain skilled personnel, upgrade technology platforms, and enhance management information systems to handle the added complexity of expanded operations. There can be no assurance that our internal processes, controls, and managerial capacity will be able to keep pace with these increased demands.

Failure to implement our strategic initiatives in a timely and cost-efficient manner, or the inability to derive expected benefits from such initiatives, could adversely impact our operational performance and profitability, strain our financial resources, and weaken our competitive position in the textile industry. Such outcomes could materially and adversely affect our business, results of operations, cash flows, and long-term growth prospects.

29. ***Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.***

The cost and availability of capital is dependent on our credit rating which is currently BBB / Stable. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position and ability to meet our obligations. Our Company has been awarded with the following long-term rating in the past till the date of this Draft Red Herring Prospectus:

Rating Agency	Instrument	Credit Rating	Rating Date
Crisil	Long Term Borrowings	BBB/Stable	August 30, 2024
Crisil	Long Term Borrowings	BBB/Stable	October 27, 2025
Crisil	Long Term Borrowings	BBB/Stable	October 28, 2025

While there has been no downgrade in our credit ratings in the Three Months Period ended June 30, 2025 and the last three Fiscals and until the date of this Draft Red Herring Prospectus, any downgrade in our credit ratings would increase borrowing costs and constrain our access to capital and debt markets and, as a result, would negatively affect our net interest margin and our business. In addition, downgrades of our credit ratings could result in a recall of existing facilities, increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future, impair our future issuances of debt and equity and our ability to raise new capital on a competitive basis or at all. The ratings provided by credit rating agencies may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Any such adverse development in our credit ratings could adversely affect our business, financial condition, results of operations and cash flows.

30. Except two of our Director, namely Harshil Nuwal and Subhash Chandra Nuwal, none of the Directors of the Company have experience of being a director of a public listed company.

Our Directors, Harshil Nuwal and Subhash Chandra Nuwal are directors in Sona Processors (India) Limited, which was listed on Delhi Stock Exchange and Jaipur Stock Exchange. Sona Processors (India) Limited was voluntary delisted w.e.f. Wednesday, January 27, 2021, pursuant to SEBI circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016, from both the exchanges vide BSE notice dated January 25, 2021. For further details, see "*Our Management – Details of Directorship in companies suspended or delisted*" on page 315. Except for Harshil Nuwal and Subhash Chandra Nuwal, our promoter Directors, the other Directors of the Company do not have the experience of having held directorship of public listed company. Accordingly, their exposure to the management of a listed company is limited, including, inter alia, compliance obligations and heightened scrutiny by shareholders, regulators, and the public. As a listed entity, the Company will be subject to enhanced accounting, corporate governance, and reporting requirements that did not apply prior to its listing. The Company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited quarterly reports with respect to its business and financial condition. If the Company experiences any delays, we may fail to satisfy its reporting obligations and/or it may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies.

Further, as a publicly listed company, the Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, the Board of Directors of the Company may have to provide increased attention to such procedures and their attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

31. ***Our Promoters has provided personal property as collateral for borrowings availed by the Company.***

In connection with borrowings availed by our Company, our Promoter and Promotor Group namely, Subhash Chandra Nuwal, Harshil Nuwal, Kailash Bhandari and Anita Bhandari have provided personal property as collateral to secure certain loans. While this support has enabled the Company to access necessary financing, it also creates a dependency on the personal assets of our Promoter to maintain existing credit facilities.

Further, while the use of personal collateral reflects the Promoter's commitment to the business, it may create potential conflicts of interest in certain situations, particularly if enforcement action is initiated against the collateral by lenders. In such an event, our Promoter's ability to continue supporting the Company, financially or strategically, may be affected. There can be no assurance that continued reliance on the Promoter's personal property as collateral will not have reputational, financial, or operational consequences, all of which could adversely affect our business, results of operations, and financial condition.

32. ***Any shortage, disruption, or unavailability of electricity may adversely affect our manufacturing operations, results of operations, and financial condition.***

Our manufacturing operations are energy-intensive and require continuous and reliable electricity. Any disruption, shortage, or unavailability of electricity whether due to failure of the state electricity grid, or other external factors can directly impact the efficiency of our manufacturing processes and delay production timelines.

For the Three Months Period ended June 30, 2025, and Fiscals 2025, 2024, and 2023, our power expenses were ₹14.88 million, ₹68.68 million, ₹61.54 million, and ₹45.79 million, respectively, accounting for 1.52%, 2.37%, 5.90%, and 5.58% of our total expenses for continuing operations during the respective periods.

Our manufacturing operations are power-intensive and rely on electricity supply from the state electricity grid. We have installed a solar power plant coupled with a back pressure steam turbine to meet our energy requirements. To further reduce our dependence on grid electricity and mitigate the impact of rising power costs, we intend to commission rooftop solar power project of 1.1 MW for captive consumption. For further details, see "*Our Business – Our Strategies*" on page 273.

Although we have not faced material disruptions in electricity supply during the Three Months Period ended June 30, 2025, Fiscals 2025, 2024, and 2023, we cannot assure that such issues will not arise in the future. Any significant or prolonged power outages or escalation in energy costs could adversely affect our manufacturing capabilities, delivery schedules, customer relationships, and overall financial performance.

33. Inaccurate demand forecasting or disruptions in our supply chain may lead to inventory imbalances or loss of business, which could adversely affect our operations and financial performance

Our production planning and inventory procurement are based on internal demand forecasts, which take into account historical order patterns, sales team inputs and prevailing market sentiment. If we overestimate demand, we may accumulate excess finished fabric or raw material inventory, especially cotton yarn, which could result in increased carrying costs, tied-up working capital, and potential quality degradation during prolonged storage.

Conversely, if we underestimate demand or face production or procurement delays due to raw material price volatility, logistics issues, or capacity constraints, we may be unable to fulfil customer orders in a timely manner. This could result in loss of orders, strained customer relationships, and an erosion of market share, especially in a competitive and time-sensitive textile supply chain.

Our operations also depend on synchronised coordination across procurement, manufacturing, and sales teams. Disruptions or inefficiencies at any stage of the supply chain such as delays due to monsoon variation or supply chain bottlenecks can cause ripple effects that impair our ability to deliver to market on time.

While we have not experienced any material demand forecasting inaccuracies or supply disruptions during the Three Months Period ended June 30, 2025, and in the last three Fiscals, we cannot assure that such instances will not arise in the future. Any mismatch between anticipated and actual demand, or significant supply disruptions, may adversely affect our production efficiency, customer satisfaction, working capital cycle, and overall financial performance.

34. Our insurance coverage may not be adequate to protect us against all potential losses, which could adversely affect our business, financial condition, and results of operations.

We maintain insurance coverage of types and amounts that we believe are appropriate for our operations. Our principal types of coverage include vehicle insurance policy and industrial all risks policy. For details, see *"Our Business – Insurance"* on page 289.

The total insurance coverage maintained by the Company was ₹2,669.45 million in respect of its gross block of Property Plant Equipment and inventories which stood at ₹3,231.22 million as on June 30, 2025. Further, such insurance coverage is 82.61% of the underlying assets of the Company as per the Restated Financial Information as on June 30, 2025.

Our insurance policies may not adequately cover all risks or potential losses. We may not have identified every risk, and we may be uninsured against certain risks either because such risks are uninsurable, not insurable on commercially acceptable terms, or because the cost of obtaining coverage is not commercially feasible. In addition, our insurance coverage is subject to specified limits and exclusions, and losses in excess of these limits, or losses arising from events not covered under our policies, would need to be borne by us. For instance, risks such as pandemics, certain operational risks, natural calamities, business interruptions, regulatory actions, or other unforeseen events may not be covered by our policies or may only be partially covered.

We cannot assure you that our insurance policies will be sufficient or effective under all circumstances or against all hazards and liabilities to which we may be exposed. Further, our insurance coverage is subject to periodic renewal. While we apply for renewals in the ordinary course of business and have not faced material instances of non-renewal or claim rejection during the Three Months Period ended June 30, 2025 and last three Fiscals, there can be no assurance that such renewals will always be granted in a timely manner, on acceptable terms, or at all.

In the event that we suffer a loss or damage for which we do not have insurance coverage, or where the loss exceeds the sum insured, or where our insurance claims are rejected, such losses would have to be borne by us directly. Given that our facility represents a single location for our manufacturing operations, any uninsured or underinsured event affecting this facility could disproportionately impact our operations. The occurrence of such events could materially and adversely affect our business, financial condition, cash flows, and results of operations.

35. If we are unable to establish and maintain effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

36. ***Certain sections of this Draft Red Herring Prospectus disclose information from the CareEdge Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.***

Certain sections of this Draft Red Herring Prospectus include information based on or derived from the "Textile Research Report" dated December 2025, prepared and issued by CareEdge, appointed by us on April 19, 2025, and exclusively commissioned and paid for by us in connection with the Issue. CareEdge is an independent agency which has no relationship with our Company, our Promoters, Promoter Group and any of our Directors or KMPs or SMPs.

Further, CareEdge Report is prepared based on information as of specific dates and may no longer be current or reflect current trends. Certain information in this CareEdge Report is subject to limitations and is also based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. The CareEdge Report uses certain methodologies for market sizing and forecasting. Furthermore, the CareEdge Report is not a recommendation to invest/ disinvest in any company covered in the CareEdge Report. Accordingly, Investors should not place undue reliance on or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the CareEdge Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CareEdge Report before making any investment decision regarding the Issue. For further details, see "*Industry Overview*" on page 172 of this Draft Red Herring Prospectus.

37. ***Any variation in the utilisation of the Net Proceeds as disclosed in this Draft 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 utilisation of the Net Proceeds or the schedule of deployment of the Net Proceeds as disclosed in this Draft 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 utilisation 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 unutilised 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 141.

38. 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.

We intend to use Net Proceeds from the Issue towards (a) repayment and/or pre-payment, in full or part, of certain borrowings; (b) funding of capital expenditure towards purchase of plant and machineries; and (iii) general corporate purposes. For details of the objects of the Issue, see "*Objects of the Issue*" on page 141. The funding requirement and deployment of the Net Proceeds mentioned as a part of the Objects of the Issue are based on current circumstances of our business, prevailing market conditions estimates received from the third-party agencies and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. The estimates for the proposed expenditure are based on several variables, a significant variation in any one or a combination of which could have an adverse effect. Furthermore, the deployment of funds has not been appraised by any bank or financial institution or any independent agency.

39. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at our Manufacturing Facility may adversely affect our production schedules, costs, revenue and ability to meet customer demand

The activities undertaken at our manufacturing facility involve the operation of heavy and automated machinery, as well as the handling, processing, and storage of large volumes of raw material and finished fabric. Such operations may pose occupational health and safety risks to our employees and to the labour deployed at our facility. Despite our efforts to maintain a safe and healthy working environment in line with applicable occupational health and safety standards and environmental management system requirements, there can be no assurance that accidents will not occur.

An accident at our facility could result in personal injury or fatalities, damage to machinery or property, interruption of production schedules, delays in fulfilling customer orders, or environmental damage. Such events may also attract scrutiny from regulatory authorities, result in fines, penalties, or operational suspensions, and in severe cases, require us to halt operations until corrective measures are implemented. Given our reliance on a single manufacturing facility, any disruption could disproportionately impact our ability to meet customer demand, thereby affecting revenues, profitability, and customer confidence.

While we have not experienced any fatalities or material health and safety incidents during the Three Months Period ended June 30, 2025, and last three Fiscals, there can be no assurance that such incidents will not occur in the future. Any future accidents could expose us to litigation or compensation claims, the outcome of which may be difficult to predict. The cost of defending such litigation can be significant, and our existing insurance coverage may not be sufficient to provide complete protection against such claims. In addition, negative publicity associated with health, safety, or environmental incidents could damage our reputation and adversely affect relationships with customers, employees, regulators, and other stakeholders.

Accordingly, any significant accident or disruption at our manufacturing facility could materially and adversely affect our business, financial condition, cash flows, results of operations, and long-term growth prospects.

40. We are dependent on our Promoters for functioning of our business and we believe that our senior management team and other key managerial personnel in our business are critical to our continued success and we may be unable to attract and retain such personnel in the future.

Our performance depends largely on the efforts and abilities of our Promoters. For details, see "*Our Promoters and Promoter Group*" on pages 335. We believe that the input and experience of our Promoters are valuable for the growth and development of business and operations and the strategic directions taken by our Company. Our business and operations are led by our Promoters who possess vast experience in the textile industry, the loss of whose services may adversely affect our business operations.

At the same time, our future success also substantially depends on the continued service and performance of the members of our Senior Management and Key Managerial Personnel in our business for the management and running of our daily operations and the planning and execution of our business strategy.

There is intense competition for experienced Senior Management and Key Managerial Personnel with technical and industry expertise and, if we lose the services of any of our Senior Management and Key Managerial Personnel or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. The loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business, cash flows, and results of operations.

41. Changes in technology may affect our business by making our Manufacturing Facility or equipment less competitive or obsolete

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Modernisation and technology upgradation is essential to reduce costs and increase the output. Our technology and machinery may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. The development and implementation of such technology and machinery entails technical and business risks. Further, the costs of upgrading our technology and modernizing the plant and machineries may be significant which could substantially affect our finances and operations. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to customer requirements or emerging industry standards. Changes in technology may make newer equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facility. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and results of operations could be adversely affected.

42. Our operations are significantly dependent on our ability to successfully identify market requirements and customer preferences and gain customer acceptance for our products

Our continued growth and competitiveness are dependent on our ability to accurately anticipate and respond to evolving customer preferences, industry trends, and technological developments in a timely manner. The textile industry is dynamic and influenced by fashion trends, functional textile innovations, fibre preferences. As per CareEdge Report, consumer preferences in India are rapidly evolving due to urbanisation, rising incomes, and growing sustainability awareness. Domestic demand covers ethnic wear (sarees, kurtas) and functional fabric (wrinkle-free, moisture-wicking). Regional tastes differ, with the South favouring fine cotton, the East silks, and the West colourful prints like Bandhani and Patola. While we currently offer a diversified product portfolio including 100% cotton fabric, cotton lycra (stretch) fabric, cotton blend and polyster blend fabric, we may not be successful in maintaining or growing our market share if we are unable to modify our existing products or develop new fabric variants in response to customer demand. Any mismatch between our offerings and customer expectations could lead to pricing pressure, loss of orders, or erosion of market share.

Additionally, competitors may develop and adopt advanced technologies or superior production methods that could make our existing products or manufacturing processes less competitive or obsolete. In such a scenario, we may be required to make substantial capital investments to upgrade our manufacturing capabilities, adopt new spinning technologies or improve product quality to remain competitive.

Although we are committed to ongoing innovation and quality enhancement, there can be no assurance that our efforts will be timely or effective, or that our new or modified products will be commercially successful. Any failure to respond effectively to market changes, consumer preferences, or industry innovations may adversely affect our revenue growth, customer relationships, financial condition and results of operations.

43. Our operations may be materially adversely affected by strikes, work stoppages or increased compensation demands by our employees

We are dependent on our work force for carrying out our operations. Any shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any disruptions in our business operations due to disputes or other problems with our work force in the Three Months Period ended June 30, 2025, and past three Fiscals and; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment.

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating employees and work permits. Although our employees are not currently unionised, there can be no assurance that they will not unionize in the future.

If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

44. Improper storage, processing and handling of greige fabric and yarn may cause damage to our inventory leading to adverse effect on our business and results of operations.

Our inventory primarily consists of greige fabric and yarn. We typically store greige fabric and yarn in covered warehouse situated at our manufacturing facility. In the event the greige fabric and yarn are not appropriately stored, handled and processed it may affect the quality of our finished fabric. Further we also run the risk of our greige fabric and yarns being spoiled due to improper warehousing. In addition, the occurrence of any negligence, oversight or leakages in the storage process may affect the quality and value of our finished fabric leading to lower realisations. While our Company has not witnessed any such situation in the past, however, any such eventuality, if arise in future may impact our business, result of operations and cash flows.

Although, we believe that we have maintained adequate insurance policies that cover such loss, there is no assurance that any future claim made under applicable insurance policies obtained by us will be satisfied, either in whole or in party, or in a timely manner.

45. Failure or disruption of our information and technology ("IT") and/ or enterprise resources planning systems may adversely affect our business, financial condition, results of operations and future prospects

We have implemented cybersecurity measures, including data protection against virus attacks and hacking, as well as disaster recovery servers and systems to ensure data retrieval and business continuity. We have implemented SAP across our operations to streamline our record keeping and track our business operations on real-time basis pursuant to which various financial, analytical and MIS reports are generated. Further, this system also enables us to track timely procurement of raw materials, payment to vendors and contract suppliers, and receivables from customers. IT systems are potentially vulnerable to damage or interruption from a variety of sources which could result from (among other causes) cyber-attacks on or failures of such infrastructure or compromises to its physical security, as well as from damaging weather or other acts of nature. A significant or large-scale malfunction or interruption of one or more of our IT systems, or manufacturing automation systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorised persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

46. Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any issue of 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 existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realisation of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "*Dividend Policy*" on page 350.

48. Misconduct or errors by manpower engaged by us could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.

Misconduct or errors manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorised activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. Consequently, our ability to control the workplace environment in such circumstances is limited. The risks associated with the deployment of manpower engaged by us include, among others, possible claims relating to actions or inactions, failure of manpower engaged by us to adequately perform their duties or absenteeism, errors or malicious acts or violation of security, privacy, health and safety regulations. While our Company has not experienced such misconduct or errors in the past, any such act of misconduct, fraud, etc. if occurs could expose to business and reputational risks or losses and may adversely impact of our financial positions, business and results of operations.

49. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. Any sale of our Equity Shares by our Promoters or major shareholders or future equity issuances, by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

50. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

As a company incorporated in India, our corporate affairs are governed by the Companies Act, 2013, the rules thereunder, and other applicable Indian laws. The rights of our shareholders, the responsibilities of our Board of Directors, and matters relating to corporate governance, mergers, amalgamations, takeovers, and acquisitions are subject to Indian legal requirements. These requirements, and the remedies available to shareholders under Indian law, may differ significantly from those applicable to companies incorporated in other jurisdictions.

For example, under Indian law, class action remedies are relatively new and less developed compared to certain other jurisdictions. Enforcement of shareholder rights in India may be subject to delays due to procedural complexities and the time taken by Indian courts in the disposal of cases. Further, concepts such as fiduciary duties of directors, shareholder derivative actions, and minority shareholder protections may not provide the same scope of remedies or recourse that may be available to shareholders of corporations incorporated elsewhere.

As a result, investors may have greater difficulty in asserting their rights or seeking remedies as shareholders of an Indian company than as shareholders of a corporation in jurisdictions with more extensive shareholder protection frameworks. Any limitations in the enforcement of shareholder rights may adversely affect investor confidence and the value of our Equity Shares.

51. QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within such time period as may be applicable from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

52. ***We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian retailing industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our Restated Financial Information as reported under applicable accounting standards disclosed elsewhere in this Prospectus. These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies.

53. ***Subsequent to the listing of the Equity Shares, we may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors***

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures ("**ASM**") and Graded Surveillance Measures ("**GSM**") by the Stock Exchanges and the Securities and Exchange Board of India. These measures have been introduced to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market-based parameters such as high low-price variation, concentration of client accounts, close to close price variation, market capitalisation, average daily trading volume and its change, and average delivery percentage, among others. A scrip is subject to GSM when the share price is not commensurate with the financial health and fundamentals of the company. Specific parameters for GSM include net worth, net fixed assets, PE, market capitalisation and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

54. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, 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.

55. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares will be determined by the book-building method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. For details, see "*Basis for Issue Price*" on page 153. The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;

- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

External Risk Factors

56. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.

Our Restated Financial Information have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

57. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

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 largely 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 product maybe adversely affected by an economic downturn in domestic, regional and global economies. Our results of operations are significantly affected by factors influencing the Indian economy.

Economic growth in India is affected by various factors including:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- political instability, terrorism, military conflict, epidemic or public health issues in India or in countries in the region or globally, including in India's various neighbouring countries;

• macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
• Instability in financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
• decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
• downgrading of India's sovereign debt rating by rating agencies;
• difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
• changes in India's tax, trade, fiscal or monetary policies; and • other significant regulatory or economic developments in or affecting India or its logistics sector

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 margins.

58. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business*.**

The occurrence of natural disasters, including hurricanes, floods, tsunamis, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, may adversely affect our financial condition or results of operations. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. The potential impact of a natural disaster on our results of operations and financial position is speculative and would depend on numerous factors. In addition, an outbreak of a communicable disease in India or in the particular region in which we have projects would adversely affect our business and financial conditions and the results of operations. We cannot assure prospective investors that such events will not occur in the future or that our business, financial condition, results of operations and cash flows will not be adversely affected.

59. ***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 international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

60. ***Changing laws, rules or regulations and legal uncertainties including taxation laws, or their interpretation, such changes may adversely affect our business, prospectus and results of operations*.**

The regulatory and policy environment in India is evolving and is subject to change. Any new compliance requirements or change in applicable law and policy could otherwise adversely affect our business, financial condition and results of operations performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

61. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. These developments, or the perception that any of them could occur, have had and may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have an adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

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

Inflation rates in India and other geographies where we conduct operations have been volatile in recent years, and such volatility may continue in the future. In particular, India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, financial condition and cash flows may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments or dividend paid therein in an Indian company are generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold.

Any gain realised on the sale of listed equity shares held for more than 12 months immediately preceding the date of transfer may be subject to long term capital gains tax in India at the specified rates depending on certain factors, whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long- term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months.

STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less, immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail the benefits thereunder.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. Unfavourable change in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

64. There is no guarantee that our Equity Shares will be listed on the BSE and NSE 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 by SEBI, our Equity Shares are required to be listed on the BSE and NSE 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.

65. ***Investors may not be able to enforce a judgment of a foreign court against us.***

We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India to repatriate any amount recovered pursuant to the execution of the judgment.

66. ***The Equity Shares have never been publicly traded, and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Our Equity Shares are expected to trade on NSE and BSE after the Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Issue, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after the Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including, among others:

(a) the failure of security analysts to cover the Equity Shares after the Issue, or changes in the estimates of our performance by analysts;
(b) the activities of competitors and suppliers;
(c) future sales of the Equity Shares by us or our Shareholders;
(d) investor perception of us and the industry in which we operate;
(e) changes in accounting standards, policies, guidance, interpretations of principles;
(f) our quarterly or annual earnings or those of our competitors;
(g) developments affecting fiscal, industrial or environmental regulations; and
(h) the public's reaction to our press releases and adverse media reports.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

67. ***The determination of the Price Band is based on various factors and assumptions, and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Manager is below their respective issue price.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLM. Furthermore, the Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis of Issue Price*" beginning on page 153 and may not be indicative of the market price for the Equity Shares after the Issue.

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. You may not be able to re-sell your Equity Shares at or above the Issue price and may as a result lose all or part of your investment. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Manager*" on page 498. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. Our Equity Shares are expected to trade on the Stock Exchanges after the Issue, but we cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

68. ***Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

Subject to requisite approvals, the Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately three Working Days from the Bid/ Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Issue Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

69. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading 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 falls 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.

70. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

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

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities 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 and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

SECTION III – INTRODUCTION

THE ISSUE

The following table summarizes the details of the Issue:

Particulars	Details of Equity Shares
Issue of Equity Shares of face value of ₹10 by our Company(1)	Issue of up to 14,300,000 Equity Shares of face value of ₹10/- each fully paid up for cash, at a price of ₹ [●] per Equity Share, aggregating up to ₹ [●] million.
The Net Issue consists of:	
A) QIB Portion (2)(3)	Not more than [●]* Equity Shares of face value of ₹10/-each, aggregating up to ₹ [●] million.
of which:	
(i) Anchor Investor Portion(2)	Up to [●]* Equity Shares of face value of ₹10/- each
(ii) Net QIB Portion available for allocation to QIBs other than Anchor Investors (*assuming Anchor Investor Portion is fully subscribed*)	Up to [●]* Equity Shares of face value of ₹10/- each
Of which:	
a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion)(3)	[●]* Equity Shares of face value of ₹10/- each
b. Balance of QIB Portion for all QIBs including Mutual Funds	[●]* Equity Shares of face value of ₹ 10/- each
B) Non-Institutional Portion (4)(5)	Not less than [●]* Equity Shares of face value of ₹ 10/- each, aggregating up to [●]* million
Of which:	
(i) One-Third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1 million	[●]* Equity Shares of face value of ₹ 10/- each
(ii) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	[●]* Equity Shares of face value of ₹ 10/- each
C) Retail Portion(4)(5)(6)	Not less than [●]* Equity Shares of face value of ₹10 each, aggregating up to ₹ [●] million
Pre-Issue and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue as at the date of this Draft Red Herring Prospectus	42,528,681 Equity Shares of face value of ₹10/- each
Equity Shares outstanding after the Issue*	[●] Equity Shares of face value of ₹10/- each
Use of Net Proceeds	For details about the use of Net Proceeds, please see "*Objects of the Issue*" on page 141.

**Subject to finalisation of the Basis of Allotment.*

Notes:

(1) The Issue has been authorised by a resolution of our Board dated October 28, 2025 and has been authorised by a special resolution of our Shareholders, dated November 04, 2025.

(2) Our Company, in consultation with the BRLM, may allocate up to 60% of the said allocation of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. In accordance with the SEBI ICDR Notification no. SEBI/LAD-NRO/GN/2025/271 dated October 31, 2025, 40 % of the Anchor Investor Portion, within the aforesaid limit shall be reserved as follows: (a) 33.33 % shall be allocated to domestic Mutual Funds and (b) 6.67 % shall be allocated to Life Insurance Companies and Pension Funds. Further in the event of under-subscription in the portion reserved for Life Insurance Companies and Pension Funds, the balance portion may be re-allocated to domestic Mutual Funds. Furthermore, in the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For details, see "*Issue Procedure*" on page 519.

(3) Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Issue, the Equity Shares will be allocated in the manner specified in "*Terms of the Issue*" on page 505.

(4) 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, as applicable, at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange, subject to applicable laws.

(5) Allocation to Bidders in all categories, other than Anchor Portion, Retail Individual Portion and Non-Institutional Portion, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. One-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹1.00 million and the unsubscribed portion in either of the above sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The Allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹ 0.20 million, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis, in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, please see "*Issue Procedure*" on page 519.

(6) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 0.50 million shall use UPI. Individual Investors bidding under the Non-Institutional Portion for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, including in relation to grounds for rejection of Bids, refer to "*Issue Structure*" and "*Issue Procedure*" on page 514 and 519, respectively. For further details of the terms of the Issue, see "*Terms of the Issue*" on page 505.

SUMMARY FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the Three Months Period ended June 30, 2025 and the Fiscals 2025, 2024 and 2023. The Restated Financial Information referred to above is presented under the section titled "Restated Financial Information" beginning on page 351 *of this Draft Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled "Restated Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on pages* 351 *and* 433*, respectively of this Draft Red Herring Prospectus.*

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RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in million, unless otherwise stated)

Particulars	As at June 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
I. ASSETS				
Non Current Assets				
(a) Property, Plant and Equipment	1,648.11	1,699.83	750.37	491.12
(b) Capital work-in-progress	101.74	95.56	725.72	-
(c) Other Intangible Assets	6.18	-	-	-
(d) Intangible Assets under development	-	6.40	-	-
(e) Financial Assets				
(i) Others financial Assets	7.57	7.57	10.12	5.26
Total Non Current Assets	**1,763.60**	**1,809.36**	**1,486.21**	**496.38**
Current Assets				
(a) Inventories	1,254.66	970.76	190.69	146.16
(b) Financial Assets				
(i) Trade receivables	914.11	696.87	139.87	148.64
(ii) Cash and Cash equivalents	2.33	2.15	41.40	0.02
(iii) Bank balance other than (ii) above	42.17	53.40	44.76	14.70
(c) Other current assets	212.52	184.56	128.40	74.71
(d) Income Tax Assets (Net)	15.81	30.57	3.62	-
Total Current Assets	**2,441.60**	**1,938.31**	**548.74**	**384.23**
TOTAL ASSETS	**4,205.20**	**3,747.67**	**2,034.95**	**880.61**
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	158.74	158.74	31.00	31.00
(b) Other Equity	590.45	541.97	357.81	227.43
Total Equity	**749.19**	**700.71**	**388.81**	**258.43**
LIABILITIES				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	1,257.24	1,307.72	1,117.60	261.11
(b) Provisions	15.92	14.76	8.30	3.09
(c) Deferred tax liabilities (Net)	127.37	127.31	72.92	63.13
Total Non-Current Liabilities	**1,400.53**	**1,449.79**	**1,198.82**	**327.33**
Current Liabilities				
(a) Financial Liabilities				

Particulars	As at June 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(i) Borrowings	844.78	766.25	328.42	190.96
(ii) Trade Payable				
(a) Total outstanding dues of micro enterprises and small enterprises	21.94	7.66	8.17	8.03
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,123.10	734.76	69.96	68.09
(iii) Other Financial Liabilities	58.92	80.35	36.52	21.32
(b) Other current liabilities	6.38	7.82	4.03	2.37
(c) Provisions	0.36	0.33	0.22	0.10
(d) Current Tax Liabilities (Net)	-	-	-	3.98
Total Current Liabilities	**2,055.48**	**1,597.17**	**447.32**	**294.85**
Total Liabilities	**3,456.01**	**3,046.96**	**1,646.14**	**622.18**
TOTAL EQUITY AND LIABILITIES	**4,205.20**	**3,747.67**	**2,034.95**	**880.61**

RESTATED STATEMENT OF PROFIT AND LOSS (INCLUDING OTHER COMPREHENSIVE INCOME)

(₹ in million, unless otherwise stated)

Particulars	For the Three Months Period ended June 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue				
I. Revenue from Operations	1,042.35	3,159.52	1,209.79	939.12
II. Other Income	1.54	5.14	3.31	1.99
III. Total Income (I+II)	**1,043.89**	**3,164.66**	**1,213.10**	**941.11**
IV. Expenses				
Cost of Materials Consumed	648.86	2,177.82	529.43	461.47
Purchase of Stock-in-Trade	59.53	14.60	5.36	27.21
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(96.22)	(345.46)	(52.03)	(76.16)
Employee Benefit Expenses	106.88	356.30	203.45	144.16
Finance Costs	43.96	147.25	47.45	24.44
Depreciation and Amortization Expenses	51.94	173.14	67.97	35.90
Other Expenses	161.41	380.21	242.02	203.67
Total Expenses	**976.36**	**2,903.86**	**1,043.65**	**820.69**
V. Profit/(loss) before Exceptional & Extraordinary Items and Tax (III-IV)	**67.53**	**260.80**	**169.45**	**120.42**
VI. Exceptional Items	-	-	-	-
VII. Profit before(Extraordinary Items & Tax (V-VI)	**67.53**	**260.80**	**169.45**	**120.42**
VII. Extraordinary Items	-	-	-	-
IX. Profit Before Taxes (VII-VIII)	**67.53**	**260.80**	**169.45**	**120.42**
X. Tax Expense				
Current Tax	11.80	45.74	29.90	32.20
Less : MAT Credit (Entitlement) / utilised	7.90	(24.85)	(1.43)	-

Particulars	For the Three Months Period ended June 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred Tax Expenses	(0.15)	54.28	10.03	63.13
Total Tax Expenses (X)	**19.55**	**75.17**	**38.50**	**95.33**
XI. Profit (after tax) for the Year	**47.98**	**185.63**	**130.95**	**25.09**
XII. Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss				
Adjustment due to Actuarial Gain / (Loss) recognised in OCI	0.71	0.37	(0.81)	-
Income tax relating to items that will not be reclassified to profit or loss	(0.21)	(0.11)	0.24	-
(ii) Items that will be reclassified to profit or loss				
Adjustment due to items that will be reclassified to profit or loss	-	-	-	-
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Other Comprehensive Income (XII)	**0.50**	**0.26**	**(0.57)**	**-**
XIII. Total Comprehensive Income for the period / year	**48.48**	**185.89**	**130.38**	**25.09**
XIV. Earnings Per Equity Share:				
Basic (in ₹)	1.16	4.57	3.25	0.68
Diluted (in ₹)	1.13	4.49	3.25	0.68

RESTATED STATEMENT OF CASH FLOWS

(₹ in million, unless otherwise stated)

Particulars	For the Three Months Period ended June 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities				
Net Profit before Taxation & Extra-ordinary items	67.53	260.80	169.45	120.42
Adjustments for:				
Depreciation and Amortisation	51.94	173.14	67.97	35.90
Loss on sale of Property, Plant and Equipment	-	-	-	1.11
Employee Retirement Benefits	1.89	6.94	4.52	3.19
Finance Cost	43.96	147.25	47.45	24.44
Interest income	(0.65)	(3.30)	(1.80)	(0.08)
Operating profit before working capital changes	**164.67**	**584.83**	**287.59**	**184.98**
Changes in working capital				
(Increase)/Decrease in Others financial Assets	-	2.55	(4.86)	106.74
(Increase)/Decrease in Inventories	(283.90)	(780.07)	(44.53)	(146.16)
(Increase)/Decrease in Trade receivables	(217.24)	(557.00)	8.77	(148.64)
(Increase)/Decrease in Other Current Assets	(27.96)	(56.16)	(53.69)	(74.23)
Increase/(Decrease) in Trade payables	402.62	664.29	2.01	76.12
Increase/(Decrease) in Other Financial Liabilities	(21.43)	43.83	15.20	21.32
Increase/(Decrease) in Other Current Liabilities	(1.44)	3.79	1.66	2.37
Employee Retirement Benefits (Gratuity) Paid	-	-	-	-
Cash generated from operations	**15.32**	**(93.94)**	**212.15**	**22.50**
Less : Taxes Paid	(4.93)	(47.83)	(36.07)	(28.22)
Net cash (used in)/ from operating activities	**10.39**	**(141.77)**	**176.08**	**(5.72)**
Cash flow from investing activities				

Particulars	For the Three Months Period ended June 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Capital expenditure on Tangible fixed assets including capital work in progress	(6.18)	(492.44)	(1,052.94)	(450.03)
Capital expenditure on Intangible fixed assets including intangible assets under development	-	(6.41)	-	-
Sale / Transfer of fixed assets	-	-	-	0.64
Redemption/(Investment) in Fixed Deposits	11.23	(8.64)	(30.06)	(14.70)
Interest received	0.65	3.30	1.80	0.08
Net cash (used in)/ from investing activities	**5.70**	**(504.19)**	**(1,081.20)**	**(464.01)**
Cash flow from financing activities				
Proceeds/(Repayment) from Short-term borrowings	70.60	353.52	910.35	120.32
Proceeds/(Repayment) from Long-term borrowings	(42.55)	274.43	83.60	296.25
Proceeds/(Repayment) from Compulsory Convertible Debentures	-	71.01	-	-
Equity Shares issued (including Security Premium)	-	55.00	-	77.50
Finance cost	(43.96)	(147.25)	(47.45)	(24.44)
Net cash (used in)/ from financing activities	**(15.91)**	**606.71**	**946.50**	**469.63**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**0.18**	**(39.25)**	**41.38**	**(0.10)**
Cash and Cash equivalents as at the beginning of the year	**2.15**	**41.40**	**0.02**	**0.12**
Cash and Cash equivalents as at the end of the year	**2.33**	**2.15**	**41.40**	**0.02**

GENERAL INFORMATION

Our Company was incorporated as "**SONASELECTION INDIA LIMITED**", a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated February 11, 2022, bearing Corporate Identity Number "U17299RJ2022PLC079631" issued by RoC, Central Registration Centre, Manesar.

For details of incorporation and changes in the registered office of our Company, see "*History and Certain Corporate Matters – Brief History of our Company*" beginning on page 304.

REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

The address and certain other details of our Registered Office are as follows:

SONASELECTION INDIA LIMITED

Address: 18th KM Stone, Chittorgarh Road,
Hamirgarh, Bhilwara – 311025,
Rajasthan, India.
Telephone: +91 – 8386090831
Website: www.sonaselection.com
Email ID: cs@sonaselection.com

For further details of past changes in the registered office address of our Company, see "*History and Certain Corporate Matters – Changes in the Registered Office*" on page 304.

COMPANY REGISTRATION NUMBER AND CORPORATE IDENTITY NUMBER

The registration number and corporate identity number of our Company are set forth below:

Particulars	Number
Company Registration Number	079631
Corporate Identity Number	U17299RJ2022PLC079631

Registrar of Companies

Our Company is registered with RoC, Jaipur, Rajasthan, which is situated at the following address:

Ministry of Corporate Affairs,
Address: Corporate Bhawan**,** G/6-7, 1st Floor, Residency Area,
Civil Lines, Jaipur-302001, Rajasthan.
Website: www.mca.gov.in

OUR BOARD OF DIRECTORS

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

Name and Designation	DIN	Address
Harshil Nuwal *Managing Director*	01474313	B-377, Kanchan Bhawan, ITO Road, Shastri Nagar, Bhilwara– 311001, Rajasthan, India
Uma Nuwal *Whole-time Director*	00104156	B-377, Kanchan Bhawan, ITO Road, Shastri Nagar, Bhilwara– 311001, Rajasthan, India
Subhash Chandra Nuwal *Chairman, Non-Executive & Non-Independent Director*	00104154	B-377, Kanchan Bhawan, ITO Road, Shastri Nagar, Bhilwara– 311001, Rajasthan, India
Aditi Kakhani *Non-Executive & Independent Director*	08921365	10-M-30, RC Vyas Colony, Bhilwara– 311001, Rajasthan, India
Kanhaiya Lal Acharya *Non-Executive & Independent Director*	10048774	Near Pawar House, Bajrangpura, Pur, Bhilwara–311802, Rajasthan, India
Kamlesh Kumar Choudhary *Non-Executive & Independent Director*	09291860	House no. 123, Main Sector Shastri Nagar, Bhilwara– 311001, Rajasthan, India

For further details of our Directors, see "*Our Management*" beginning on page 311.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Harish Sharma is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

CS Harish Sharma
Address: 18th KM Stone, Chittorgarh Road,
Hamirgarh, Bhilwara – 311025,
Rajasthan, India
Telephone: +91– 8386090831
E-mail: cs@sonaselection.com

Investor Grievances

Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related grievances such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode, etc. For all Issue-related queries and for redressal of complaints, Investors may also write to BRLM.

All Issue-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or first Bidder, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form 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 if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-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 Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid 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 Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum 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 Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/or a stockbroker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

All Issue-related 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.

The Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediary concerned in addition to the information mentioned above.

BOOK RUNNING LEAD MANAGER (BRLM)

Choice Capital Advisors Private Limited
Address: Sunil Patodia Tower, Plot No. 156-158
J B Nagar, Andheri (East) – 400099, Mumbai, Maharashtra
Telephone: +91-022-6707 9999 (7919)
E-mail ID: ssil.ipo@choiceindia.com
Investor Grievance ID: investorgrievances_advisors@choiceindia.com
Website: www.choiceindia.com/merchant-investment-banking
Contact Person: Nimisha Joshi/ Nishant Baghmar
SEBI Registration No.: INM000011872

LEGAL COUNSEL TO THE COMPANY

Chir Amrit Legal LLP
Address: Unique Destination, 6th Floor,
Tonk Road, Jaipur, Rajasthan 302015
Telephone: +91 141 – 4044500
E-mail: ipo@chiramritlaw.com
Website: www.chiramritlaw.com
Contact Person: Harsha Totuka

STATUTORY AND PEER REVIEW AUDITOR OF OUR COMPANY

Pokharna Somani & Associates
Address: 12, PS House, Sancheti Colony,
Mirchi Mandi Road, near S.K. Plaza, Pur Road,
Bhilwara – 311001, Rajasthan
Telephone: +91 7014868564
E-mail: pokharnasomani@gmail.com
Contact Person: CA Sumit Bumb
Firm Registration Number: 011535C
Membership No: 429413
Peer Review Number: 020697

CHANGES IN STATUTORY AUDITORS

Except as mentioned below, there has been no change in our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus:

Name of Statutory Auditor	Date of Change	Reason
Pokharna Somani & Associates **Address:** 12, PS House, Sancheti Colony, Mirchi Mandi Road, Pur Road, Bhilwara – 311001, Rajasthan **E-mail:** pokharnasomani@gmail.com **Contact Person:** CA Sumit Bumb **Firm Registration Number:** 011535C **Membership No:** 429413 **Peer Review Number:** 020697	March 31, 2023	Appointment as Statutory Auditors of our Company for the first financial year to conduct the statutory audit of our Company for the Fiscal 2023.
Pokharna Somani & Associates **Address:** 12,PS House, Sancheti Colony, Mirchi Mandi Road, Pur Road, Bhilwara – 311001, Rajasthan **E-mail:** pokharnasomani@gmail.com **Contact Person:** CA Sumit Bumb **Firm Registration Number:** 011535C **Membership No:** 429413 **Peer Review Number:** 020697	September 29, 2023	Re-appointment as the Statutory Auditors in the AGM of our Company for a period of five years i.e. till the conclusion of sixth AGM.

REGISTRAR TO THE ISSUE

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

Corporate Address: Selenium Tower-B, Plot 31 & 32,
Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500032, Telangana

E-mail: sona.ipo@kfintech.com
Contact Person: M Murali Krishna
Tel: +91 40 6716 2222
Investor Grievance E-mail: einward.ris@kfintech.com
Website: www.kfintech.com
SEBI Registration No: INR000000221

BANKERS TO THE COMPANY

State Bank of India
Address: B-23, Industrial Estate, Pur Road,
Bhilwara – 311001, Rajasthan
Telephone: +91 1482 240361, 244840
E-mail: sbi.31093@sbi.co.in
Website: https://sbi.co.in
Contact Person: Vipin Kumar Gautam

SYNDICATE MEMBERS

[●]

The Syndicate members will be appointed prior to filing of the Red Herring Prospectus with the RoC.

BANKERS TO THE ISSUE

Escrow Collection Bank(s)
[●]

Refund Bank(s)
[●]

Public Issue Account Bank(s)
[●]

Sponsor Banks
[●]

The Banker to the Issue will be appointed prior to the filing of the Red Herring Prospectus with the

RoC.

DESIGNATED INTERMEDIARIES

Self – Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , updated time to time or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , on the SEBI Website or at such other websites as may be prescribed by SEBI from time to time.

Details of the nodal officers of SCSBs, identified for the bids made through the UPI Mechanism, are available at www.sebi.gov.in

Self- Certified Syndicate Banks and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019,SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20th, 2022 and SEBI master circular No SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 UPI Bidders using UPI Mechanism may only apply through the mobile applications using UPI handles and through SCBs whose name appear on the websites of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 as updated from time to time or at such other websites as may be prescribed by SEBI from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

Syndicate SCSB Branches

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

Registered Brokers

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit ASBA Forms in the Issue using the stockbroker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres.

The list of the Registered Brokers, eligible to accept ASBA Forms from the Bidders (other than UPI Bidders), including details such as postal address, telephone number, and email address, is provided on the websites of stock exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products-services/initial-public-offerings-asba-procedure , respectively, or such other websites as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms from at the Designated RTA Locations, including details such as address, telephone number, and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/PublicIssues/RtaDp.aspx and www.nseindia.com/products-services/initial-public-offerings-asbaprocedures , respectively as updated from time to time.

Collecting Depository Participants

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products-services/initial-public-offerings-asba-procedure respectively, or such other websites as updated from time to time.

CREDIT RATING

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

DEBENTURE TRUSTEES

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

APPRAISING ENTITY

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

IPO GRADING TO THE ISSUE

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

GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

EXPERT OPINION

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

Our Company has received written consent dated December 08, 2025 from our Statutory Auditors, Pokharna Somani & Associates, Chartered Accountants bearing firm registration number 011535C, to include their name as required under section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report, dated December 05, 2025 on our Restated Financial Information, and (ii) certificate dated December 08, 2025 on the statement of special tax benefits available to our Company and Shareholders and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated December 06, 2025, from the independent chartered engineer, namely R.K. Maheshwari, to include his name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, to the extent and in his capacity as a chartered engineer, in relation to his certificate dated December 06, 2025, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "**expert**" shall not be construed to mean an "**expert**" as defined under the U.S. Securities Act.

MONITORING AGENCY

Our Company shall appoint a Monitoring Agency to monitor the utilisation of Net Proceeds in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC. For further details in relation to the proposed utilization of the Net Proceeds, see "*Objects of the Issue – Utilisation of Net Proceeds*" on page 141.

FILING OF DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI Intermediary Portal at https://siportal.sebi.gov.in, in accordance with regulation 25 (8) of SEBI ICDR Regulations and SEBI Master Circular dated June 21, 2023 and shall be submitted to SEBI on cfddil@sebi.gov.in in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD". Further, physical copies of this Draft Red Herring Prospectus may be filed with the Securities and Exchange Board of India at:

Securities and Exchange Board of India
Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block

Bandra Kurla Complex, Bandra (E)
Mumbai – 400051, Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC through the electronic portal at http://www.mca.gov.in/mcafoportal/login.do.

BOOK BUILDING PROCESS

Book Building Process, 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), if any, within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company in consultation with the BRLM, and will be advertised in all editions of [●], the English national daily newspaper, all editions of [●], the Hindi national daily newspaper (Hindi being the regional language of Bhilwara, Rajasthan where our Registered Office is situated), each with wide circulation, respectively, 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 BRLM after the Bid/Issue Closing Date. For further details, see "*Issue Procedure*" beginning on page 519.

All Bidders, other than Anchor Investor, shall participate in the Issue mandatorily only through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor banks (as applicable). In addition to this, Retail Individual Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process. Non-Institutional Investors with an application size of up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid-cum-Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bid(s) (in terms of the number of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids on or before the Bid/ Issue Closing Date. Further Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Anchor Investors, Retail Individual Bidder and Non-Institutional Bidders, Allocation in the Issue will be on a proportionate basis. Allocation to Anchor Investors will be on a discretionary basis.

Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

For illustration of the Book Building Process and further details, see *Terms of the Issue", "Issue Structure"* and *"Issue Procedure"* beginning on pages 505, 514 and 519 respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time. Bidders are advised to make their own judgment about an

investment through aforesaid process prior to submitting a Bid in the Issue.

Bidders should note the Issue is also subject to obtaining (i) the final approval of the RoC of the Prospectus that will be filed with the RoC and; (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment as per the prescribed timelines in compliance with the SEBI ICDR Regulations or as prescribed under applicable law.

For details of the method and procedure for Bidding, see the chapter titled "*Terms of the Issue*", "*Issue Structure*" and *"Issue Procedure"* beginning on pages 505, 514 and 519 respectively.

UNDERWRITING AGREEMENT

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered in the Issue. The extent of underwriting obligations and the Bids to be underwritten by each BRLM in the Issue shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to close, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone number and email address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	% of the Total Issue size Underwritten
[●]	[●]	[●]	[●]

(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.)

The above-mentioned underwriting commitment is indicative and will be finalised after determination of the Issue Price and actual allocation subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered as merchant bankers or stockbrokers with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board, at its meeting held on [●] has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement.

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The Underwriting Agreement has not been executed as on date of this Draft Red Herring Prospectus and will be executed after determination of Issue Price and Allocation of Equity Shares, but prior to filing the Red Herring Prospectus or Prospectus with the RoC. The extent of underwriting obligations (including any defaults in payment for which the respective Underwriter is required to procure purchasers for or purchase the Equity Shares to the extent of the defaulted amount) and the Bids to be underwritten in the Issue shall be as per Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Red Herring Prospectus, is set forth below:

(Amount in ₹, except share data, or indicated otherwise)

Sr No.	Particulars	Aggregate value at face value of ₹ 10/-	Aggregate value at Issue Price*
A.	**AUTHORISED SHARE CAPITAL**(1)		
	60,000,000 Equity Shares of face value of ₹ 10/- each	600,000,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE**		
	42,528,681 Equity Shares of face value of ₹ 10/- each	425,286,810	-
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**(2)		
	Issue of up to 14,300,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] million (2)	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE ISSUE***		
	[●] Equity Shares of face value of ₹ 10/- each	[●]	[●]
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	Nil	
	After the Issue*	[●]	

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

(1)For details in relation to the changes in the authorised share capital of our Company, please see "History and Certain Corporate Matters- Amendments to our Memorandum of Association" on page 305.

(2)The Issue has been authorised by our Board of Directors pursuant to the resolution passed at their meeting held on October 28, 2025 and by our shareholders pursuant to the special resolution passed at their meeting held on November 04, 2025.

Class of Shares

As on the date of this Draft Red Herring Prospectus, our Company has only one class of share capital i.e., Equity Shares of face value ₹ 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 this Draft Red Herring Prospectus. Further, our Company does not have any outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

(*The remainder of this page has been intentionally left blank*)

NOTES TO THE CAPITAL STRUCTURE

1. PAID-UP SHARE CAPITAL HISTORY OF OUR COMPANY

The history of the Equity Share Capital of our Company is set forth in the table below:

<table>
<tr><th>Date of allotment/ fully paid-up</th><th>No. of Equity Shares allotted</th><th>Face value per Equity Share (₹)</th><th>Issue price per Equity Share (₹)</th><th>Nature of consider ation</th><th>Reason for/ Nature of allotment</th><th>Cumulative number of Equity Shares</th><th>Cumulative Paid-up Equity Share Capital (₹)</th><th>Name of Allotees</th></tr>
<tr><td>February 11, 2022</td><td>10,000</td><td>10</td><td>10</td><td>Cash</td><td>Initial Subscription to MOA</td><td>10,000</td><td>100,000</td><td><table>
<tr><th>Sr. No</th><th>Name of allottees</th><th>No. of Equity Shares allotted</th></tr>
<tr><td>1.</td><td>Uma Nuwal</td><td>1</td></tr>
<tr><td>2.</td><td>Harshil Nuwal</td><td>4,997</td></tr>
<tr><td>3.</td><td>Subhash Chandra Nuwal</td><td>4,998</td></tr>
<tr><td>4.</td><td>Anita Bhandari</td><td>1</td></tr>
<tr><td>5.</td><td>Kailash Bhandari</td><td>1</td></tr>
<tr><td>6.</td><td>Mukesh Pareek</td><td>1</td></tr>
<tr><td>7.</td><td>Shikha Nuwal</td><td>1</td></tr>
</table></td></tr>
<tr><td>March 31, 2022</td><td>1,540,000</td><td>10</td><td>50</td><td>Other than Cash</td><td>Conversion of loan into equity shares</td><td>1,550,000</td><td>15,500,000</td><td><table>
<tr><th>Sr. No</th><th>Name of allottees</th><th>No. of Equity Shares allotted</th></tr>
<tr><td>1.</td><td>Subhash Chandra Nuwal</td><td>200,000</td></tr>
<tr><td>2.</td><td>Harshil Nuwal</td><td>140,000</td></tr>
<tr><td>3.</td><td>Deepank Bhandari</td><td>1,200,000</td></tr>
</table></td></tr>
<tr><td>May 31, 2022</td><td>1,550,000</td><td>10</td><td>50</td><td>Other than Cash</td><td>Conversion of loan into equity shares</td><td>3,100,000</td><td>31,000,000</td><td><table>
<tr><th>Sr. No</th><th>Name of allottees</th><th>No. of Equity Shares allotted</th></tr>
<tr><td>1.</td><td>Subhash Chandra Nuwal</td><td>150,000</td></tr>
<tr><td>2.</td><td>Harshil Nuwal</td><td>150,000</td></tr>
<tr><td>3.</td><td>Deepank Bhandari</td><td>345,000</td></tr>
</table></td></tr>
</table>

Date of allotment/ fully paid-up	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for/ Nature of allotment	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of Allotees
								4. Sona Polyspin Private Limited — 905,000
October 25, 2024	12,400,000	10	Not Applicable	Nil	Bonus Issue in the ratio of 4 Equity Shares for 1 fully paid up Equity Shares held.	15,500,000	155,000,000	***Sr. No — Name of allottees — No. of Equity Shares allotted*** *1. Uma Nuwal — 4* *2. Harshil Nuwal — 1,179,988* *3. Subhash Chandra Nuwal — 1,419,992* *4. Anita Bhandari — 4* *5. Kailash Bhandari — 4* *6. Mukesh Pareek — 4* *7. Shikha Nuwal — 4* *8. Deepank Bhandari — 6,180,000* *9. Sona Polyspin Private Limited — 3,620,000*
November 23, 2024	74,829	10	147*	Cash	Private Placement	15,574,829	155,748,290	***Sr. No — Name of allottees — No. of Equity Shares allotted*** *1. Niraj Mansingka — 3,401* *2. Manish Karwa — 3,401* *3. Invicta Continuum Fund I — 34,014* *4. Shreyans Jain — 6,802* *5. Vivek Freight Logistics Private Limited — 2,041* *6. Vivek Choudhary — 1,361* *7. Alok Kumar Sharda — 2,041* *8. SRP Estate Private Limited — 3,129* *9. Equity Projects Private — 6,803*

Date of allotment/ fully paid-up	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for/ Nature of allotment	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of Allotees
								Limited *10. Nitin Chittananda Rao – 3,401* *11. Amiya Kumar Pathak – 2,041* *12. Satish Agarwal – 272* *13. Lavesh Kumar Sardana – 2,721* *14. Paresh Bhaskar Shah – 3,401*
November 23, 2024*	299,316	10	147	Cash	Private Placement	15,874,145	158,741,450	***Sr. No – Name of allottees – No. of Equity Shares allotted*** *1. Niraj Mansingka – 13,604* *2. Manish Karwa – 13,604* *3. Invicta Continuum Fund I – 136,056* *4. Shreyans Jain – 27,208* *5. Vivek Freight Logistics Private Limited – 8,164* *6. Vivek Choudhary – 5,444* *7. Alok Kumar Sharda – 8,164* *8. SRP Estate Private Limited – 12,516* *9. Equity Projects Private Limited – 27,212* *10. Nitin Chittananda Rao – 13,604* *11. Amiya Kumar Pathak – 8,164* *12. Satish Agarwal – 1,088* *13. Lavesh Kumar Sardana – 10,884* *14. Paresh Bhaskar Shah – 13,604*

<table>
<tr><th>Date of allotment/ fully paid-up</th><th>No. of Equity Shares allotted</th><th>Face value per Equity Share (₹)</th><th>Issue price per Equity Share (₹)</th><th>Nature of consideration</th><th>Reason for/ Nature of allotment</th><th>Cumulative number of Equity Shares</th><th>Cumulative Paid-up Equity Share Capital (₹)</th><th>Name of Allottees</th></tr>
<tr><td>August 20, 2025</td><td>483,040</td><td>10</td><td>Not Applicable</td><td>Other than Cash</td><td>Conversion of CCD to Equity Shares after taking Bonus allotment in consideration**</td><td>16,357,185</td><td>163,571,850</td><td>
<table>
<tr><th>Sr. No</th><th>Name of allottees</th><th>No. of Equity Shares allotted</th></tr>
<tr><td>1.</td><td>Uma Pasari</td><td>8,200</td></tr>
<tr><td>2.</td><td>Kritika Pasari</td><td>8,800</td></tr>
<tr><td>3.</td><td>Sanjay Dhanuka</td><td>17,000</td></tr>
<tr><td>4.</td><td>Pace Associates</td><td>13,605</td></tr>
<tr><td>5.</td><td>Suchit Jayraj Shah</td><td>17,005</td></tr>
<tr><td>6.</td><td>Sandeep Motors Private Limited</td><td>17,005</td></tr>
<tr><td>7.</td><td>Juggernaut Corporate Advisors LLP</td><td>68,025</td></tr>
<tr><td>8.</td><td>Sangam Finserv Limited</td><td>34,000</td></tr>
<tr><td>9.</td><td>Sonmod Marketing Private Limited</td><td>17,000</td></tr>
<tr><td>10.</td><td>Abhishek Agarwal</td><td>68,050</td></tr>
<tr><td>11.</td><td>Inter Globe Overseas Limited</td><td>34,000</td></tr>
<tr><td>12.</td><td>Transcoal Impex Private Limited</td><td>34,000</td></tr>
<tr><td>13.</td><td>Shalini Vig Kapoor</td><td>3,405</td></tr>
<tr><td>14.</td><td>Sukriti Luthra</td><td>20,410</td></tr>
<tr><td>15.</td><td>Amit Kapoor</td><td>6,805</td></tr>
<tr><td>16.</td><td>Deepak Garg</td><td>3,400</td></tr>
<tr><td>17.</td><td>Divya Prabhat</td><td>3,405</td></tr>
<tr><td>18.</td><td>Vikas Kumar Sahu</td><td>10,205</td></tr>
<tr><td>19.</td><td>Rajesh Malani</td><td>10,205</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><th>Date of allotment/ fully paid-up</th><th>No. of Equity Shares allotted</th><th>Face value per Equity Share (₹)</th><th>Issue price per Equity Share (₹)</th><th>Nature of consideration</th><th>Reason for/ Nature of allotment</th><th>Cumulative number of Equity Shares</th><th>Cumulative Paid-up Equity Share Capital (₹)</th><th>Name of Allottees</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td><table>
<tr><td>20.</td><td>Nikhil Kumar</td><td>3,405</td></tr>
<tr><td>21.</td><td>Yashwant Amratlal Thakkar</td><td>68,100</td></tr>
<tr><td>22.</td><td>Sonia Sati</td><td>6,805</td></tr>
<tr><td>23.</td><td>Punit Malik</td><td>10,205</td></tr>
</table></td></tr>
<tr><td>November 10, 2025</td><td>26,171,496</td><td>10</td><td>Not Applicable</td><td>Nil</td><td>Bonus Issue in the ratio of 16 Equity Shares for 10 fully paid-up Equity Shares held.</td><td>42,528,681</td><td>425,286,810</td><td><table>
<tr><th>S. No</th><th>Name of allottees</th><th>No. of Equity Shares allotted</th></tr>
<tr><td>1.</td><td>Uma Nuwal</td><td>8</td></tr>
<tr><td>2.</td><td>Harshil Nuwal</td><td>5,199,960</td></tr>
<tr><td>3.</td><td>Anita Bhandari</td><td>8</td></tr>
<tr><td>4.</td><td>Kailash Bhandari</td><td>8</td></tr>
<tr><td>5.</td><td>Mukesh Pareek</td><td>8</td></tr>
<tr><td>6.</td><td>Shikha Nuwal</td><td>8</td></tr>
<tr><td>7.</td><td>Deepank Bhandari</td><td>12,360,000</td></tr>
<tr><td>8.</td><td>Sona Polyspin Pvt Ltd</td><td>7,240,000</td></tr>
<tr><td>9.</td><td>Niraj Mansingka</td><td>27,208</td></tr>
<tr><td>10.</td><td>Manish Karwa</td><td>27,208</td></tr>
<tr><td>11.</td><td>Invicta Continuum Fund I</td><td>272,112</td></tr>
<tr><td>12.</td><td>Shreyans Jain</td><td>54,416</td></tr>
<tr><td>13.</td><td>Vivek Freight Logistics Private Limited</td><td>16,328</td></tr>
<tr><td>14.</td><td>Vivek Choudhary</td><td>10,888</td></tr>
<tr><td>15.</td><td>Alok Kumar Sharda</td><td>16,328</td></tr>
<tr><td>16.</td><td>Srp Estate Private Limited</td><td>25,032</td></tr>
</table></td></tr>
</table>

Date of allotment/ fully paid-up	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for/ Nature of allotment	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of Allotees		
								17.	*Equity Projects Private Limited*	*54,424*
								18.	*Nitin Chittananda Rao*	*27,208*
								19.	*Amiya Kumar Pathak*	*16,328*
								20.	*Satish Agarwal*	*2,176*
								21.	*Lavesh Kumar Sardana*	*21,768*
								22.	*Paresh Bhaskar Shah*	*27,208*
								23.	*Uma Pasari*	*13,120*
								24.	*Kritika Pasari*	*14,080*
								25.	*Sanjay Dhanuka*	*27,200*
								26.	*Pace Associates*	*21,768*
								27.	*Suchit Jayraj Shah*	*27,208*
								28.	*Sandeep Motors Private Limited*	*27,208*
								29.	*Juggernaut Corporate Advisors LLP*	*108,840*
								30.	*Sangam Finserve Limited*	*54,400*
								31.	*Sonmod Marketing Private Limited*	*27,200*
								32.	*Abhishek Agarwal*	*108,880*
								33.	*Inter Globe Overseas Limited*	*54,400*
								34.	*Transcoal Impex Private Limited*	*54,400*
								35.	*Shalini Vig Kapoor*	*5,448*
								36.	*Sukriti Luthra*	*32,656*

Date of allotment/ fully paid-up	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for/ Nature of allotment	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of Allotees		
								37.	*Amit Kapoor*	*10,888*
								38.	*Deepak Garg*	*5,440*
								39.	*Divya Prabhat*	*5,448*
								40.	*Vikas Kumar Sahu*	*16,328*
								41.	*Rajesh Malani*	*16,328*
								42.	*Nikhil Kumar*	*5,448*
								43.	*Yashwant Amratlal Thakkar*	*108,960*
								44.	*Sonia Sati*	*10,888*
								45.	*Punit Malik*	*16,328*

** The Board convened its meeting on November 23, 2024 and has made allotment of 374,145 Equity Shares in its meeting to the allottees of the private placement and filed the return of allotment in form PAS-3 dated 23.11.2024 bearing SRN: AB1942496, However, the said form PAS-3 was inadvertently filed with the incorrect resolution reflecting allotment of 74,829 Equity Shares at a price of Rs. 735/- each instead of allotment of 374,145 Equity Shares at the price of Rs. 147/- each. The Company proceeded to rectify the said default and filed a new fresh PAS-3 for showing the allotment of balance 299,316 Equity Shares in the Board Meeting held on November 23, 2024 on June 05, 2025 vide SRN: AB4435533. Subsequently our Company has filed an application for adjudication before the RoC in Form GNL-1 bearing SRN AB9648655 dated December 06, 2025.*

*** The Company had originally issued Compulsorily Convertible Debentures; however, Form PAS-3 was inadvertently filed reflecting the allotment of Optional Convertible Debentures instead of CCDs. Subsequently, the Company filed a rectified Form PAS-3 with the correct particulars pertaining to the issuance of CCDs. In order to regularise this inadvertent error, the Company has submitted an adjudication application before the RoC in Form GNL-1 bearing SRN AB9648788 dated December 06, 2025.*

See "Risk Factor - There have been instances of delay in compliances and discrepancies in e-forms filed with respect to regulatory filings under the Companies Act, 2013 by our Company in the past. Our Company has filed suo moto adjudication applications with the RoC for these delays and discrepancies" on page 62.

2. Issue of shares for consideration other than cash, out of revaluation of reserves, by way of Bonus

Except as set out below, our Company has not issued any Equity Shares for consideration other than cash since its incorporation. Our Company has not issued any equity shares out of revaluation reserve and company does not have any revaluation reserve since incorporation.

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Reason for/ Nature of allotment	Cumulative number of Equity Shares	Benefits accrued to our Company	Name of Allotees		
March 31, 2022	1,540,000	10	50	Conversion of loan into equity shares	1,550,000	Reduction of debt of our Company and increasing the shareholders fund of our Company	***Sr. No***	***Name of allottees***	***No. of Equity Shares allotted***
							1.	*Subhash Chandra Nuwal*	*200,000*
							2.	*Harshil Nuwal*	*140,000*
							3.	*Deepank Bhandari*	*1,200,000*
May 31, 2022	1,550,000	10	50	Conversion of loan into equity shares	3,100,000	Reduction of debt of our Company and increasing the shareholders fund of our Company	***Sr. No***	***Name of allottees***	***No. of Equity Shares allotted***
							1.	*Subhash Chandra Nuwal*	*150,000*
							2.	*Harshil Nuwal*	*150,000*
							3.	*Deepank Bhandari*	*345,000*
							4.	*Sona Polyspin Private Limited*	*905,000*
October 25, 2024	12,400,000	10	Not Applicable	Bonus Issue in the ratio of 4 Equity Shares for every 1 fully paid up Equity Shares held.	15,500,000	Capitalisation of the free reserves and surplus of our Company*	***Sr. No***	***Name of allottees***	***No. of Equity Shares allotted***
							1.	*Uma Nuwal*	*4*
							2.	*Harshil Nuwal*	*1,179,988*
							3.	*Subhash Chandra Nuwal*	*1,419,992*
							4.	*Anita Bhandari*	*4*
							5.	*Kailash Bhandari*	*4*
							6.	*Mukesh Pareek*	*4*
							7.	*Shikha Nuwal*	*4*
							8.	*Deepank Bhandari*	*6,180,000*

<table>
<tr><th>Date of allotment</th><th>No. of Equity Shares allotted</th><th>Face value per Equity Share (₹)</th><th>Issue price per Equity Share (₹)</th><th>Reason for/ Nature of allotment</th><th>Cumulative number of Equity Shares</th><th>Benefits accrued to our Company</th><th>Name of Allotees</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td><table><tr><td>9.</td><td>Sona Polyspin Private Limited</td><td>3,620,000</td></tr></table></td></tr>
<tr><td>August 20, 2025</td><td>483,040</td><td>10</td><td>Not Applicable</td><td>Conversion of CCD to Equity Shares after taking Bonus allotment in consideration</td><td>16,357,185</td><td>Reduction of debt of our Company and capitalisation of the free reserves and surplus of our Company*</td><td><table>
<tr><th>Sr. No</th><th>Name of allottees</th><th>No. of Equity Shares allotted</th></tr>
<tr><td>1.</td><td>Uma Pasari</td><td>8,200</td></tr>
<tr><td>2.</td><td>Kritika Pasari</td><td>8,800</td></tr>
<tr><td>3.</td><td>Sanjay Dhanuka</td><td>17,000</td></tr>
<tr><td>4.</td><td>Pace Associates</td><td>13,605</td></tr>
<tr><td>5.</td><td>Suchit Jayraj Shah</td><td>17,005</td></tr>
<tr><td>6.</td><td>Sandeep Motors Private Limited</td><td>17,005</td></tr>
<tr><td>7.</td><td>Juggernaut Corporate Advisors LLP</td><td>68,025</td></tr>
<tr><td>8.</td><td>Sangam Finserv Limited</td><td>34,000</td></tr>
<tr><td>9.</td><td>Sonmod Marketing Private Limited</td><td>17,000</td></tr>
<tr><td>10.</td><td>Abhishek Agarwal</td><td>68,050</td></tr>
<tr><td>11.</td><td>Inter Globe Overseas Limited</td><td>34,000</td></tr>
<tr><td>12.</td><td>Transcoal Impex Private Limited</td><td>34,000</td></tr>
<tr><td>13.</td><td>Shalini Vig Kapoor</td><td>3,405</td></tr>
<tr><td>14.</td><td>Sukriti Luthra</td><td>20,410</td></tr>
<tr><td>15.</td><td>Amit Kapoor</td><td>6,805</td></tr>
<tr><td>16.</td><td>Deepak Garg</td><td>3,400</td></tr>
<tr><td>17.</td><td>Divya Prabhat</td><td>3,405</td></tr>
<tr><td>18.</td><td>Vikas Kumar Sahu</td><td>10,205</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Date of allotment</th><th>No. of Equity Shares allotted</th><th>Face value per Equity Share (₹)</th><th>Issue price per Equity Share (₹)</th><th>Reason for/ Nature of allotment</th><th>Cumulative number of Equity Shares</th><th>Benefits accrued to our Company</th><th>Name of Allotees</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>
<table>
<tr><td>19.</td><td>Rajesh Malani</td><td>10,205</td></tr>
<tr><td>20.</td><td>Nikhil Kumar</td><td>3,405</td></tr>
<tr><td>21.</td><td>Yashwant Amratlal Thakkar</td><td>68,100</td></tr>
<tr><td>22.</td><td>Sonia Sati</td><td>6,805</td></tr>
<tr><td>23.</td><td>Punit Malik</td><td>10,205</td></tr>
</table>
</td></tr>
<tr><td>November 10, 2025</td><td>26,171,496</td><td>10</td><td>Not Applicable</td><td>Bonus Issue in the ratio of 16 Equity Shares for every 10 fully paid up Equity Shares held.</td><td>42,528,681</td><td>Capitalisation of the free reserves and surplus of our Company*</td><td>
<table>
<tr><th>Sr. No</th><th>Name of allottees</th><th>No. of Equity Shares allotted</th></tr>
<tr><td>1.</td><td>Uma Nuwal</td><td>8</td></tr>
<tr><td>2.</td><td>Harshil Nuwal</td><td>5,199,960</td></tr>
<tr><td>3.</td><td>Anita Bhandari</td><td>8</td></tr>
<tr><td>4.</td><td>Kailash Bhandari</td><td>8</td></tr>
<tr><td>5.</td><td>Mukesh Pareek</td><td>8</td></tr>
<tr><td>6.</td><td>Shikha Nuwal</td><td>8</td></tr>
<tr><td>7.</td><td>Deepank Bhandari</td><td>12,360,000</td></tr>
<tr><td>8.</td><td>Sona Polyspin Pvt Ltd</td><td>7,240,000</td></tr>
<tr><td>9.</td><td>Niraj Mansingka</td><td>27,208</td></tr>
<tr><td>10.</td><td>Manish Karwa</td><td>27,208</td></tr>
<tr><td>11.</td><td>Invicta Continuum Fund I</td><td>272,112</td></tr>
<tr><td>12.</td><td>Shreyans Jain</td><td>54,416</td></tr>
<tr><td>13.</td><td>Vivek Freight Logistics Private Limited</td><td>16,328</td></tr>
<tr><td>14.</td><td>Vivek Choudhary</td><td>10,888</td></tr>
<tr><td>15.</td><td>Alok Kumar Sharda</td><td>16,328</td></tr>
<tr><td>16.</td><td>Srp Estate Private Limited</td><td>25,032</td></tr>
</table>
</td></tr>
</table>

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Reason for/ Nature of allotment	Cumulative number of Equity Shares	Benefits accrued to our Company	Name of Allotees		
							17.	*Equity Projects Private Limited*	*54,424*
							18.	*Nitin Chittananda Rao*	*27,208*
							19.	*Amiya Kumar Pathak*	*16,328*
							20.	*Satish Agarwal*	*2,176*
							21.	*Lavesh Kumar Sardana*	*21,768*
							22.	*Paresh Bhaskar Shah*	*27,208*
							23.	*Uma Pasari*	*13,120*
							24.	*Kritika Pasari*	*14,080*
							25.	*Sanjay Dhanuka*	*27,200*
							26.	*Pace Associates*	*21,768*
							27.	*Suchit Jayraj Shah*	*27,208*
							28.	*Sandeep Motors Private Limited*	*27,208*
							29.	*Juggernaut Corporate Advisors LLP*	*108,840*
							30.	*Sangam Finserve Limited*	*54,400*
							31.	*Sonmod Marketing Private Limited*	*27,200*
							32.	*Abhishek Agarwal*	*108,880*
							33.	*Inter Globe Overseas Limited*	*54,400*
							34.	*Transcoal Impex Private Limited*	*54,400*
							35.	*Shalini Vig Kapoor*	*5,448*
							36.	*Sukriti Luthra*	*32,656*

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Reason for/ Nature of allotment	Cumulative number of Equity Shares	Benefits accrued to our Company	Name of Allotees		
							37.	*Amit Kapoor*	*10,888*
							38.	*Deepak Garg*	*5,440*
							39.	*Divya Prabhat*	*5,448*
							40.	*Vikas Kumar Sahu*	*16,328*
							41.	*Rajesh Malani*	*16,328*
							42.	*Nikhil Kumar*	*5,448*
							43.	*Yashwant Amratlal Thakkar*	*108,960*
							44.	*Sonia Sati*	*10,888*
							45.	*Punit Malik*	*16,328*

[*] *Above allotment of shares has been made out of reserves and surplus available for distribution to the Shareholders.*

3. Allotment of Equity Shares pursuant to sections 391 to 394 of the Companies Act, 1956 or sections 230 to 234 of the Companies Act, 2013

Our Company has not allotted any Equity Shares in terms of any scheme of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Section 230-240 of the Companies Act, 2013 as on the date of the Draft Red Herring Prospectus.

4. Issue or transfer of Equity Shares under Employee Stock Option Schemes

Our Company has not issued any Equity Shares pursuant to an Employee Stock Option Scheme (**"ESOP"**) / Employee Stock Purchase Scheme (**"ESPS"**) for our employees. As and when, options are granted to our employees under the ESOP, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

5. Issue of shares at a price lower than the Issue Price in the last year

The Issue Price for the Equity Shares is ₹ [●]. Except as disclosed in the section titled "*Paid-up Share Capital History of our Company*" on page 114, our Company has not issued any Equity Shares in the preceding one year at a price lower than the Issue Price.

6. Preference Share Capital

As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

7. Sub- Division/consolidation of Equity Shares in the last one year

Our Company has not undertaken any sub-division or consolidation of its equity shares in the one (01) year preceding the date of this Draft Red Herring Prospectus.

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8. OUR SHAREHOLDING PATTERN

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:

S. No.	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities*				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)	Number of Locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	7	40,299,987	-	-	40,299,987	94.76	40,299,987	-	40,299,987	94.76	-	94.76	-	-	-	-	40,299,987
(B)	Public	38	2,228,694	-	-	2.228.694	5.24	2.228.694	-	2.228.694	5.24	-	5.24	-	-	NA	NA	2,228,694
(C)	Non Promoter-Non Public																	

S. No.	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid -up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities*				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)	Number of Locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
(C1)	Shares underlying DRs	-	-	-	-	-	NA	-	-	-	-	-	NA	-	-	NA	NA	-
(C2)	Shares held by Employes Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	NA	NA	-
	Total:	**45**	**42,528,681**	**-**	**-**	**42,528,681**	**100.00**	**42,528,681**	**-**	**42,528,681**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**42,528,681**

**As on the date of this Draft Red Herring Prospectus, 01 Equity Share holds 01 vote. Furthermore, face value of Equity Shares is ₹ 10/- each.*

***Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, one day prior to the listing of the Equity shares.*

9. Details of equity shareholding of the major equity Shareholders of our Company:

A. Set forth below is the list of Shareholders holding 1% or more of the issued and paid-up capital of the Company as on the date of this Draft Red Herring Prospectus and end of last week from the date of Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of the pre-issue share capital
1.	Harshil Nuwal	8,449,935	19.87
2.	Deepank Bhandari	20,085,000	47.23
3.	Sona Polyspin Private Limited	11,765,000	27.66
4.	Invicta Continuum Fund I	442,182	1.04
	Total	**40,742,117**	**95.80%**

B. Set forth below is the list of Shareholders holding 1% or more of the paid-up capital of the Company as on date 10 days prior to the date of this Draft Red Herring Prospectus

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of the Equity share capital
1.	Harshil Nuwal	8,449,935	19.87
2.	Deepank Bhandari	20,085,000	47.23
3.	Sona Polyspin Private Limited	11,765,000	27.66
4.	Invicta Continuum Fund I	442,182	1.04
	Total	**40,742,117**	**95.80%**

C. List of Shareholders holding 1% or more of the paid-up capital of the Company 1 year prior to the date of filing this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of the Equity share capital
1.	Deepank Bhandari	7,725,000	48.66
2.	Sona Polyspin Private Limited	4,525,000	28.50
3.	Harshil Nuwal	1,474,985	9.29
4.	Subhash Chandra Nuwal	1,774,990	11.18
	Total	**15,499,975**	**97.63%**

D. List of Shareholders holding 1% or more of the paid-up capital of the Company 2 years prior to the date of filing this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of the Equity share capital
1.	Deepank Bhandari	1,545,000	49.84
2.	Sona Polyspin Private Limited	905,000	29.19
3.	Subhash Chandra Nuwal	354,998	11.45
4.	Harshil Nuwal	294,997	9.52
	Total	**3,099,995**	**100%**

10. Our Company has not made any initial public offer since its incorporation.

11. Intention or proposal to alter capital Structure.

Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further offer of Equity Shares (including offer of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of bonus issue of Equity Shares or on a rights basis or by way of further public offer of Equity Shares or qualified institutions placements or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

12. Build-up of Promoter's shareholding.

As on the date of this Draft Red Herring Prospectus, our Promoters, holds 40,299,948 Equity Shares of face value of ₹ 10/- only each, equivalent to 94.76% of the pre-issue paid-up Equity Share capital of our Company on a fully diluted basis and for further details, refer "*Our Promoters and Promoter Group*" beginning on page 335. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment / acquisition of such Equity Shares.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by any of our Promoters are pledged.

The details regarding the build-up of the equity shareholding of our Promoters in our Company since incorporation is set forth in the table below:

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a) Build-up of the Equity Shareholding of our Promoters in our Company

1) The details regarding the build-up of the Equity Shares held by Harshil Nuwal in our Company since incorporation is set forth in the table below:

Date of transfer / allotment of Equity Shares (Fully paid up)	Number of Equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/issue price per Equity Share (₹)	Percentage of the pre-Issue share capital (%)*	Percentage of the post-Issue Equity Capital (%)#
Upon Incorporation	4,997	Subscription to the MOA	Cash	10	10	0.01	[●]
March 31, 2022	140,000	Conversion of loan into Equity Shares	Other than Cash	10	50	0.33	[●]
May 31, 2022	150,000	Conversion of loan into Equity Shares	Other than Cash	10	50	0.35	[●]
October 25, 2024	1,179,988	Bonus Issue in the ratio of 4 Equity Shares for every 1 fully paid up Equity Share held	Nil	10	Not Applicable	2.77	[●]
July 09, 2025	1,774,990	Acquisition of Equity Shares by way of gift from Subhash Chandra Nuwal	Not Applicable	10	10	4.17	[●]
November 10, 2025	5,199,960	Bonus Issue in the ratio of 16 Equity Shares for every 10 fully paid up Equity Share held	Nil	10	Not Applicable	12.23	[●]
TOTAL	**8,449,935**					**19.87**	**[●]**

#To be updated in the Prospectus to be filed with the RoC
**The pre-Issue Equity Share capital (%) has been rounded off up to two decimal places.*

2) The details regarding the build-up of the Equity Shares held by **Subhash Chandra Nuwal** in our Company since incorporation is set forth in the table below:

Date of transfer / allotment of Equity Shares (Fully paid up)	Number of Equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/issue price per Equity Share (₹)	Percentage of the pre-Issue share capital (%)*	Percentage of the post-Issue Equity Capital (%)#
Upon Incorporatio	4,998	Subscription to the MOA	Cash	10	10	0.01	[●]

Date of transfer / allotment of Equity Shares (Fully paid up)	Number of Equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/issue price per Equity Share (₹)	Percentage of the pre-Issue share capital (%)*	Percentage of the post-Issue Equity Capital (%)#
n							
March 31, 2022	200,000	Conversion of loan into Equity Shares	Other than Cash	10	50	0.47	[•]
May 31, 2022	150,000	Conversion of loan into Equity Shares	Other than Cash	10	50	0.35	[•]
October 25, 2024	1,419,992	Bonus Issue in the ratio of 4 Equity Shares for every 1 fully paid up Equity Share held	Nil	10	Not Applicable	3.34	[•]
July 09, 2025	(1,774,990)	Transfer of Equity Shares by way of gift to Harshil Nuwal	Nil	10	Not Applicable	(4.17)	[•]
TOTAL	**0**					**0.00**	**[•]**

 # To be updated in the Prospectus to be filed with the RoC

**The pre-Issue Equity Share capital (%) has been rounded off up to two decimal places.*

3) The details regarding the build-up of the Equity Shares held by **Uma Nuwal** in our Company since incorporation is set forth in the table below:

Date of transfer / allotment of Equity Shares (Fully paid up)	Number of Equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/issue price per Equity Share (₹)	Percentage of the pre-Issue share capital (%)*	Percentage of the post-Issue Equity Capital (%)#
Upon Incorporation	1	Subscription to the MOA	Cash	10	10	0.00	[•]
October 25, 2024	4	Bonus Issue in the ratio of 4 Equity Shares for every 1 fully paid up Equity Share held	Nil	10	Not Applicable	0.00	[•]
November 10, 2025	8	Bonus Issue in the ratio of 16 Equity Shares for every 10 fully paid up Equity Share held	Nil	10	Not Applicable	0.00	[•]
TOTAL	**13**					**Negligible**	**[•]**

 # To be updated in the Prospectus to be filed with the RoC

**The pre-Issue Equity Share capital (%) has been rounded off up to two decimal places.*

4) The details regarding the build-up of the Equity Shares held by **Deepank Bhandari** in our Company since incorporation is set forth in the table below:

Date of transfer / allotment of Equity Shares (Fully paid up)	Number of Equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/issue price per Equity Share (₹)	Percentage of the pre-Issue share capital (%)*	Percentage of the post-Issue Equity Capital (%)#
March 31, 2022	1,200,000	Conversion of loan into Equity Shares	Other than Cash	10	50	2.82	[●]
May 31, 2022	345,000	Conversion of loan into Equity Shares	Other than Cash	10	50	0.81	[●]
October 25, 2024	6,180,000	Bonus Issue in the ratio of 4 Equity Shares for every 1 fully paid up Equity Share held	Nil	10	Not Applicable	14.53	[●]
November 10, 2025	12,360,000	Bonus Issue in the ratio of 16 Equity Shares for every 10 fully paid up Equity Share held	Nil	10	Not Applicable	29.06	[●]
TOTAL	**20,085,000**					**47.23**	**[●]**

 # To be updated in the Prospectus to be filed with the RoC

**The pre-Issue Equity Share capital (%) has been rounded off up to two decimal places.*

5) The details regarding the build-up of the Equity Shares held by **Sona Polyspin Private Limited** in our Company since incorporation is set forth in the table below:

Date of transfer / allotment of Equity Shares (Fully paid up)	Number of Equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/issue price per Equity Share (₹)	Percentage of the pre-Issue share capital (%)*	Percentage of the post-Issue Equity Capital (%)#
May 31, 2022	905,000	Conversion of loan into Equity Shares	Other than Cash	10	50	2.13	[●]
October 25, 2024	3,620,000	Bonus Issue in the ratio of 4 Equity Shares for every 1 fully paid up Equity Share held	Nil	10	Not Applicable	8.51	[●]
November 10, 2025	7,240,000	Bonus Issue in the ratio of 16 Equity Shares for every 10 fully paid up Equity Share held	Nil	10	Not Applicable	17.02	[●]

Date of transfer / allotment of Equity Shares (Fully paid up)	Number of Equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/issue price per Equity Share (₹)	Percentage of the pre-Issue share capital (%)*	Percentage of the post-Issue Equity Capital (%)#
TOTAL	**11,765,000**					**27.66**	**[•]**

 # To be updated in the Prospectus to be filed with the RoC

**The pre-Issue Equity Share capital (%) has been rounded off up to two decimal places.*

b) Equity shareholding of our Promoters and Promoter Group

The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category *"Promoter and Promoter Group"* are as under:

Sr. No.	Name of the Shareholder	Pre-issue		Post-issue	
		No. of Equity Shares	% of pre-issue share capital	No. of Equity Shares	% of post-issue capital
(I)	**(II)**	**(III)**	**(IV)**	**(V)**	**(VI)**
	Promoters				
1.	Harshil Nuwal	8,449,935	19.87	[•]	[•]
2.	Subhash Chandra Nuwal	0	0	[•]	[•]
3.	Uma Nuwal	13	Negligible	[•]	[•]
4.	Deepank Bhandari	20,085,000	47.23	[•]	[•]
5.	Sona Polyspin Private Limited	11,765,000	27.66		
Sub Total (A)		**4,02,99,948**	**94.76%**	[•]	[•]
	Promoter Group				
1.	Anita Bhandari	13	Negligible	[•]	[•]
2.	Kailash Bhandari	13	Negligible	[•]	[•]
3.	Shikha Nuwal	13	Negligible	[•]	[•]
Sub Total (B)		**39**	**Negligible**	[•]	[•]
Total (A) + (B)		**40,299,987**	**94.76%**	[•]	[•]

For further details, see "*Our Promoters and Promoter Group*" on page 335.

13. Details of the transfer and acquisition of Equity Shares of our Company through secondary transaction for the Promoters, and members of the Promoter Group:

Except as disclosed below, our Promoters and members of the Promoter Group have not transferred or acquired Equity Shares of our Company through secondary transactions:

Date of Transfer	Name of Allotee/Transferee	Transferor	No. of Equity Shares transferred	Face Value of Equity Shares	Price per Equity share	Nature of Consideration
July 09, 2025	Harshil Nuwal	Subhash Chandra Nuwal	1,774,990	10	Nil	Gift

14. As on the date of filing of this Draft Red-Herring Prospectus, the total number of our Shareholders are 45 (Forty-Five).

15. Shareholding of our Directors, Key Management Personnel and Senior Management in our Company.

Sr. No.	Name	No. of Equity Shares held	Percentage(%) of the pre-Issue share capital*
Directors			
1.	Harshil Nuwal	8,449,935	19.87
2.	Uma Nuwal	13	Negligible
KMP (Other than the Chairman-cum-Executive Director and Managing Director)			
3.	Nil	Nil	Nil
SMP			
4.	Nil	Nil	Nil
	Total	**8,449,948**	**19.87**

**The pre-Issue Equity Share capital (%) has been rounded off up to two decimal places.*

16. Except as disclosed in "*Build-up of the Equity Shareholding of our Promoters in our Company*" on page 131, none of the members of our Promoter Group, our Promoters, our directors, or their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

17. **Aggregate shareholding of the promoter group and directors of the promoters where the promoter is a body corporate:**

As on the date of this Draft Red Herring Prospectus, our Promoter Group collectively holds 39 Equity Shares, representing 0.00% of the total Equity Share capital of our Company. Further, the individual promoters of our Company, Mr. Harshil Nuwal and Mr. Subhash Chandra Nuwal, who are also directors of our corporate promoter, Sona Polyspin Private Limited, hold 84,49,935 Equity Shares (representing 19.87% of the total Equity Share capital) and Nil Equity Shares, respectively, in our Company.

18. **Details of Promoter's contribution and lock-in**

1) In accordance with Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue paid-up Equity Share capital of our Company held by our Promoters shall be provided towards minimum promoter's contribution and locked-in for a period of eighteen months or any other period as may be prescribed under applicable laws from the date of Allotment ("**Minimum Promoters' Contribution**") and our Promoters'

shareholding in excess of 20% shall be locked in for a period of six months from the Allotment.

2) Our Promoters have given their consent for inclusion of such number of Equity Shares held by them, as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoters' Contribution and have agreed not to sell, dispose, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus until the expiry of the lock- in period specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

3) As on the date of this Draft Red Herring Prospectus, our Promoters hold in aggregate 40,299,948 Equity Shares of face value of ₹10/- each, constituting 94.76% of our issued, subscribed and paid-up Equity Share capital, out of all of which are eligible for Minimum Promoters' Contribution.

The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment as Minimum Promoter's Contribution are set forth in the table below:

Name of the Promoter	No. of Equity Shares locked-in	Date of allotment/ transfer of Equity Shares**	Date up to which the Equity Shares are subject to lock – in	Issue / Acquisition price per Equity Share	Nature of Allotment	Face value per Equity Share (₹)	Percentage of the fully diluted pre-Issue Equity Share Capital^	Percentage of the fully diluted post- Issue Equity Share Capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Grand Total	[●]							

Note: To be updated at the Prospectus stage.

*** All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*

^ Subject to finalisation of the Basis of Allotment and to be updated in the Prospectus to be filed with the RoC

4) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Minimum Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

5) The Minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons identified as 'Promoter' under the SEBI ICDR Regulations.

6) In this connection, we confirm the following:

a. In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Issue Equity Share capital of our Company held by the person other than the promoters, shall, unless otherwise permitted under the SEBI ICDR Regulations, will be locked-in for a period of six months from the date of Allotment as required under the SEBI ICDR Regulations.
b. The Equity Shares offered for Minimum Promoter's contribution do not include (a) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, or (b) Equity Shares resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Minimum Promoters' contribution;
c. The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
d. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and
e. The Equity Shares forming part of the Minimum Promoters' Contribution are not subject to any pledge.
f. All the Equity Shares held by our Promoter are held in dematerialised form.

19. Other lock-in requirements:

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

(ii) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(iii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter which are locked-in for a period of six months from the date of Allotment in the initial public offer, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or public financial institutions, provided that with respect to the Equity Shares locked-in for six months from the date of Allotment, the pledge of such Equity Shares is one of the terms of the sanction of such loans. Equity Shares locked-in as Minimum Promoters' Contribution for eighteen months from the date of allotment in the initial public offer, can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by scheduled commercial banks or public financial institutions or systemically important non-banking finance company or a housing finance company for the purpose of financing one or more objects of the Issue.

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

(iv) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter may be transferred to a member of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Takeover Regulations as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

(v) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuance of the lock-in at the hands of the transferee and compliance with the provisions of the Takeover Regulations.

(vi) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 90 days from the date of Allotment.

20. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors, and their relatives have 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 a period of six months preceding the date of filing of this Draft Red Herring Prospectus.

21. Our Company, our Promoters, our Directors and the BRLM have not entered into any buy-back arrangements and/or any other similar arrangements for purchase of the Equity Shares.

22. All Equity Shares issued, transferred or allotted pursuant to the Issue will be fully paid up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

23. The BRLM and its associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as defined under the SEBI (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus. The BRLM and its associates and affiliates, in their capacity as principal or agents, may engage in transactions with, and perform services for, our Company and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. None of the shareholders of our Company are directly or indirectly related to the BRLM and its respective associates.

24. None of the Shareholders of our Company are directly or indirectly related to the BRLM or its associates.

25. Except for the Allotment of Equity Shares pursuant to the Issue, further Issue of Equity Shares and/or any securities convertible into or exchangeable for Equity Shares, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner, during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares being offered under the Issue, have been listed on the Stock Exchanges pursuant to the Issue or all application monies have been refunded, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be.

26. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible securities or any other right granted by the Company which would entitle any person an option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

27. Our Company shall ensure that any transaction in the Equity Shares by our Promoters and our Promoter Group during the period between the date of filing this Draft Red Herring Prospectus and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of such transaction.

28. No person connected with the Issue, including but not limited to the BRLM, the members of the Syndicate, our Company, our Subsidiaries, our Directors, our Promoters or the members of the Promoter Group and our Group Company, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Issue, except for fees or commission for services rendered in relation to the Issue.

29. Our Promoters and the members of our Promoter Group will not participate in the Issue and will not receive any proceeds from the Issue.

30. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law and there are no SR Equity Shares.

31. Our Company is in compliance with the Companies Act, 1956 and Companies Act, 2013, with respect to issuance of equity shares, to the extent applicable, from the date of incorporation of our Company till the date of this Draft Red Herring Prospectus. For further details, see "*Risk Factor - There have been instances of delay in compliances and discrepancies in e-forms filed with respect to regulatory filings under the Companies Act, 2013 by our Company in the past. Our Company has filed suo moto adjudication applications with the RoC for these delays and discrepancies*" on page 62.

32. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

33. The BRLM, and any person related to the BRLM cannot apply in the Issue under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the BRLM, or Alternative Investment Funds ("**AIFs**") sponsored by entities which are associates of the BRLM, or an FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLM or pension funds registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 sponsored by entities which

are associates of the BRLM. Any person who is related to the Promoters and members of Promoter Group shall also not apply.

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OBJECTS OF THE ISSUE

The Issue comprises of fresh Issue of up to 14,300,000 Equity Shares of face value of ₹10/- each, aggregating to ₹ [●] million by our Company. For details, see "*Summary of the Issue Document*" and "*The Issue*" beginning on page 29 and 92, respectively.

OBJECTS OF THE ISSUE

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

1. Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company from banks;
2. Funding of capital expenditure towards purchase of plant and machineries at the existing manufacturing facility; and
3. General Corporate purposes.

(Collectively, referred herein as "**Objects**")

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to (i) undertake our existing business activities; (ii) undertake the activities for which the funds are being raised through the Fresh Issue; and (iii) undertake the activities towards which the borrowings proposed to be repaid/prepaid from the Net Proceeds were utilised. Further, the activities carried out by our Company are in accordance with the main objects clause of our Memorandum of Association.

Further, our Company expects to receive the benefits of listing of the Equity Shares, including to enhance our visibility and our brand image among our existing and potential customers, and to create a public market for our Equity Shares in India.

NET PROCEEDS

The details of the proceeds of the Issue are summarised in the following table:

(*₹ in million*)

Particulars	Estimated Amount [(1)]
Gross Proceeds of the Issue	[●]
Less: Issue related expenses*	[●]
Net Proceeds [(1)]	[●]

**The Issue related expenses shall vary depending upon the final Issue size and the allotment of Equity Shares. For further details, see "Objects of the Issue – Issue Related Expenses" on page number 148.*

[(1)] *To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC.*

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be utilised in the following manner:

(*₹ in million*)

Particulars	Amount
Repayment and/or pre-payment, in full or part, of certain borrowings	**800.00**
Funding of capital expenditure towards purchase of plant and machineries	**475.50**
General Corporate Purposes [(1)]	**[●]**
Grand Total[(1)]	**[●]**

[(1)]To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(₹ in million)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds [(1)]	Estimated deployment from Net Proceeds in Fiscal 2027
1	Repayment and/or pre-payment, in full or part, of certain borrowings.	800.00	800.00
2	Funding of capital expenditure towards purchase of plant and machineries at our existing manufacturing facility.	475.50	475.50
3	General Corporate Purposes [(1)]	[●]	[●]
	Total[(1)]	[●]	[●]

[(1)]To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds, as indicated above, are based on our current business plan and circumstances, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from time to time. These fund requirements have not been appraised by any bank, financial institution, or any other external agency. Our Company may have to revise its funding requirements and deployment on account of a variety of factors, including but not limited to our financial and market condition, business and strategy, competition, interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to applicable law. For further details, please see, "*Risk Factors – 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.*" on page 76.

In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds, as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds, our management may explore a range of options including utilising our internal accruals or seeking additional equity and / or debt arrangements from existing and future lenders. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for (i) general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations; or (ii) towards any other object where there may be a shortfall, at the discretion of the management of our Company and in compliance with applicable laws.

In the event the Net Proceeds are not completely utilised for the objects stated above by the end of Fiscal 2027, such amounts will be utilised (in part or full) in subsequent periods, as determined by our Company, in accordance with applicable law. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

DETAILS OF THE UTILIZATION OF THE NET PROCEEDS

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

Our Company has entered into various borrowing arrangements with banks, including borrowings in the form of term loan, vehicle loan, cash credit facilities and working capital demand loan. As on October 31, 2025, our Company's aggregate outstanding borrowings from banks was ₹ 2,335.06 million. For further details, including indicative terms and conditions, see "*Financial Indebtedness*" on page 421.

Our Company intends to utilise an aggregate amount of ₹ 800.00 million from the Net Proceeds towards repayment/ prepayment of all or a portion of certain borrowings availed by our Company, including accrued interest thereon. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded by the Company from its internal accruals.

Considering the nature of the borrowings and the terms of repayment/ prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time, and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings. Accordingly, our Company may utilise the Net Proceeds for repayment/prepayment of any such refinanced facilities (including any prepayment fees or penalties thereon). However, the total amount to be utilised towards this Object shall not exceed ₹ 800.00 million from the Net Proceeds, subject to the other factors mentioned herein.

Our Company will fully or partially repay or pre-pay only the below mentioned borrowings out of the total borrowings, from and for which we propose to utilise the net proceeds:

(₹ *in million)*

S. No.	Name of the Lender	Nature of the Borrowing	Date of Sanction letter / Renewal Letter	Rate of Interest [(1)] (%)	Sanctioned amount (₹ in million)	Outstanding amount as on October 31, 2025 (₹ *in* million)	Repayment Terms	Purpose for which the loan was sanctioned and utilised*	Prepayment Penalty
1.	SBI Bank	Cash Credit	Renewal Letter dated August 28, 2025	8.25% (EBLR + Spread)	470.00	320.10	On Demand	Working Capital	Nil
2.	Axis Bank	Cash Credit	Sanction letter dated July 03, 2025 and modification in terms of sanction dated July 07, 2025 and July 15, 2025	7.75% (Linked with Repo)	350.00	253.23	12 months validity	Working Capital	2% of Sanctioned limit
3.	HDFC Bank	Cash Credit	Renewal Letter dated October 10, 2025	7.85% (3M Repo)	450.00	401.80	On Demand 12 months validity	Business Use (Working Capital Requirements)	Nil
	Total				**1270.00**	**975.13**			

Note: The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated December 09, 2025

**Our Statutory Auditors by way of their certificate dated December 09, 2025 have confirmed the utilisation of the borrowings specified above, for the purposes availed, is as per the sanction letter/loan agreement of the loans.*

[(1)]The rate of interest mentioned in the table above is the current rate of interest and is subject to changes as per the sanction letter/ loan agreement issued by the banks.

2. Funding of capital expenditure towards purchase of plant and machineries at the existing manufacturing facility

On an ongoing basis, we invest in the procurement of plant and machineries, which is utilised by us in carrying out our business, based on our future requirements estimated by our management. We propose to utilize ₹ 475.50 million out of the Net Proceeds towards purchase of below mentioned plant and machineries.

While we propose to utilize ₹ 475.50 million towards purchasing plant and machineries, based on our current estimates, the specific number and nature of such equipment to be procured by our Company will depend on our business requirements. An indicative list of such equipment that we intend to purchase, along with details of the quotations we have received in this respect is set forth below.

Description of Plant and Machineries	Name of the Supplier	Model	Quantity	Unit price	Amount (₹ in million)[(1)]	Date of quotation	Quotation validity
Continuous dyeing range	A. Monforts Textilmaschinen GmbH & Co. KG	Hotflue Thermex 6500 C-C-C-C	1	3,135,160.00 EUR	323.92	September 01, 2025	August 30, 2026
Prosize sizing machine for processing staple fibre yarns	Karl Mayer Rotal	Psz-2x20-2200/1000	1	900,900.00 EUR	93.08	August 27, 2025	August 26, 2026
Warpdirect high performance direct warping machine	Karl Mayer Rotal	WD-2200/1000 GV-912-Optoguard 912 bobbins in working position	1	320,200.00 USD	28.42	August 27, 2025	August 26, 2026
Warpdirect high performance direct warping machine	Karl Mayer Rotal	WD-2200/1000 GV-680-Optoguard 680 bobbins in working position	1	338,950.00 USD	30.08	August 27, 2025	August 26, 2026

Description of Plant and Machineries	Name of the Supplier	Model	Quantity	Unit price	Amount (₹ in million)[1]	Date of quotation	Quotation validity
Total					**475.50**		

[1] *The Quotation was received in EUR and USD, Which has been converted to INR at the conversion rate of (1 EUR= 103.32 INR and 1 USD = 88.74 INR) dated November 14, 2025 as per source - www.fbil.org.in.*

As certified by our Statutory Auditors vide their certificate dated December 11, 2025.

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The quotations in relation to the plant and machineries are valid as on the date of this Draft Red Herring Prospectus. Quotations are subject to additional costs including cost of freight, installation and commissioning costs, insurance, customs charges and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds proposed to be utilised towards the purchase of plant and machineries or through internal accruals, if required.

We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the plant and machineries at the same cost. The quantity of plant and machineries to be purchased has been based on management estimates and our business requirements. Our Company shall have the flexibility to deploy such plant and machineries according to the business requirements of our Company and based on estimates of our management. No second-hand or used machinery is proposed to be purchased out of Net Proceeds. Each of the units mentioned above is proposed to be acquired in a ready-to-use condition.

Further, our Promoters, Directors, Key Managerial Personnel and Senior Managerial Personnel do not have any interest in the proposed acquisition of the plant and machineries or in the entity from whom we have obtained quotations in relation to the proposed acquisition of the plant and machineries.

3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating up to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include funding strategic initiatives, funding growth opportunities, capital expenditure, meeting fund requirements and other working capital requirements of our Company in the ordinary course of our business, strengthening marketing capabilities and brand building exercises, meeting corporate contingencies and expenses incurred in ordinary course of business, strategic and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with applicable laws. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company and other relevant considerations, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilizing 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. However, usage of funds will be as disclosed in the Objects of the Issue and any spill over from the intended Objects of the Issue to the general corporate purposes will not be carried out by the Company.

Means of finance

The fund requirements for the Objects are proposed to be met from the Net Proceeds. Accordingly, we confirm 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 Issue as required under Regulation 7(1)(e) of the SEBI ICDR Regulations.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

S. No	Activity	Estimated expenses* (₹ *in million*)	As a % of the total estimated Issue expenses	As a % of the total Issue size
1.	Fees payable to the BRLM (including underwriting commission and selling commission)	[●]	[●]	[●]
2.	Fees payable to the Legal Advisors to the Issue	[●]	[●]	[●]
3.	Advertising and marketing expenses	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Issue	[●]	[●]	[●]
5.	Fees payable to the Regulators including stock exchanges	[●]	[●]	[●]
6.	Printing and distribution of Issue stationary	[●]	[●]	[●]
7.	Brokerage, selling commission and uploading/processing fees(1) (2) (3) (4) (5) (6)	[●]	[●]	[●]
8.	Others (industry report, monitoring agency, auditor's fees, etc.)	[●]	[●]	[●]
	Total Estimated Issue Expenses	[●]	[●]	[●]

**To be incorporated in the Prospectus after finalisation of the Issue Price. Issue expenses are estimates and are subject to change. Issue expenses include goods and services tax, where applicable.*

^including fee payable to monitoring agency, etc.

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and portion for Non-Institutional Bidders, which are directly procured by them would be as follows:

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

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price*
Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as

captured in the Bid book of BSE or NSE.

No additional processing/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

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

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

**Based on valid Bid cum Application Forms*

(3) Selling commission on the portion for Retail Individual Bidders and the portion for Non-Institutional Bidders which are procured by Syndicate Members (including their sub-Syndicate Members) Registered Brokers, RTAs, CDPs would be as follows:

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

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

Bidding Charges: ₹ [●] (plus applicable taxes) per valid application bid by the Members of the Syndicate (including their sub-Syndicate Members)/ RTA/CDPs.

Note: The brokerage/selling commission payable to the Syndicate/sub-Syndicate members will be determined on the basis of the ASBA Form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if an ASBA bid on the application form number/series of a Syndicate/sub-Syndicate member, is bid for by an SCSB, the brokerage/selling commission will be payable to the SCSB and not to the Syndicate/sub-Syndicate member. The brokerage/selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The bidding charges payable to the Syndicate/sub- Syndicate members will be determined on the basis of the bidding terminal ID as captured in the Bid book of the Stock Exchanges. Payment of brokerage/selling commission payable to the sub-brokers/agents of the sub-Syndicate members shall be handled directly by the sub-Syndicate members, and the necessary records for the same shall be maintained by the respective sub-Syndicate member.

(4) Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Bidders, portion for Non-Institutional Bidder which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

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

**Based on valid Bid cum Application Forms*

(5) Bidding charges of ₹ [●] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Bidders using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. Further, in order to determine to which Registered Broker/RTA/CDP, the commission is payable, the terminal from which the bid has been uploaded will be taken into account.

(6) Processing fees for applications made by UPI Bidders would be as follows:

RTAs / CDPs/ Registered Brokers/Members of the Syndicate	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank(s)	*₹ [●] for applications made by UPI Bidders using the UPI mechanism* The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws.*

**Based on valid applications*

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

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI Master Circular.

Interim Use of Funds

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 for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

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

Bridge Loan

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

Monitoring of Utilisation of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with RoC, our Company will appoint a Monitoring Agency to monitor the utilization of the Gross Proceeds as the proposed Issue exceeds ₹1,000.00 million. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Gross Proceeds (including in relation to the utilization of the Gross Proceeds towards general corporate purpose) and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay.

Our Company will disclose and continue to disclose, the utilization of the Gross Proceeds, including interim use under a separate head in our balance sheet for such Fiscals as required under applicable law, clearly specifying the purposes for which the Gross Proceeds have been utilised, till the time any part of the Gross Proceeds remains unutilised. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our quarterly financial results. Our Company will indicate investments, if any, of unutilised Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) and Part C of Schedule II, 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. The Audit Committee shall make recommendations to our Board for further action, if appropriate. 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 Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor of our Company in accordance with Regulation 32(5) of SEBI Listing Regulations. 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 Gross Proceeds from the Objects as stated above; and (ii) details of category wise variations in the actual utilization of the Gross Proceeds from the Objects as stated above

Variations in Objects of the Issue

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution and such variation will be in accordance with the applicable laws including the Companies Act 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution **(the "Notice")** shall specify the prescribed details, including justification for such variation and be published and placed on website of our Company, in accordance with the Companies Act, 2013, read with relevant rules.

The Shareholders' Meeting Notice shall simultaneously be published in the newspapers, one in English and one in Hindi (Hindi also being the regional language of the jurisdiction of Rajasthan where our Registered Office is situated). Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, subject to the provisions of the Companies Act 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act 2013 and provisions of Regulation 59 and Schedule XX of the SEBI ICDR Regulations.

Appraising Agency

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/financial institution.

Other Confirmations

No part of the Net Proceeds will be paid by us to the Promoters and Promoter Group, Subsidiary, the Directors, Key Management Personnel, Senior Management or Group Company, except in the normal course of business and in compliance with the applicable law. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, Subsidiary, our Key Managerial Personnel, Senior Management, Promoters Group, our Group Company in relation to the utilization of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as set out above.

BASIS FOR THE ISSUE PRICE

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

Investors should also refer to "*Risk Factors*", "*Our Business*" and "*Restated Financial Information*" beginning on pages 44, 261 and 351, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

1. Strategically located manufacturing facility with modern technologies to support our product portfolio: We operate through our manufacturing facility located in Bhilwara, Rajasthan, a region that is recognised as the 'Textile City' or "Machester City of Rajasthan". Our manufacturing facility is equipped with advanced machinery sourced from reputed manufacturers. This includes stenter, merceriser, washing range, sanforiser, singeing, microsand suiding machine, KD jaguar and cloth pressing machine model formula 1 multipla, many of which are integrated with real-time digital monitoring tools to ensure uniformity and reduce defects.

2. Integrated business model combining manufacturing and job work activities: As on date, our Company operates an integrated business model that combines in-house manufacturing with job-work processing, enabling us to maintain operational flexibility, strengthen quality control, and optimize the utilization of our installed capacity.

3. Strong standing relationships with customers with high retention rate: Our Company has built a foundation of trust and reliability among our customers across the market. Our ability to offer fabric tailored to meet specific quality, volume and delivery requirements has enabled us to cultivate strong standing partnerships and deliver consistent customer satisfaction.

4. Experienced Promoters supported by a professional management team with domain knowledge: We are led by a team of Promoters with extensive experience in the textile industry, who are actively involved in the key functions of our business, including business development, manufacturing operations, product development, marketing and finance.

5. Healthy Track Record and Steady Growth: The Company has demonstrated consistent growth in its scale of operations, revenues and profitability over the past three Fiscals and the Three Month Period ended June 30, 2025. Our Company's revenue from operations has increased by a CAGR of 83.42%

from Fiscal 2023 to Fiscal 2025. Similarly, our EBITDA and profitability have increased at a CAGR of 79.31% and 172.00% respectively, from Fiscal 2023 to Fiscal 2025.

For further information, please see "*Our Business*" on page 261.

Quantitative Factors

Some of the information presented in this chapter is derived from Restated Financial Information. For further information, please see "*Restated Financial Information*" on page 351.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic and Diluted Earnings per Share

Fiscal / Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
Fiscal 2025	4.57	4.49	3
Fiscal 2024	3.25	3.25	2
Fiscal 2023	0.68	0.68	1
Weighted Average	**3.48**	**3.44**	
Three Months Period ended June 30, 2025*	**1.16**	**1.13**	

**Not Annualised*

As certified by our Statutory Auditors vide their certificate dated December 08, 2025.

Notes:

a. *Basic EPS = Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the period/fiscal.*
b. *Diluted EPS = Net Profit after tax, as restated, divided by weighted average no. of diluted equity shares outstanding during the period/fiscal.*
c. *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each period/fiscal} / {Total of weights}.*
d. *The basic and diluted earnings per share for the Equity Shares of our Company has been presented to reflect the adjustments as per IndAS 33.*
e. *The above statement should be read in conjunction with Material Accounting Policies and Notes to Restated Financial Information of "Restated Financial Information" on page 364.*

2. Price Earnings Ratio ("P/E") in relation to the Price Band of ₹ [●] to ₹ [●] per share of ₹ 10 each

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on Basic EPS for Fiscal 2025	[●]	[●]
Based on Diluted EPS for Fiscal 2025	[●]	[●]

Particulars	Industry P/E
Highest	67.86
Lowest	10.40
Industry Average	33.08

Source: The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

As certified by our Statutory Auditors vide their certificate dated December 08, 2025.

3. Return on Net Worth (RoNW)

Fiscal ended	RoNW(%)	Weight
Fiscal 2025	34.08	3
Fiscal 2024	40.46	2
Fiscal 2023	14.96	1
Weighted Average	**33.02**	
Three Months Period ended June 30, 2025*	6.62	

**Not Annualised*

As certified by our Statutory Auditors vide their certificate dated December 08, 2025.

Notes:

a. *Return on Net Worth (%) = Net Profit after tax as restated for the end of the period/fiscal divided by Average Net worth as at the end of the period/fiscal.*

b. *Average net worth means the average of the net worth of current and previous Period/Fiscal. Net worth means the aggregate value of the paid-up share capital and other equity.*

c. *Weighted average is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. {(RoNW x Weight) for each period/fiscal} / {Total of weights}.*

4. Net Asset Value ("NAV")

Net Asset Value per equity share	(₹)
As at March 31, 2025	17.24
After the completion of the Issue:	
a) At Floor Price	**[●]**
b) At Cap price	**[●]**

Net Asset Value per equity share	(₹)
Issue Price	[●]

*As certified by our Statutory Auditors vide their certificate dated December 08, 2025***.**

Notes:

a. *Net Asset Value per equity share represents net worth (Equity Share capital together with other equity as per Restated Financial Information) as at the end of the period/fiscal divided by the weighted average number of Equity Shares outstanding at the end of the period/fiscal.*

b. *The weighted average number of equity shares has been presented to reflect the adjustments as per Ind AS 33.*

5. Comparison with Listed Industry Peers

We believe the following companies constitute our peer group, identified on the basis of listed public companies operating in business segments that are similar, in part or in full, to the segments in which our Company operates. Their business portfolios may not be exactly comparable in terms of size, product mix, or overall operations to those of our Company. Further, Company is engaged primary in the processing of greige fabric, whereas, the peer companies are also engaged in other aspects of the textile value chain. Accordingly, there are no directly comparable peers available that are fully aligned with our product profile and business model.

Name of the Company	Revenue from Operations (₹ in million)	Face Value per equity share (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share (₹)
Sonaselection India Limited	3,159.52	10.00	[●]	4.57	4.49	34.08%	17.24
Listed Peers							
Vishal Fabrics Limited	15,198.30	5.00	20.98	1.47	1.29	6.51%	24.25
Sangam (India) Limited	28,569.50	10.00	67.86	6.33	6.33	3.23%	198.02
Nitin Spinners Limited	33,056.54	10.00	10.40	31.20	31.20	14.29%	232.96

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports available of the respective company for the Fiscal 2025 submitted to stock exchanges. The financial information of our Company is based on the restated financial information for Fiscal 2025.

Notes:

a. *P/E Ratio has been computed based on the closing market price of equity shares on BSE on December 01, 2025, divided by the EPS (Diluted).*
b. *Return on Net Worth (%) = Net Profit after tax as restated for the end of the fiscal divided by Average Net worth as at the end of the fiscal.*
c. *Average net worth means the average of the net worth of current and previous Fiscal. Net worth means the aggregate value of the paid-up share capital and other equity.*
d. *Net Asset Value per share = Net Worth at the end of the fiscal divided by weighted average no. of equity shares outstanding during the fiscal.*
e. *The basic and diluted earnings per share for the Equity Shares of our Company has been presented to reflect the adjustments as per IndAs 33.*

6. Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. The key financial and operational metrics set forth below, have been approved and verified by the Audit Committee pursuant to its resolution dated December 11, 2025. Further, the Audit Committee has on December 11, 2025 taken on record that other than the key financial and operational metrics set out below, our Company has not disclosed any other key performance indicators during the three years preceding this Draft Red Herring Prospectus with its investors. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Issue Price have been disclosed below. Additionally, the KPIs have been certified by way of certificate dated December 11, 2025 issued by our Statutory Auditors who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company's performance and make an informed decision.

A list of our KPIs for the Three Months Period ended June 30, 2025 and for the Fiscals 2025, 2024 and 2023 is set out below:

Key Performance Indicators (KPIs)	Unit	Three Months Period ended June 30, 2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023
FINANCIAL KPIs					
Revenue from Operations[(1)]	₹ in million	1,042.35	3,159.52	1,209.79	939.12

Key Performance Indicators (KPIs)	Unit	Three Months Period ended June 30, 2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023
EBITDA[2]	₹ in million	163.43	581.19	284.87	180.76
EBITDA Margin[3]	in %	15.68%	18.39%	23.55%	19.25%
Net Profit after tax [4]	₹ in million	47.98	185.63	130.95	25.09
Net Profit Margin[5]	in %	4.60%	5.88%	10.82%	2.67%
Return on Net Worth[6]	in %	6.62%	34.08%	40.46%	14.96%
Return on Capital Employed[7]	in %	3.79%	16.97%	16.18%	32.69%
Debt-Equity Ratio[8]	in times	2.81	2.96	3.72	1.75
OPERATIONAL KPIs					
Sale of Services[9]	in %	21.79%	30.12%	88.72%	97.47%
Sale of Goods[10]	in %	78.21%	69.88%	11.28%	2.53%
Days Working Capital[11]	in days	104	122	104	103
Inventory Days[12]	in days	165	115	127	129
Debtors Days[13]	in days	70	48	44	58
Creditors Days[14]	in days	96	57	54	50

**Not Annualised*

As certified by our Statutory Auditors vide their certificate dated December 11, 2025.

Notes:

(1) Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.

(2) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the period/fiscal and adding back finance costs and depreciation and amortization expenses.

(3) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.

(4) Net Profit after tax represents the restated profits of our Company after deducting all expenses.

(5) Net Profit margin is calculated as restated net profit after tax for the period/fiscal divided by revenue from operations.

(6) Return on Net Worth is calculated as Net Profit after tax as restated for the end of the period/fiscal divided by Average Net worth as at the end of the period/fiscal. Average net worth means the average of the net worth of current and previous period/fiscal. Net worth means the aggregate value of the paid-up share capital and other equity.

(7) *Return on capital employed) is calculated as Earnings before interest and taxes divided by average capital employed (average capital employed is calculated as average of the total equity, total borrowings and deferred tax liabilities (net of deferred tax assets) of the current and previous period/fiscal.*
(8) *Debt-equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity includes the aggregate value of the paid-up share capital and other equity.*
(9) *Sale of Services is calculated as revenue from sale of services as appearing in the Restated Financial Information, divided by the total revenue from operations.*
(10) *Sale of Goods is calculated as revenue from sale of goods as appearing in the Restated Financial Information, divided by the total revenue from operations.*
(11) *Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents and bank balances less current liabilities excluding short term borrowings) by revenue from operations multiplied by the number of days in the period/fiscal (91/365).*
(12) *Inventory Days =Number of days during the period/fiscal (91/365)/ (Cost of Goods Sold/average Inventory at the beginning and end of the Period/Fiscal).*
(13) *Debtor Days = Number of days during the period/fiscal (91/365)/ (Revenue from Operations/average Trade Receivables at the beginning and end of the Period/Fiscal).*
(14) *Creditor Days = Number of days during the period/fiscal (91/365)/ (Net Purchases /average Trade Payables at the beginning and end of the Period/Fiscal).*

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

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for Bidders to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Bidders are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business. See *"Risk Factors – We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to* *our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies"* on page 82.

KPIs	Explanations
Financial KPIs	
Revenue from Operations (₹ in million)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in million)	EBITDA provides information regarding the operational efficiency of our business.
EBITDA Margin (in %)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit after tax (₹ in million)	Net Profit after tax provides information regarding the overall profitability of our business.
Net Profit Margin (in %)	Net Profit Margin is an indicator of the overall profitability and financial performance of our business.
Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Debt-Equity Ratio (in times)	Debt-equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.
Days Working Capital (in days)	Days working capital is a metric that measures how many days it takes our company to transform its working capital into sales cash flows.
Operational KPIs	
Sale of Services (in %)	Sale of Services (in %) is used by our management to track the share of revenue derived from services.
Sale of Goods (in %)	Sale of Goods (in %) is used by our management to track the share of revenue derived from products sold.
Inventory Days (in days)	Inventory days is an indicator of efficiency of inventory management by the company.
Debtors Days (in days)	Debtor days indicates how efficiently the company is managing its debtors.
Creditors Days (in days)	Creditors days indicates how efficiently the company is managing payments to its suppliers.

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in ‘*Our Business*’ and *“Management Discussion and Analysis of Financial Condition Results of Operations”* on pages 261 and 433, respectively. All such KPIs have been defined consistently and precisely in ‘*Definitions and Abbreviations*’ on page 1.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares, or until the utilization of Issue Proceeds, whichever is later, on the Stock Exchanges pursuant to the Issue, or for such other period as may be required under the SEBI ICDR Regulations.

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Comparison of our key performance indicators with listed industry peers for the Period/Fiscals included in the Restated Financial Information:

(₹ in million, unless stated otherwise)

Key Performance Indicators	Unit	Sonaselection India Limited				Vishal Fabrics Limited				Sangam (India) Limited				Nitin Spinners Limited			
		Three Months Period ended June 30,2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023	Three Months Period ended June 30,2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023	Three Months Period ended June 30,2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023	Three Months Period ended June 30,2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023
FINANCIAL KPIs																	
Revenue from Operations[1]	(₹ in million)	1,042.35	3,159.52	1,209.79	939.12	3,971.68	15,198.30	14,501.30	15,478.60	7,897.70	28,569.50	26,280.60	27,123.00	7,933.13	33,056.54	29,056.49	24,067.07
EBITDA[2]	(₹ in million)	163.43	581.19	284.87	180.76	295.47	1,229.30	1,021.20	1,397.00	703.70	2,600.10	2,282.70	3,187.10	1,130.27	4,750.15	3,793.08	3,003.66
EBITDA Margin[3] (in %)	(in %)	15.68%	18.39%	23.55%	19.25%	7.44%	8.09%	7.04%	9.03%	8.91%	9.10%	8.69%	11.75%	14.25%	14.37%	13.05%	12.48%
Net Profit after tax [4]	(₹ in million)	47.98	185.63	130.95	25.09	91.64	290.10	211.30	528.20	21.30	318.00	408.20	1,305.40	409.86	1,754.26	1,315.18	1,648.11
Net Profit Margin[5] (in %)	(in %)	4.60%	5.88%	10.82%	2.67%	2.31%	1.91%	1.46%	3.41%	0.27%	1.11%	1.55%	4.81%	5.17%	5.31%	4.53%	6.85%
Return on Net Worth[6] (in %)	(in %)	6.62%	34.08%	40.46%	14.96%	NA	6.51%	5.27%	14.57%	NA	3.23%	4.43%	16.57%	NA	14.29%	12.11%	17.33%
Return on Capital Employed[7] (in %)	(in %)	3.79%	16.97%	16.18%	32.69%	NA	11.25%	9.15%	14.87%	NA	6.85%	6.91%	15.52%	NA	12.61%	11.11%	11.28%
Debt-Equity Ratio[8]	(in ratio)	2.81	2.96	3.72	1.75	NA	0.61	0.92	0.81	NA	1.14	1.10	0.95	NA	0.89	1.17	0.95
OPERATIONAL KPIs																	
Sale of Services[9]	(in %)	21.79%	30.12%	88.72%	97.47%	NA	0.41%	0.95%	12.39%	NA	3.00%	3.52%	3.60%	NA	0.00%	0.00%	0.01%
Sale of Goods[10]	(in %)	78.21%	69.88%	11.28%	2.53%	NA	98.50%	97.71%	86.71%	NA	94.08%	93.52%	94.34%	NA	99.31%	99.15%	99.09%
Days Working Capital[11]	(in days)	104	122	104	103	NA	127	134	101	NA	75	98	85	NA	109	110	104
Inventory Days[12]	(in days)	165	115	127	129	NA	28	24	25	NA	132	139	124	NA	102	101	101
Debtors Days[13]	(in days)	70	48	44	58	NA	125	122	100	NA	62	56	49	NA	41	34	35
Creditors Days[14]	(in days)	96	57	54	50	NA	29	29	36	NA	NA	NA	NA	NA	14	12	14

**Not Annualised*
As certified by our Statutory Auditors vide their certificate dated December 11, 2025.

Notes:
Source: All the information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from their respective financial results / annual reports available in public domain. The ratios have been computed as per the following definitions.

(1) *Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.*
(2) *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the period/fiscal and adding back finance costs and depreciation and amortization expenses.*
(3) *EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.*
(4) *Net Profit after tax represents the restated profits of our Company after deducting all expenses.*
(5) *Net Profit margin is calculated as restated net profit after tax for the period/fiscal divided by revenue from operations.*
(6) *Return on Net Worth is calculated as Net Profit after tax as restated for the end of the period/fiscal divided by Average Net worth as at the end of the period/fiscal. Average net worth means the average of the net worth of current and previous period/fiscal. Net worth means the aggregate value of the paid-up share capital and other equity.*
(7) *Return on capital employed) is calculated as Earnings before interest and taxes divided by average capital employed (average capital employed is calculated as average of the total equity, total borrowings and deferred tax liabilities (net of deferred tax assets) of the current and previous period/fiscal.*
(8) *Debt-equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity includes the aggregate value of the paid-up share capital and other equity.*
(9) *Sale of Services is calculated as revenue from sale of services as appearing in the Restated Financial Information, divided by the total revenue from operations.*
(10) *Sale of Goods is calculated as revenue from sale of goods as appearing in the Restated Financial Information, divided by the total revenue from operations.*
(11) *Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents and bank balances less current liabilities excluding short term borrowings) by revenue from operations multiplied by the number of days in the period/fiscal (91/365).*
(12) *Inventory Days =Number of days during the period/fiscal (91/365)/ (Cost of Goods Sold/average Inventory at the beginning and end of the Period/Fiscal).*
(13) *Debtor Days = Number of days during the period/fiscal (91/365)/ (Revenue from Operations/average Trade Receivables at the beginning and end of the Period/Fiscal).*
(14) *Creditor Days = Number of days during the period/fiscal (91/365)/ (Net Purchases /average Trade Payables at the beginning and end of the Period/Fiscal).*

Weighted average cost of acquisition ("WACA")

7. The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities).

The details of the Equity Shares, excluding shares issued under ESOP and issuance of bonus shares, during the eighteen (18) months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling thirty (30) days ("**Primary Issuance**") are as follows:

Date of allotment	Number of equity shares allotted	Adjusted Nos of equity shares allotted (A) [1]	Face value (₹)	Issue Price per share (₹)	Adjusted Issue Price per share (₹)	Nature of consideration	Nature of allotment	Total consideration (in ₹ million) (B)
November 23, 2024	374,145	972,777	10.00	147.00	56.54	Cash	Private Placement	55.00
August 20, 2025	483,040	1,255,904	10.00	147.00	56.54	Other than cash	Conversion of compulsorily convertible debentures	71.01
Total		**2,228,681**						**126.01**
Weighted average cost of acquisition [(B)/(A)] [2]								**56.54**

As certified by our Statutory Auditors vide their certificate dated December 11, 2025.

[1] The Company had allotted Bonus shares in the ratio of 16 (sixteen) Equity Shares for every ten (10) Equity Share allotted on November 10, 2025 and the effect of same has been given

[2] Weighted average cost of acquisition has been computed for two transactions after considering the impact of the bonus issuance of equity shares made by the company

8. The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities).

The details of secondary sale / acquisitions of Equity Shares or any convertible securities ("Security(ies)"), where the Promoter, members of the Promoter Group, or Shareholder(s) having the right to nominate director(s) in the board of directors of our Company are a party to the transaction (excluding gifts), during the eighteen (18) months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling thirty (30) days are as follows:

NIL

9. Weighted average cost of acquisition, floor price and cap price:

Type of Transactions	WACA (in ₹)	Floor Price (₹ [●])*	Cap Price (₹ [●]) *
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	56.54#	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or Promoter Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	N/A^	[●] times	[●] times

As certified by our Statutory Auditors vide their certificate dated December 11, 2025.

*To be updated at Prospectus stage

#Weighted average cost of acquisition has been computed for two transactions after considering the impact of the bonus issuance of equity shares made by the Company.*

10. Explanation for Issue Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set

out in [●] above) along with our Company's key performance indicators and financial ratios for the Three Months Period ended June 30, 2025 and Fiscals 2025, 2024 and 2023.

[●]*

**To be included on finalization of price band*

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

[●]*

**To be included on finalization of price band*

The Issue Price of ₹ **[●]** has been determined by our Company, in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares issued through the Book-Building Process. Our Company, in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with "*Risk Factors*", "*Our Business*" and "*Restated Financial Information*" on pages 44, 261 and 351, respectively to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "*Risk Factors*" beginning on page 44 or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

The Board of Directors
Sonaselection India Limited
18th K M Stone, Chittorgarh
Road, Hamirgarh, Bhilwara,
Rajasthan, India, 311025

Choice Capital Advisors Private Limited
Sunil Patodia Tower,
Plot No. 156-158, J.B Nagar,
Andheri East, Mumbai- 400099,
Maharashtra, India
(Choice Capital Advisors Private Limited is referred to as the "**Choice**" or "**Booking Running Lead Manager/BRLM**)

Dear Sirs,

Re: Proposed public issue of equity shares of face value of ₹ 10 each (the "Equity Shares") of Sonaselection India Limited (the "Company") (the "Issue")

Sub.: Statement of possible Special Tax Benefits available to the Company and its equity shareholders under the direct and indirect tax laws

We refer to the proposed issue of the Company. We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961 ("**Act**") as amended by the Finance Act 2025, 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 the "**GST Act**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**") (collectively the "**Taxation Laws**") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable as on the date of signing, for inclusion in the Draft Red Herring Prospectus ("**DRHP**") for the proposed initial public Issuing of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders or its subsidiaries to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

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

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

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

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its Shareholders in the DRHP, UDRHP, RHP and Prospctus for the proposed initial public issue of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the DRHP, RHP and Prospectus.

We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India ("**SEBI**"), the RoC, Jaipur at Rajasthan ("**ROC**") and the stock exchanges, or any other material (including in any corporate or investor presentation made by or on behalf of the Company) to be issued in relation to the Issue (together referred as "**Issue Documents**") or in any other documents in connection with the Issue.

All capitalised terms not defined hereinabove shall have the same meaning as defined in the Issue Documents.

For Pokharna Somani & Associates
Chartered Accountants
(Registration No. 011535C)

Sumit Bumb
Partner
Membership No. 429413
Place: Bhilwara
Date: December 08, 2025
UDIN: 25429413BMIXYJ9198

CC:

Legal Counsel to the Issue
Chir Amrit Legal LLP
Unique Destination,
6th Floor, Tonk Road,
Jaipur, Rajasthan 302015
Contact Person : Harsha Totuka
Email : harsha@chiramritlaw.com

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SONASELECTION INDIA LIMITED ("COMPANY") AND THE SHAREHOLDERS OF THE COMPANY ("SHAREHOLDERS")

A. <u>Under the Income Tax Act, 1961</u>

Special Tax Benefits to the Company under the Income Tax Act, 1961 ('the Act') as amended by Finance Act, 2025;

- Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified deductions or set–off of losses, depreciation etc., and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set–off. The option needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. Further, if the conditions mentioned in section 115BAA are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.

  The company has not opted for section 115BAA of the Income Tax Act, 1961 period ended till June 30, 2025.

- As per section 115JAA(1A) of the Act, tax credit is allowed in respect of any Minimum Alternate Tax paid under section 115JB of the Act for any assessment year commencing on or after 1st day of April 2006. Tax credit to be allowed shall be the difference between Minimum Alternate Tax paid and the tax computed as per the normal provisions of the Act for the concerned assessment year. The Minimum Alternate Tax credit shall not be allowed to be carried forward beyond fifteenth assessment year immediately succeeding the assessment year in which tax credit become allowable. The company may claim such benefit in future years subject to fulfilling the then prevailing provisions under the Act.

Special Tax Benefits to the Shareholders of the Company

- There are no special direct tax benefits available to the shareholders (other than Resident Corporate Shareholder) for investing in the shares of the Company.

- With respect to a Resident Corporate Shareholder, a new section 80M is inserted in the Finance Act, 2020, to remove the cascading effect of taxes on inter-corporate dividends during Fiscal 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other Domestic Company or a Foreign Company or a Business Trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other Domestic Company or Foreign Company or Business Trust as does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139.

B. Under the Indirect Taxes

Special Tax Benefits to the Company under the Income Tax Act, 1961

There are no special indirect tax benefits available to the Company.

Special Tax Benefits to the Shareholders of the Company

There are no special indirect tax benefits available to the shareholders of the Company.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Textile Research Report" dated December, 2025 ("**CareEdge Report**"), exclusively prepared and issued by CARE Analytics and Advisory Private Limited, who were appointed by our Company pursuant to an engagement letter dated April 19, 2025, and the CareEdge Report has been commissioned by and paid for by our Company in connection with the Issue. A copy of the CareEdge Report is available on the website of our Company at www.sonaselection.com. 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 CareEdge Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the CareEdge 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. For more information, see "Risk Factors - Certain sections of this Draft Red Herring Prospectus disclose information from the CareEdge Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 75. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 25.*

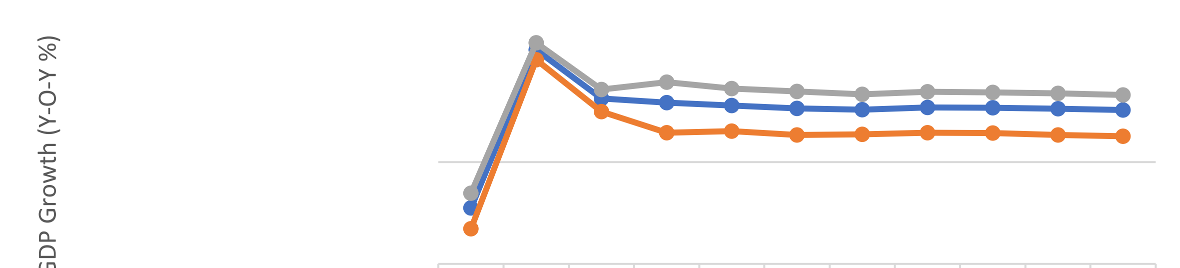
1. Economic Outlook

1.1. Global Economy

Global economic growth expected to sustain at ~3% in near term

Global growth, which peaked at 3.5% in CY23, moderated to 3.3% in CY24 and is projected to decline further to 3.2% in CY25 and 3.1% in CY26. This slowdown is largely attributed to escalating trade tensions, particularly the imposition of new U.S. tariffs and retaliatory measures from key trading partners. These developments are expected to push global tariff levels to historic highs, dampening trade flows and weakening growth prospects. In response, countries are reassessing their strategic priorities and policy frameworks. Central banks are likely to recalibrate monetary policies, while prudent fiscal management and structural reforms will be essential to address rising debt levels and mitigate widening global inequalities.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



	CY20	CY21	CY22	CY23	CY24	CY25 P	CY26 P	CY27 P	CY28 P	CY29 P	CY30 P
World	-2.7%	6.6%	3.8%	3.5%	3.3%	3.2%	3.1%	3.2%	3.2%	3.2%	3.1%
Advanced Economies	-3.9%	6.0%	3.0%	1.7%	1.8%	1.6%	1.6%	1.7%	1.7%	1.6%	1.5%
Emerging Market and Developing Economies	-1.8%	7.0%	4.3%	4.7%	4.3%	4.2%	4.0%	4.2%	4.1%	4.1%	4.0%

Source: IMF – World Economic Outlook, October 2025; Note: P-Projection

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)										
	CY20	CY21	CY22	CY23	CY24	CY25 P	CY26 P	CY27 P	CY28 P	CY29 P	CY30 P
India	-5.8	9.7	7.6	9.2	6.5	6.6	6.2	6.4	6.5	6.5	6.5
China	2.3	8.6	3.1	5.4	5.0	4.8	4.2	4.2	4.0	3.7	3.4
Indonesia	-2.1	3.7	5.3	5.0	5.0	4.9	4.9	5.0	5.0	5.1	5.1
Saudi Arabia	-3.8	6.5	12.0	0.5	2.0	4.0	4.0	3.3	3.3	3.3	3.3
Middle East	-2.3	4.7	6.4	2.6	2.6	3.5	3.8	3.8	3.7	3.7	3.7
Latin America	-6.9	7.4	4.3	2.4	2.4	2.4	2.3	2.6	2.7	2.8	2.6
Brazil	-3.3	4.8	3.0	3.2	3.4	2.4	1.9	2.2	2.3	2.4	2.5
Euro Area	-6.0	6.4	3.6	0.4	0.9	1.2	1.1	1.4	1.3	1.2	1.1
United States	-2.1	6.2	2.5	2.9	2.8	2.0	2.1	2.1	2.1	1.9	1.8

Source: IMF- World Economic Outlook Database (October 2025); Note: P- Projections, India's fiscal aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23.

1.2. Indian Economic Outlook

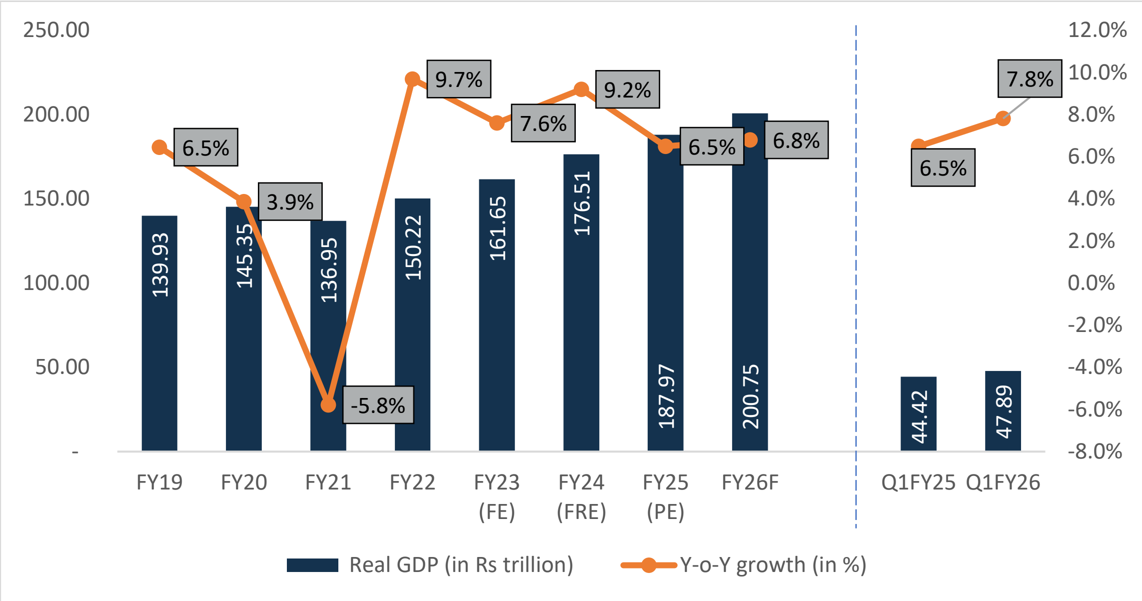
1.2.1. GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India’s economy continues to show rapid growth. In the first quarter of FY26, the country’s GDP grew by 7.8% compared to the same period last year, which saw a 6.5% increase. For the full year FY26, GDP is expected to grow by 6.8%, supported by rising rural demand, better job opportunities, and active business conditions.

In FY25, provisional estimates show a growth of 6.5% (Rs 187.97 trillion), led by robust performance in manufacturing, construction, and financial services. Consumer spending rose by 7.6%, and government spending increased by 3.8%, both contributing to the overall growth. In FY24, India's GDP grew by 9.2% (Rs 176.5 trillion), the highest in over a decade (excluding the pandemic year).

Chart 2: Trend in Real Indian GDP growth rate



Source: MOSPI, RBI.

Note: FE – Final Estimates, FRE- First Revised Estimates, PE – Provisional Estimates, F - Forecasted

GDP Growth Outlook (October 2025)

FY26 GDP Outlook: The RBI projects real GDP growth at 6.8% for FY26, driven by strong private consumption, steady investment, and resilient rural and urban demand. A favourable monsoon, robust services sector and improving corporate balance sheets support this outlook.

However, risks from prolonged geopolitical tensions, global trade disruptions, and weather-related uncertainties remain. Taking these into account, the RBI has reaffirmed its growth projections.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

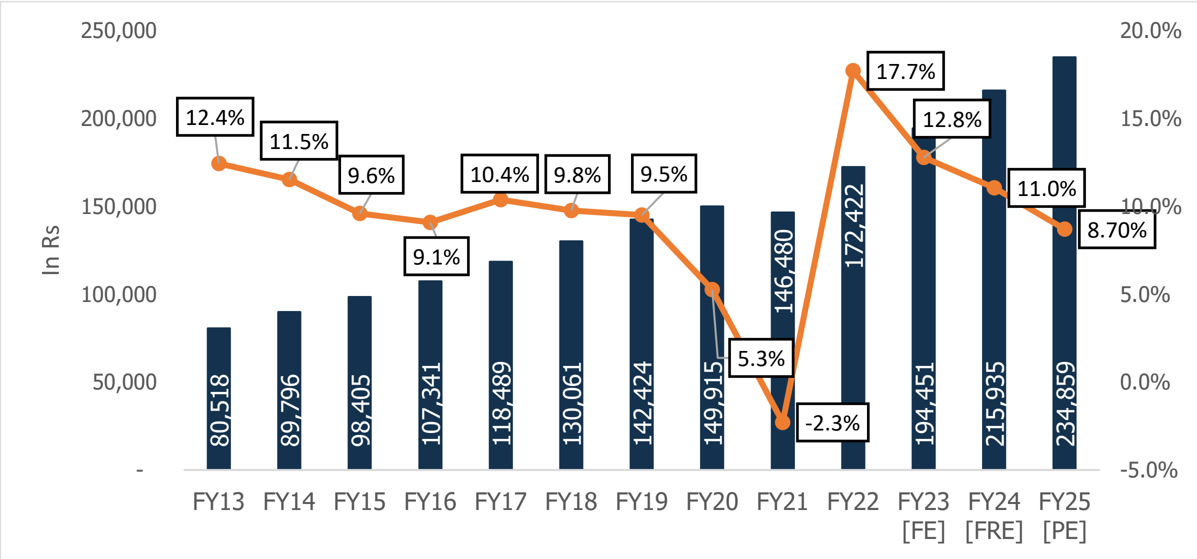
FY26P (complete year)	Q2FY26P	Q3FY26P	Q4FY26P	Q1FY27P
6.8%	7.0%	6.4%	6.2%	6.4%

Source: Reserve Bank of India; Note: P-Projected

1.2.2. India's GDP Per Capita

India's per capita GDP has shown a consistent upward trend over the past decade, reflecting steady economic growth. Rising per capita income, driven by robust economic development, enhances consumer confidence and discretionary spending, reflecting a higher standard of living and overall prosperity. From FY13 to FY25, the per capita GDP is expected to increase from Rs 80,518 to Rs 234, 859, with an average growth rate of around 9% annually. Key drivers of this growth include structural reforms, digitalization, rising domestic consumption, and increased foreign investment. However, there was a slight dip in FY20, primarily due to the economic impact of the COVID-19 pandemic. Despite this, the country has rebounded with strong growth rates in subsequent years, supported by economic recovery and continued expansion in various sectors.

Chart 3: Per capita GDP (current prices)



Source: MOSPI; Note: FE – Final Estimates, FRE- First Revised Estimates, PE- Provisional Estimates

1.2.3. Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption. India's recovery in FY25 was powered by a broad-based rebound across sectors. The gap between GDP and GVA growth stood at 0.1 percentage point in FY25, with GDP growing at 6.5% and GVA at 6.4%, as per MoSPI's provisional estimates released in August 2025.

The agriculture and allied sector grew by 4.6% in FY25 (up from 2.7% in FY24), supported by a good monsoon, better crop output, and strong allied activities. The industrial sector grew by 5.9% in FY25, down from 10.8% in FY24 due to weaker manufacturing, with FY24 growth driven by strong manufacturing sales, construction (9.4%), utilities, and supportive policies. The services sector grew by 7.2% in FY25, down from 9.0% in FY24, supported by public administration (8.9%), financial services (7.2%), and trade and transport (6.1%), contributing Rs 94.4 trillion to the economy.

From Q1FY25 to Q1FY26, the overall GVA at basic price had a Y-o-Y growth from 6.5% to 7.6%, indicating a stronger economic performance. Most sectors showed growth, with Services sector growing significantly from 6.8% to 9.3%, and Agriculture, Forestry & Fishing rebounding from 1.5% to 3.7%. However, Mining & Quarrying declined sharply from 6.6% to -3.1%, and Electricity, Gas & Water supply slowed considerably from 10.2% to 0.5%**.**

Table 3: Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

At constant Prices	FY19	FY20	FY21	FY22	FY23 (FE)	FY24 (FRE)	FY25 (PE)	Q1FY25	Q1FY26

Agriculture, Forestry & Fishing	**2.1**	**6.2**	**4.1**	**4.6**	**6.3**	**2.7**	**4.6**	**1.5**	**3.7**
Industry	**5.3**	**-1.4**	**-0.9**	**12.2**	**2.5**	**10.8**	**5.9**	**8.5**	**6.3**
Mining & Quarrying	-0.9	-3.0	-8.6	6.3	3.4	3.2	2.7	6.6	-3.1
Manufacturing	5.4	-3.0	2.9	10.0	-1.7	12.3	4.5	7.6	7.7
Electricity, Gas, Water Supply & Other Utility Services	7.9	2.3	-4.3	10.3	10.8	8.6	5.9	10.2	0.5
Construction	6.5	1.6	-5.7	19.9	9.1	10.4	9.4	10.1	7.6
Services	**7.2**	**6.4**	**-8.2**	**9.2**	**10.3**	**9.0**	**7.2**	**6.8**	**9.3**
Trade, Hotels, Transport, Communication & Broadcasting	7.2	6.0	-19.7	15.2	12.3	7.5	6.1	5.4	8.6
Financial, Real Estate & Professional Services	7.0	6.8	2.1	5.7	10.8	10.3	7.2	6.6	9.5
Public Administration, Defence and Other Services	7.5	6.6	-7.6	7.5	6.7	8.8	8.9	9.0	9.8
GVA at Basic Price	**5.8**	**3.9**	**-4.2**	**9.4**	**7.2**	**8.6**	**6.4**	**6.5**	**7.6**

Source: MOSPI; Note: FRE – First Revised Estimates, FE- Final Estimates, PE – Provisional Estimates

1.2.4. Trends in Per capita State Domestic Product (SDP)

State Domestic Product is the total value of goods and services produced, during any financial year, within the geographical boundaries of a state. The top 10 best performing states on per capita SDP include Delhi, Gujarat, Karnataka, and Tamil Nadu.

As of FY25, major states having a per capita SDP below national average include Andhra Pradesh, Rajasthan, Madhya Pradesh, and Uttar Pradesh growing y-o-y by 8.0%, 6.9%, 4.7%, and 7.9% respectively. Bihar is the poorest performing state with a per capita SDP of Rs. 33,996. It has consistently been performing the poorest since FY18, growing merely at a CAGR of 4.5% from FY18 to FY25.

Table 4: Per Capita State Domestic Product (SDP) for Key States (at constant prices, in Rs.)

State\UT	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Andhra Pradesh	1,03,177	1,08,853	1,10,587	1,10,971	1,18,349	1,23,853	1,31,083	1,41,609
Bihar	26,719	29,092	29,798	26,839	27,674	30,678	33,966	36,342
Gujarat	1,43,604	1,54,887	1,64,060	1,56,285	1,70,519	1,81,963	NA	NA
Karnataka	1,40,747	1,49,024	1,56,478	1,49,673	1,65,517	1,82,371	1,91,970	2,04,605
Madhya Pradesh	54,824	59,005	60,452	56,086	61,011	63,681	67,301	70,434

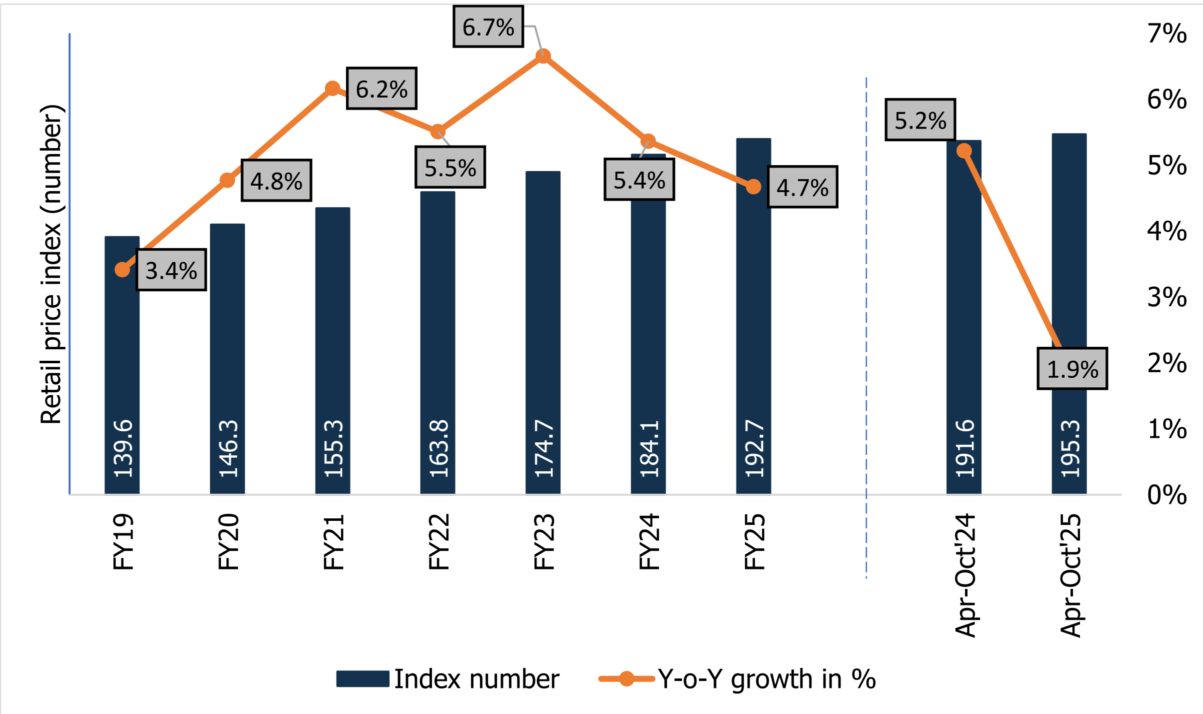
Maharashtra	1,37,808	1,40,782	1,45,626	1,27,550	1,41,651	1,54,979	1,66,013	1,76,678
Rajasthan	73,529	73,975	76,840	73,447	79,490	84,585	90,414	96,638
Tamil Nadu	1,33,029	1,41,844	1,44,845	1,43,482	1,54,269	163,205	1,78,496	1,97,747
Uttar Pradesh	41,771	42,333	43,061	39,866	45,294	48,014	51,898	55,990
Delhi	2,52,960	2,57,597	2,60,559	2,28,162	2,39,821	2,52,768	2,71,490	2,83,093

Source: MOSPI

1.2.5. Consumer Price Index

The Consumer Price Index (CPI) for the April–October 2025 recorded a combined inflation rate of 1.9%, marking the lowest quarterly retail inflation of the current CPI series. The moderation was driven by the impact of decline in GST, favorable base effect and to drop in inflation of Oils and fats, Vegetables, Fruits, Egg, Footwear, Cereals and products, Transport and Communication etc.

Chart 4: Retail Price Inflation in terms of index and Y-o-Y Growth in % (Base: 2011-12=100)

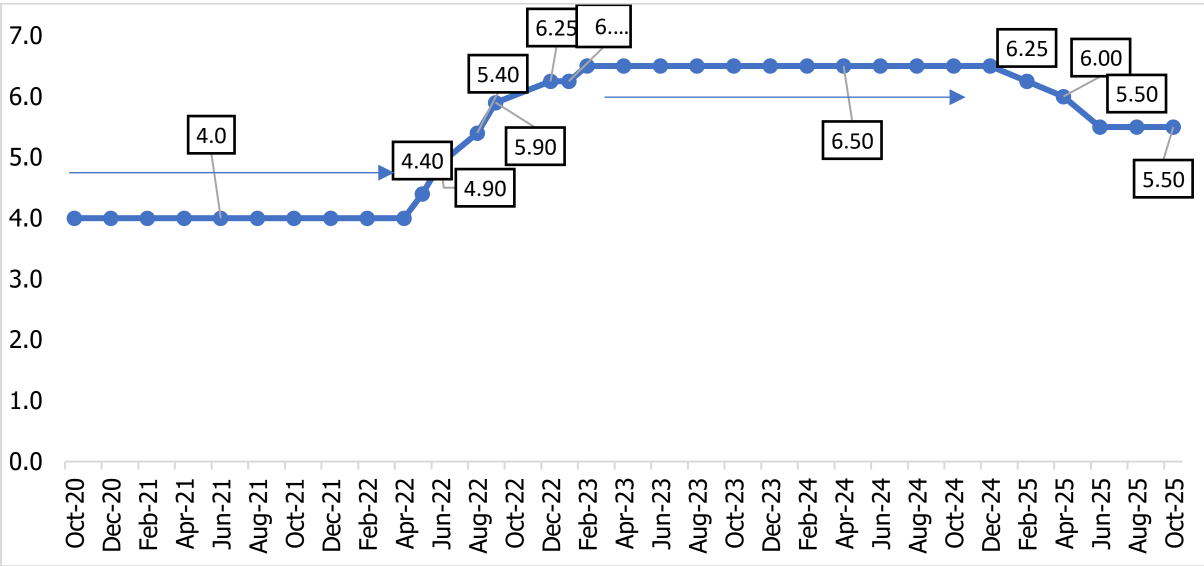


Source: MOSPI

The CPI is primarily factored in by RBI while preparing their bi-monthly monetary policy. At the bi-monthly meeting held in October 2025, RBI projected inflation at 2.6% for FY26 with inflation during Q2FY26 at 1.8% and Q3FY26 at 1.8%, Q4FY26 at 4.0% and Q1FY27 at 4.5%.

Considering the current inflation situation, RBI has maintained the repo rate to 5.5% in the October 2025 meeting of the Monetary Policy Committee.

Chart 5: RBI historical Repo Rate



Source: RBI

Further, the central bank continued its stance as ‘neutral’. The economic growth outlook for India is expected to maintain momentum, supported by private consumption and continued growth in fixed capital formation. The uncertainty has resurfaced as the temporary pause on US tariff hikes has ended and higher duties on some Indian exports now apply, even though trade talks have resumed.

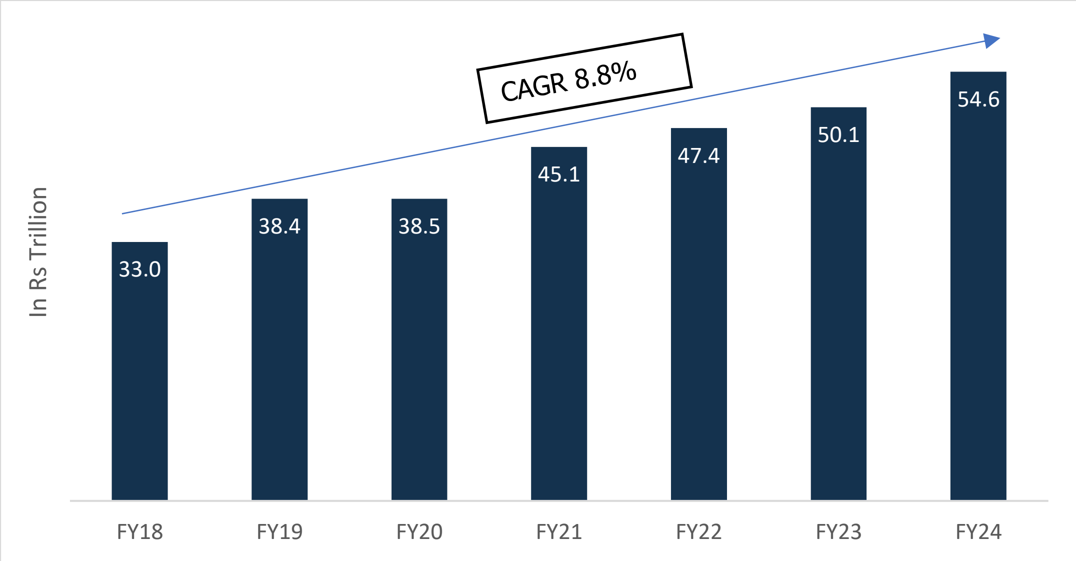
The RBI has adopted for a non-inflationary growth with the foundations of strong demand and supply with a good macroeconomic balance. The domestic growth and inflation curve require the policies to be supportive with the volatile trade conditions.

1.2.6. Trends in Household and Gross Savings

Household savings are of the household sector, measured as its excess of income over consumption and invested in financial assets and physical assets. Household savings in India have grown at an 8.8% CAGR since FY18, reaching Rs 54.6 trillion in FY24, a 9.0% y-o-y increase. A shift toward physical assets, particularly housing and gold/silver ornaments, reflects a preference for tangible investments amid high inflation and slow growth in monetary assets.

This trend is driven by heavy borrowing, especially in housing, auto, and personal loans, leading to a six-year high in household financial liabilities. Savings in mutual funds and life insurance also grew, with an 11.5% and 13.6% y-o-y increase, respectively, while investment in equities and capital market instruments rose as they offer higher returns than bank deposits.

Chart 6: Household Savings

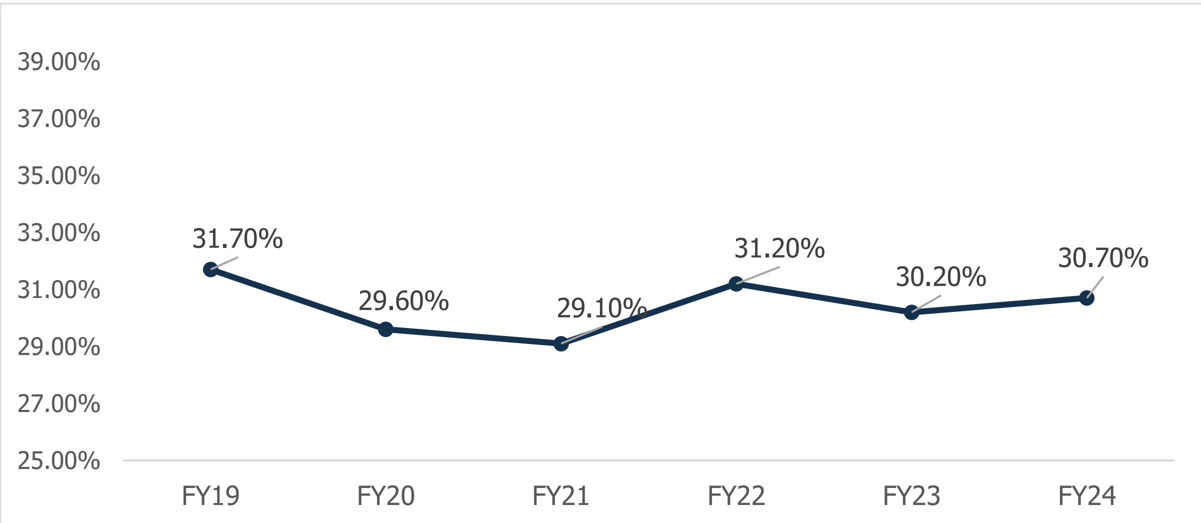


Source: MOSPI

Gross domestic savings are the total savings within the economy, comprising the savings of the household, private corporate and public sectors. Gross Domestic Savings as percentage of GDP, has seen a flat growth moving within a narrow range. Within the last five years, it was highest in FY19 at 31.7%. It declined to less than 30% during FY20 and FY21 on account of pandemic increasing again to 31.2% in FY22 before declining to 30.2% in FY23. The trend picked up marginally in FY24 to 30.70%.

As of FY24, Savings were Rs. 92.59 trillion indicating a y-o-y growth of 12.3% while GDP was at Rs. 301.23 trillion showing a growth of 12.0%.

Chart 7: Gross Savings (as % of GDP) (at current prices)



Source: MOSPI

1.2.7. Growth of the middle class in India and the rural economy in India

India's rural economy is becoming a significant driver of the Fast-Moving Consumer Goods (FMCG) sector's resurgence, signalling a promising turnaround in aggregate demand after a slow start to the

2024-25 financial year. The Reserve Bank of India (RBI) highlights that rising incomes and improved infrastructure are fuelling increased rural consumption of FMCG products. This boost is supported by a rise in rural savings, marked by growing numbers of savings bank accounts and balances, and a reduction in inflationary pressures, which has allowed rural consumption to catch up with urban areas. Additionally, favourable monsoon conditions and improved sowing data are expected to sustain this growth, complemented by increased government spending on rural development and infrastructure.

The expansion of middle-income households in rural India is transforming the country's economic landscape. This growth is driven by rising incomes, increased discretionary spending, a shift towards online and omnichannel shopping, and advancements in payment and logistics infrastructure. There is also a notable dietary shift in rural areas from carb-based foods to more protein-rich diets. India's middle class, characterised by significant income variability, exhibits diverse spending patterns. Lower-middle-class households allocate much of their income to private healthcare, education, and essential consumer goods, such as motorbikes and basic appliances. In contrast, the upper-middle-class invests in luxury items, entertainment, property, and personal services, with a higher propensity to own assets like cars, computers, and air conditioners. Both segments of the middle class are substantial and emerging as key drivers of consumption and economic growth in India. Recent policies, including the Mahatma Gandhi National Rural Employment Guarantee Act, have increased rural incomes, enabling more rural households to enter the middle class. The growing, more inclusive, and politically engaged middle class reflects broader economic growth, although there is a risk of social strain if growth falters and quality job creation does not keep pace.

The India Meteorological Department (IMD) expects a stronger-than-usual southwest monsoon, which should improve crop production and refill water reservoirs helping boost spending in rural areas.. Improvements in agriculture and rural spending are emerging as bright spots in demand conditions. The government's Budget measures, which focus on agriculture, infrastructure, and rural development, aim to increase incomes and revitalize the rural sector. These measures include transforming agricultural research, introducing new crop varieties, promoting natural farming, and enhancing digital infrastructure for agriculture. Successful implementation of these programs, coupled with proper fund allocation, is crucial for improving farm incomes and strengthening supply chains. A shift towards diversified, high-value agricultural production, along with marketing and trade reforms, is needed to foster more inclusive, environmentally friendly, and climate-resilient agriculture.

Despite higher absolute incomes among the wealthy, the sheer size of India's middle class indicates it will become a major force in the economy, creating one of the world's largest markets. This burgeoning middle class, with its growing discretionary spending power, is poised to drive investment, generate employment, and spur further economic growth. Assuming effective reforms are implemented, and the middle class expands to over one billion people, its role will be pivotal in India's economic and social fabric, influencing a wide range of activities from consumption to employment and political change.

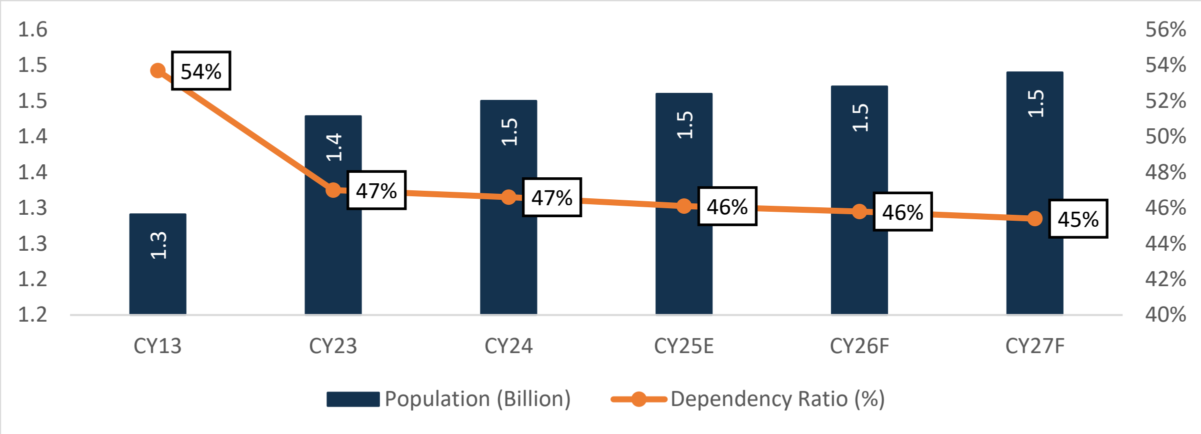
1.2.8. Overview on Key Demographic Parameters

- Population growth and Urbanization

The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanization. According to the world bank, India's population in CY22 surpassed 1.42 billion, slightly higher than China's population (1.41 billion) and became the most populous country in the world.

Age Dependency Ratio is the ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64. This ratio has been on a declining trend. Declining dependency means the country has an improving share of working-age population generating income, which is a good sign for the economy. It was as high as 76% in 1983, which has reduced to 47% in CY23. However, this ratio is expected to rise again to 54% by CY36, driven by an increase in the elderly population as life expectancy improves.

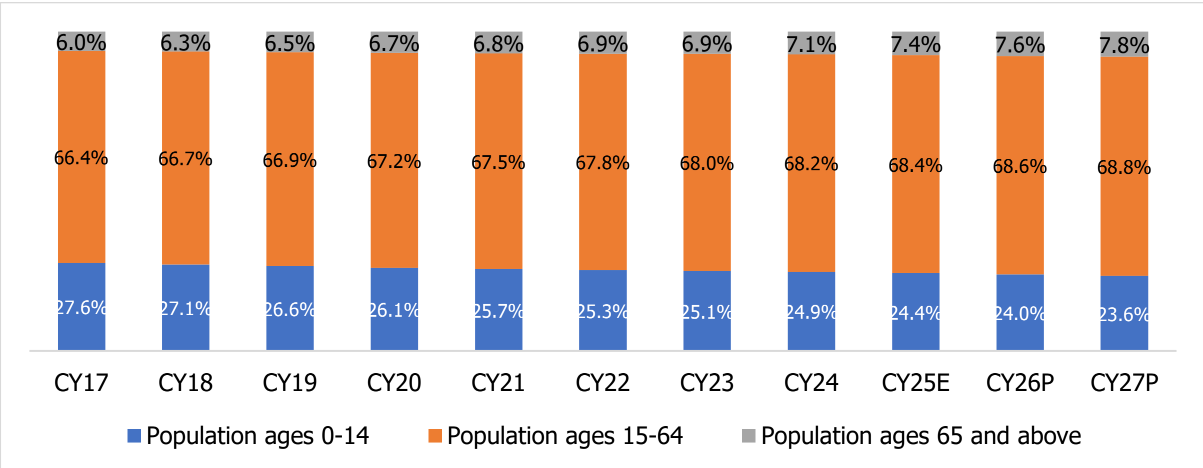
Chart **6: Trend in Population growth vis-à-vis dependency ratio in India (in Billion)**



Source: World Bank Database, MOSPI; Note; E- Estimated, F- Forecasted

Despite a projected rise in the dependency ratio to 54% by CY36, India's young and growing workforce, especially in newly urbanised towns, will continue to drive income growth and consumer demand. This presents strong opportunities for sectors like consumer electronics, transportation, and railways. Rising employment, urbanisation, and government investment in rural development and digital infrastructure will further boost demand, while increased tech adoption supports long-term consumption growth across both urban and rural markets.

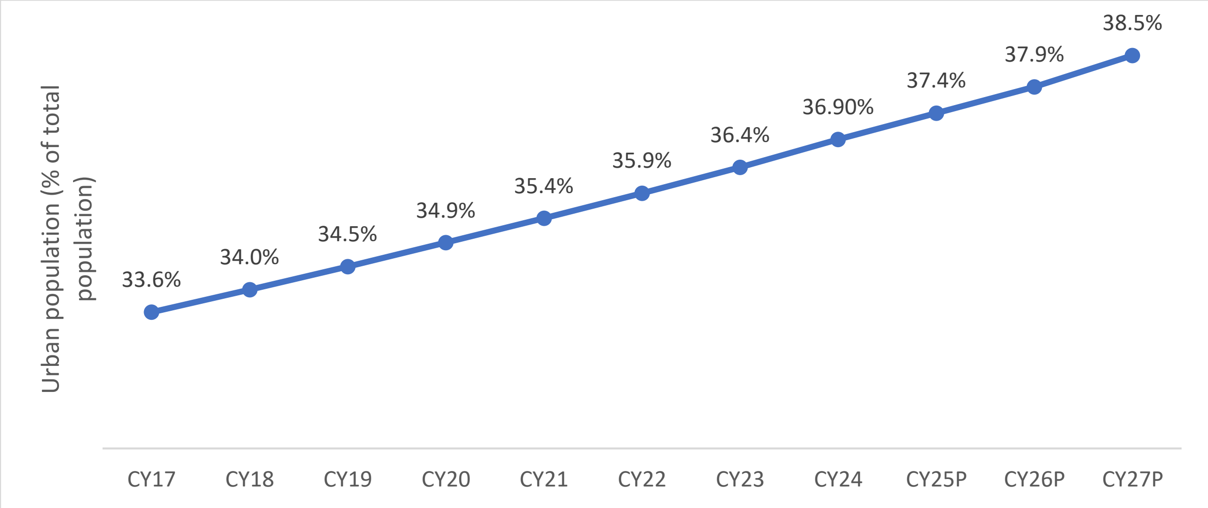
Chart 7: Age-Wise Break Up of Indian population (% of working-age population)



Source: World Bank Database; Note; E- Estimated, F- Forecasted

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 413 million (32% of total population) in CY13 to 519.5 million (36.4% of total population) in the year CY23. India is undergoing a significant urban transformation, with the urban population projected to rise to 40% by CY36. This shift is driven by factors such as improved living standards, increased employment opportunities in urban areas, and government initiatives aimed at urban development. This rapid urbanisation might necessitate substantial investments in infrastructure, housing, and transportation.

Chart 8: Urbanization Trend in India



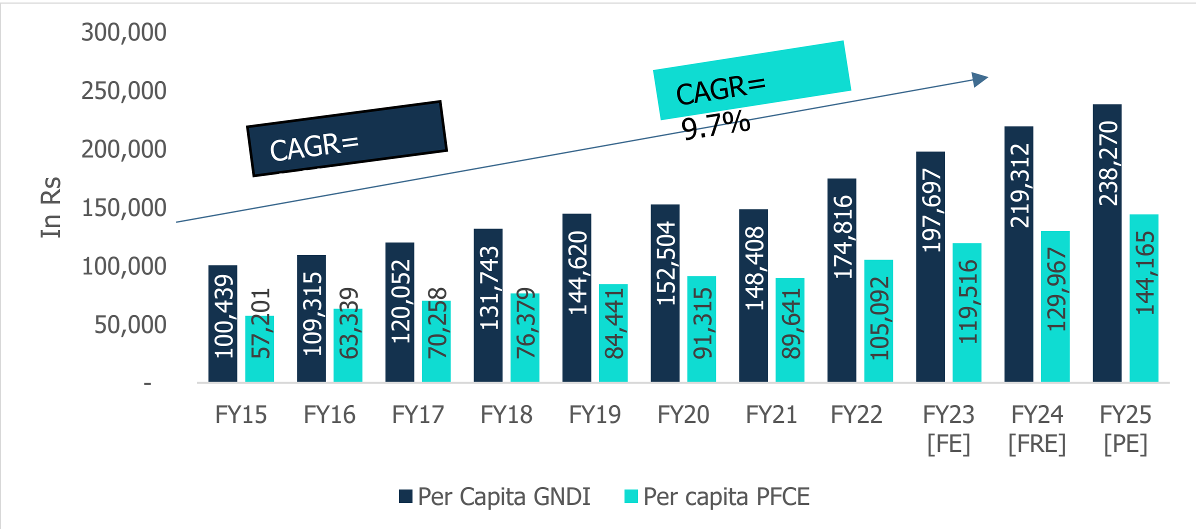
Source: World Bank Database; Note; E- Estimated, F- Forecasted

- Increasing Disposable Income and Consumer Spending

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY15 to FY25, per capita GNDI at current prices registered a CAGR of 9.02%. More disposable income drives more consumption, thereby driving economic growth.

With increase in disposable income, there has been a gradual change in consumer spending behaviour as well. Per capita Private Final Consumption Expenditure (PFCE) which is measure of consumer spending has also showcased significant growth from FY15 to FY25 at a CAGR of 9.7%.

Chart 9: Trend of Per Capita GNDI and Per Capita PFCE (Current Price)



Source: MOSPI; Note: FRE – First Revised Estimates, FE – Final Estimates, PE- Provisional Estimates

1.3. Concluding Remarks

From a macroeconomic standpoint, India remains one of the most resilient large economies in a challenging global environment. The IMF forecasts GDP growth of 6.6% in CY2025, far outpacing the estimated CY25 global average of 3.2%. This performance reflects a combination of strong domestic fundamentals, policy stability, and a sustained focus on capital formation. While the global economy continues to face uncertainty from geopolitical conflicts, commodity price volatility, and rising public debt, India's diversified growth drivers, stable policy framework, and expanding export ecosystem position it well to navigate these headwinds.

The latest phase of India–U.S. trade relations has been shaped by Washington's decision in 2025 to impose higher tariffs on select imports, including steel, aluminium, chemicals, and certain electronics. These measures form part of a wider recalibration of U.S. trade policy aimed at reducing strategic dependencies and protecting domestic manufacturing. While India was among the affected countries, the direct impact on its export performance is expected to be limited. The affected categories constitute less than 4% of India's total exports, and key sectors such as steel subject to a 50% tariff have only modest exposure to the U.S. market. With strong domestic demand from infrastructure and energy sectors, Indian steel producers are likely to absorb the impact with minimal disruption.

Conversely, sectors such as textiles and apparel may benefit indirectly, as U.S. buyers continue diversifying sourcing away from China and other high-cost Asian economies. India's competitive cost base, skilled labour availability, and expanding production capacity especially under the government's Production-Linked Incentive (PLI) scheme are positioning it as a preferred manufacturing alternative. Electronics and engineering goods have similarly seen strong investment momentum, reflected in the rapid scale-up of smartphone production and Apple's decision to expand iPhone assembly operations in India.

Despite the tariff frictions, the overall tenor of India–U.S. engagement remains constructive. During their meeting on February 13, 2025, Prime Minister Narendra Modi and President Donald Trump reaffirmed a shared goal to enhance bilateral trade from USD 200 billion to USD 500 billion by 2030. As of September 2025, the Ministry of Commerce and Industry has described ongoing negotiations as "positive and forward-looking," with both sides exploring ways to reduce duties on pharmaceuticals, auto components, and IT hardware. These developments underline a broader effort to establish a more balanced and durable trade relationship that aligns with India's manufacturing ambitions and America's supply chain resilience goals.

The recent 56th meeting of the Goods and Services Tax (GST) Council announced some major changes in the existing GST structure. The focus is majorly on simplifying it to a two-tiered GST tax structure of 5% and 18%, phasing out the currently existing 12% and 28% slabs. There is also a de-merit tax rate for luxury and 'sin' goods at a 40% tax slab. These changes are typically aimed at increasing the disposable income and in turn boosting consumption, as well as promoting the ease of doing business. The GST rationalization is expected to be a positive step towards economic growth, stimulating private consumption and ease inflationary pressures. As of 2025, most textiles and garments up to Rs 2,500 attract **5% GST**, higher-end garments 18%, and MMF/raw materials now enjoy a lower 5% rate, simplifying taxation and boosting industry competitiveness.

Beyond the U.S., India is actively broadening its export base to reduce dependency on any single market. Strengthening trade links with the European Union, ASEAN, and African economies is helping diversify risk and stabilize export earnings. Policy initiatives supporting logistics modernization, lower tariff barriers, and industrial corridor development continue to enhance India's competitiveness as a global manufacturing hub.

Domestically, policy momentum remains strong. The 56th meeting of the GST Council marked a major structural reform by proposing a simplified two-rate system of 5% and 18%, replacing the earlier four-slab framework, along with a 40% demerit rate for luxury and sin goods. This rationalization aims to reduce compliance burdens, enhance efficiency, and stimulate private consumption. Together with recent revisions in personal income tax rates, these measures are projected to release savings exceeding Rs 2.5 lakh crore into the economy, supporting demand and easing inflationary pressures.

The Union Budget's allocation of Rs 11.21 lakh crore for capital expenditure in FY26 further reinforces the government's commitment to infrastructure-led growth. Public investment is expected to catalyse private sector activity, evidenced by rising project announcements and growing imports of capital goods. Improving rural demand, supported by healthy monsoon progress, favourable sowing conditions, and adequate reservoir levels, provides additional tailwinds for consumption and investment.

In sum, while the recent U.S. tariff actions introduce short-term challenges, their overall economic impact on India is likely to be marginal. Supported by robust domestic demand, diversified trade linkages, and a deepening industrial base, India remains firmly on a high-growth trajectory. Over the medium term, these dynamics are expected to strengthen its position as a resilient, cost-competitive, and strategically significant player in the evolving global economic order.

2. Global Textile Industry

The global textile industry is a vast and dynamic sector that plays a crucial role in the world economy, connecting agriculture, manufacturing, design, and retail across continents. It encompasses the production of fibres, yarns, fabrics, and finished garments, involving both natural and synthetic materials. The industry is constantly evolving through innovation, with trends in fashion, sustainability, and technology driving its direction. From cotton fields to high-tech textile labs, the sector reflects a blend of artisanry and industrial scale.

Major textile-producing countries include China, India, Bangladesh, Vietnam, and Türkiye, which serve as key hubs for manufacturing due to their large labour forces and established infrastructures. Meanwhile, Western nations often lead in high-end fashion design, textile innovation, and sustainable solutions. The industry supports millions of jobs worldwide, from farming and factory work to marketing and retail, making it a vital contributor to both developing and developed economies. This industry supports a wide range of products, including clothing, household textiles (like curtains and bed linens), industrial fabrics, and technical textiles used in sectors like healthcare, construction, and automotive.

Overall, the textile industry is a complex and interconnected system that supports a wide range of economic activities, cultural expressions, and everyday needs. From the sourcing of raw fibres to the creation of high-performance technical fabrics and fashionable garments, each stage contributes significantly to global trade and employment. Innovation, sustainability, and responsiveness to consumer trends are driving the industry's transformation, making it an essential future focused segment. As it evolves, the textile sector remains a key player in shaping global economies and lifestyles.

2.1. Sectors in the Global Textile Industry

The global textile industry is vast and diverse, comprising several key sectors that span the entire value chain from raw materials to finished products. The main sectors of the textile industry globally are:

1. **Spinning Sector**: The spinning sector is the foundation of the textile industry, responsible for converting raw fibres like cotton, wool, jute, and synthetic materials into yarn. India is one of the world's largest producers of cotton and cotton yarn. Spinning mills are highly mechanised and are concentrated in states like Tamil Nadu, Maharashtra, and Gujarat. This sector supplies yarn to both domestic weavers and international buyers.

2. **Weaving and Knitting Sector**: This sector focuses on transforming yarn into fabric. Weaving is done using handlooms or power looms, while knitting is commonly used for stretchable or close-fitting fabrics. India's power loom sector is decentralised and prominent in towns like Bhiwandi (Maharashtra), Erode (Tamil Nadu), and Surat (Gujarat), producing a wide range of fabrics including cotton, polyester, and blends. Meanwhile, the handloom sector plays a crucial role in preserving traditional crafts and providing rural employment.

3. **Textile Processing Sector**: The textile processing sector plays a critical role in adding value to fabrics by transforming raw or greige textiles into finished products ready for use. Key processes include dyeing, printing, and finishing, each of which impart specific properties to the fabric.

- **Dyeing** involves imparting uniform color to yarns, fabrics, or garments using a range of natural or synthetic dyes. Techniques such as reactive, vat, or disperse dyeing are selected depending on the fibre type and desired colorfastness.

- **Printing** allows for the creation of patterns and designs on fabrics, using methods such as screen printing, rotary printing, or digital printing. Advanced printing technologies enable high-precision designs with minimal waste.

- **Finishing** encompasses a variety of mechanical and chemical treatments to improve the texture, feel**,** strength, appearance, and functionality of textiles. Examples include softening, anti-shrink, water-repellent, flame-retardant, anti-pilling, and wrinkle-free finishes.

These processes not only enhance the aesthetic appeal of textiles but also their performance characteristics, making them suitable for diverse end-uses such as apparel, home textiles, technical textiles, and exports. Processing units often adopt a combination of chemical, thermal, and mechanical treatments tailored to meet specific requirements of domestic and international buyers.

However, the sector faces significant sustainability challenges. Textile processing is water-intensive, generates large volumes of effluents, and uses chemicals that can be hazardous if not managed properly. To address these issues, there is a growing push to modernize operations with eco-friendly technologies, such as low-liquor dyeing, digital printing, closed-loop water systems, enzymatic treatments, and energy-efficient finishing machines. Adoption of such practices not only reduces environmental impact but also enhances compliance with international standards like OEKO-TEX and GOTS, which are increasingly demanded by global buyers.

4. **Garment and Apparel Sector**: The apparel and garment manufacturing sector represents one of the most dynamic, value-driven, and labour-intensive segments of India's textile value chain. In this segment, fabrics—both natural and man-made—are cut, stitched, and assembled into finished garments for domestic markets and export destinations. India is among the top global producers and exporters of ready-made garments (RMG), offering a wide portfolio of products such as shirts, trousers, dresses, suits, knitwear, denim, and ethnic wear. The sector caters to a diverse range of buyers—from high-street brands and global retailers to niche, premium segments—supported by a strong raw material base, skilled workforce, and competitive cost structure.

Regional Hubs and Product Specialization:

India's apparel manufacturing ecosystem is geographically diversified, with distinct regional strengths:

- Tiruppur (Tamil Nadu): Recognized as the Knitwear Capital of India, Tiruppur accounts for nearly 45% of India's total knitwear exports, specializing in cotton and blended garments for global brands.
- Bengaluru (Karnataka): A leading export-oriented apparel hub, home to numerous large garment exporters producing woven and knitwear for international fashion houses.
- Noida and Delhi NCR: Serve as major manufacturing clusters for high-volume ready-made garments, catering to both domestic branded apparel and export orders.
- Ludhiana (Punjab): Dominates the woolen and hosiery segment, known for sweaters, thermals,

and winter wear.

- ➢ Tripura and Guwahati (North-East): Emerging centers for knitwear and handloom-based garment production, supported by government incentives to promote textile activity in the region.
- ➢ Jaipur and Kolkata: Specialized in ethnic and traditional wear including block-printed, embroidered, and handwoven apparel that appeals to global fashion buyers.

Economic and Employment Impact: The apparel sector plays a pivotal role in India's export economy—contributing around 12–13% of total export earnings and accounting for roughly 40% of India's total textile exports. It employs over 45 million people directly, and an additional 60 million indirectly across allied activities such as packaging, logistics, embroidery, and accessories. The industry's labour-intensive nature makes it a major source of livelihood for women and rural communities, fostering inclusive economic growth.

Technological Advancements and Modernization: While traditionally labour-driven, the sector has witnessed increasing adoption of automation and digitalization, including computer-aided design (CAD), automated cutting, and real-time production monitoring. Export-oriented units are integrating lean manufacturing, supply-chain traceability, and Industry 4.0 technologies to improve productivity and ensure compliance with international standards. Investment in green manufacturing, energy-efficient machinery, and eco-friendly processing has also become a focus area as global buyers demand more sustainable sourcing.

5. **Home Textiles and Made-Ups Sector**: The home textiles and made-ups sector cover a range of products such as bed linen, towels, curtains, cushions, carpets, and tableware fabrics. These products are in high demand globally and are a significant part of India's textile exports. Cities like Karur and Panipat are renowned for producing and exporting home textiles. The sector combines industrial-scale production with artisan skills, especially in areas like embroidery and handwoven furnishings.

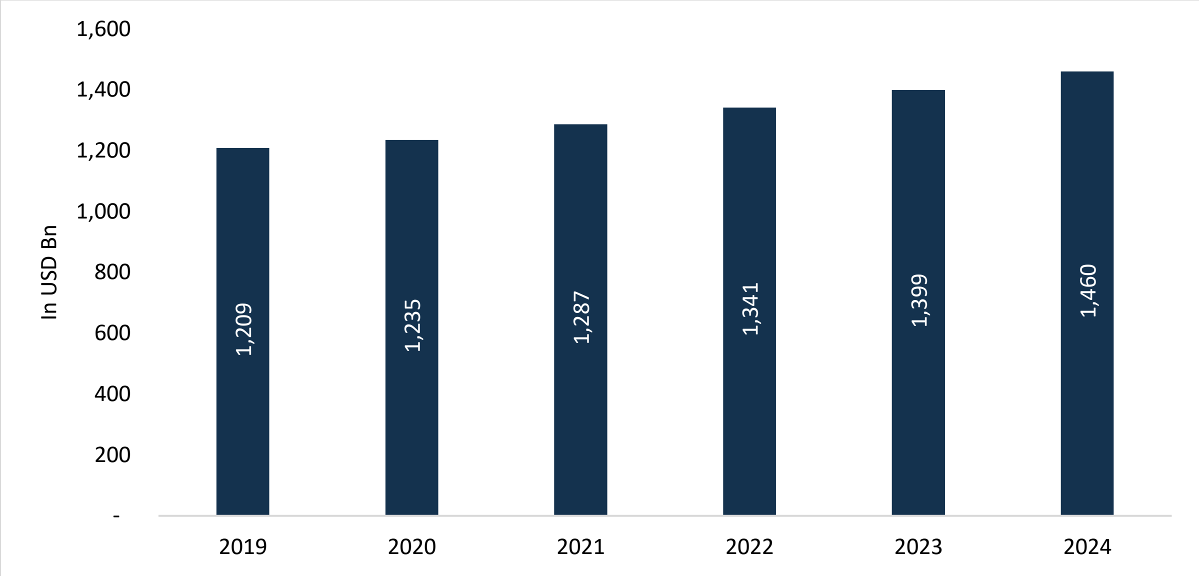
Types of Textiles

1	**Natural Textiles:** Natural Textiles are made from fibres that come from natural sources like plants and animals. Common examples include cotton, wool, silk, and jute. These textiles are known for being breathable, biodegradable, and comfortable, making them widely used in clothing, home furnishings, and traditional crafts.
2	**Synthetic Textiles:** Synthetic Textiles are created from chemical processes using petroleum-based products such as ethylene, p-xylene, and monomers. Fibers like polyester, nylon, acrylic, and spandex fall under this category. These textiles are durable, wrinkle-resistant, and quick-drying, and are commonly used in fashion, sportswear, and industrial applications.
3	**Technical Textiles:** Technical Textiles are specially designed for performance and functionality rather than aesthetics. They are used in fields such as medicine, construction, automotive, agriculture, and defence. Examples include medical gowns, fire-retardant fabrics, industrial filters, and geotextiles, offering properties like strength, flexibility, and resistance to extreme conditions.

2.2. Global Textile Industry Market Size

The global textile industry has shown consistent growth over recent years, with its market size increasing steadily from USD 1,209 billion in 2019 to an estimated USD 1,460 billion in 2024. This upward trend reflects the rising demand for textiles across various segments including fashion, home furnishings, and technical applications. The growth is driven by factors such as expanding global population, the rise of fast fashion, and advancements in textile technology. Additionally, growing awareness around sustainable and functional textiles has further diversified market offerings, contributing to this continued expansion in value.

Chart 10: Global Market Size of Textile Industry



Source: Industry Sources

2.3. Emerging Opportunities in Global Textile Industry

1. **Sustainable and Eco-Friendly Textiles**: Sustainability is rapidly becoming a cornerstone of the global textile industry. There is increasing demand for eco-friendly fibres such as organic cotton, hemp (fabric is a textile made from the fibres of the Cannabis sativa plant), and bamboo, as well as the adoption of sustainable dyeing and finishing techniques that minimize environmental impact. Many brands are implementing waterless dyeing processes, using biodegradable materials, and transitioning to closed-loop production systems. Consumers now actively seek ethical, eco-conscious fashion choices, creating a strong business case for investing in green innovations.

2. **Opportunities through Renewable Energy and Water Efficiency:** Emerging opportunities in the global textile industry include the efficient utilization of renewable energy sources such as wind and solar power, which can lower operational costs and enhance sustainability credentials. Coupled with the effective operation of water treatment and effluent management systems, particularly in dyeing and finishing, textile manufacturers can reduce water consumption, recycle effluents, and minimize environmental impact. This integration of energy and water efficiency not only improves cost competitiveness and operational resilience but also supports compliance with international standards like OEKO-TEX, GOTS, and Bluesign, making Indian textile products more attractive in eco-conscious global markets. India is adopting renewable energy for textile manufacturing, supported by policies like the Perform, Achieve and Trade (PAT) scheme and state-level solar incentives.

3. **Smart Textiles and Wearable Technology:** Smart textiles are transforming fabrics into

interactive, tech enabled materials by integrating sensors, conductive fibres, and electronics into the cloth itself. These materials can monitor vital signs such as heart rate, temperature, or movement, making them highly valuable in healthcare, military, sportswear, and fashion-tech. With a high potential in technology-driven consumer markets, these fabrics are paving the way for intelligent apparel that enhances performance and personal health monitoring.

4. **Technical and Functional Textiles:** There is growing demand for high-performance textiles across industries such as automotive, medical, construction, and defence. These technical textiles are engineered with special features like fire resistance, moisture-wicking, and antimicrobial protection. Geotextiles are used in infrastructure projects, while medical textiles include surgical gowns and wound care materials. As industrialization spreads in developing nations and safety standards become stricter worldwide, this segment offers enormous commercial potential.

5. **Digital Printing and Customization:** Digital printing is revolutionizing textile production by enabling on demand, short-run, and highly customizable fabric printing with minimal waste. This technology allows brands to quickly respond to market trends, personalize products for individual customers, and reduce overproduction. Particularly beneficial in fashion, activewear, and home décor, it offers a cost-effective solution for creative freedom, fast turnaround, and eco-conscious manufacturing.

6. **Recycling and Circular Economy:** The shift toward a circular economy in textiles is gaining momentum as brands and consumers seek to reduce textile waste and promote resource efficiency. New technologies are enabling textile-to-textile recycling, while upcycled fashion and resale platforms are becoming mainstream. Brands are also investing in second-hand and rental markets. These strategies not only support sustainability but also align with growing consumer demand for zero-waste and responsible fashion.

7. **E-commerce and D2C Models:** E-commerce is opening global markets for textile brands, especially through direct-to-consumer (D2C) models. Online platforms allow brands to reach customers without the need for physical stores, while tools like virtual try-ons and 3D product visualization enhance the shopping experience. Lower overhead costs, personalized marketing, and direct feedback loops make this a highly effective growth strategy, particularly for new or niche brands.

8. **Bio-Based and Alternative Fibers:** Innovative fibres derived from biological sources like mushrooms, pineapple leaves, banana stems, and lab-grown spider silk are gaining attention as alternatives to synthetic and water-intensive materials. These bio-based textiles are often biodegradable and sustainably produced, making them ideal for eco-conscious and luxury fashion markets. Their unique textures and properties also offer fresh design possibilities for cutting-edge apparel.

2.4. Leading Textile Manufacturers

1. **Arvind Limited (India):** Arvind Limited is a textile manufacturer and engaged in denim production globally. The company operates across a vertically integrated supply chain, including spinning, weaving, dyeing, and garment manufacturing. Arvind has eco-friendly practices like waterless dyeing and the use of organic cotton. Beyond textiles, the company is also involved in apparel brands, retail, and technical textiles, serving both domestic and international markets,

including partnerships with major global brands.

2. **Esquel Group (Hong Kong):** The Esquel Group is a producers of premium cotton shirts in the world. It operates a fully integrated business model from cotton farming and spinning to garment manufacturing. The company manufactures for global fashion brands including Ralph Lauren, Tommy Hilfiger, and Nike.

3. **Shandong Ruyi Group (China).** The group operates in textile value chain and owns stakes in various brands around the world. It has invested in wool processing, synthetic fibre production, and ready-to-wear fashion. With acquisitions in Europe and Japan, the company operates not just in textile manufacturing but also in global fashion retail.

4. **Toray Industries (Japan):** Toray Industries is a Japanese multinational corporation that operates in synthetic fibres, technical textiles, and advanced materials such as carbon fibre. The company plays a role in industries beyond fashion, including aerospace, automotive, and medical textiles. Toray's textiles are used in sportswear and outdoor gear, and the company has forged long-term partnerships with global apparel giants.

5. **Albini Group (Italy):** The Albini Group produces shirting. The company combines traditional Italian weaving expertise with cutting-edge technology to create cotton fabrics in the world. It supplies to designer labels. Albini also took sustainability initiatives, including organic cotton farming and natural dye use.

6. **Milliken & Company (USA):** Milliken & Company, based in the United States, is a global manufacturer indulged in technical and specialty textiles. The company produces a range of textiles for industries such as military, healthcare, flooring, and transportation.

7. **Hyosung TNC (South Korea):** Hyosung TNC, a South Korean textile company, is a producer of spandex. The company also produces nylon, polyester, and other high-performance fibres for the apparel, industrial, and automotive sectors. Hyosung also operates in eco-friendly textiles, including recycled and bio-based fibres. Its fabrics are widely used in activewear, lingerie, and outerwear by leading global brands. The company continues to expand its global footprint.

8. **Vinatex – Vietnam National Textile and Garment Group (Vietnam):** Vinatex is Vietnam's textile and garment group, encompassing a network of companies involved in spinning, weaving, dyeing, and apparel manufacturing. Vinatex caters to global apparel brands. The company is now investing in digital transformation and sustainability to enhance competitiveness and reduce environmental impact in its supply chain.

9. **Lenzing Group (Austria):** Lenzing Group produces sustainable, cellulose-based fibres such as TENCEL, Modal, and Lyocell. These fibres are derived from renewable wood sources and are known for their softness, strength, and environmental friendliness. Lenzing works under sustainable fashion movement by partnering with brands to promote biodegradable and low-impact textiles.

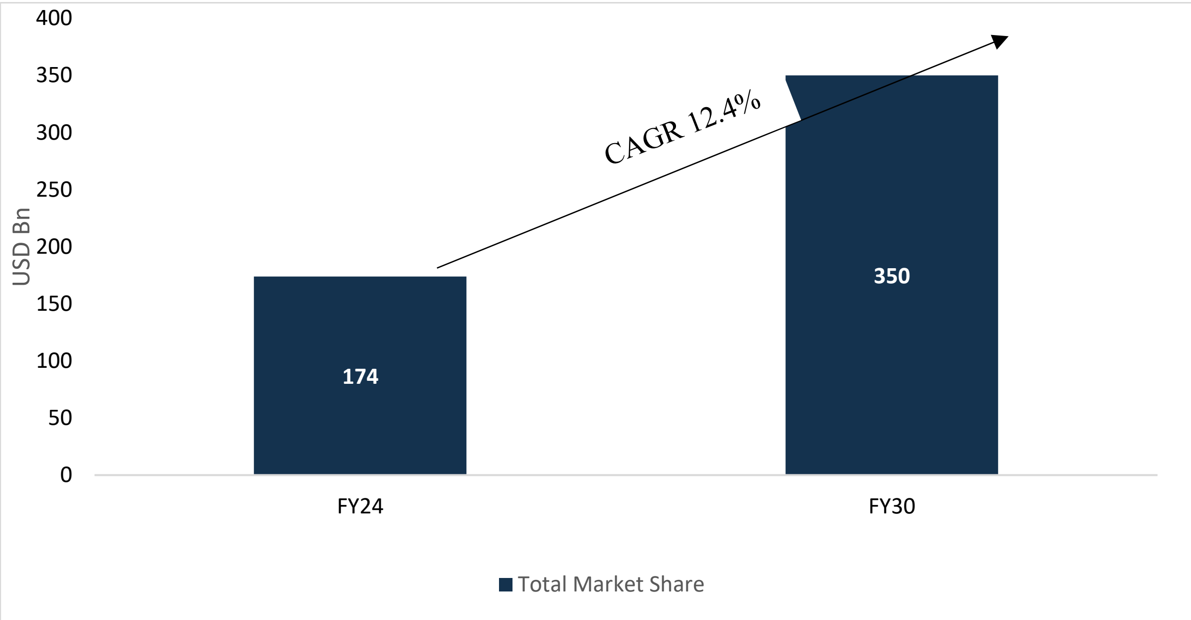
3. Indian Textile Industry

3.1. Overview of Indian Textile Industry

The Indian textile and apparel industry spans a vast, interconnected value chain, starting from the cultivation of natural fibres and production of synthetic materials to spinning, weaving, processing, apparel manufacturing, and retail. As the world's second-largest producer of textiles and garments and the third-largest exporter, India holds a significant position in the global market. The sector contributes around 13% to industrial production, 2.3% to GDP, and 12% to national exports. The industry's scope includes not just apparel, but also home textiles and technical textiles, placing India among the top five global exporters across various textile segments.

Beyond manufacturing, the sector has strong linkages with allied domains. It supports agriculture by creating demand for cotton, wool, and jute, while contributing to rural livelihoods. The sector collaborates with designers to integrate traditional craftsmanship with contemporary aesthetics. Moreover, efficient logistics and e-commerce platforms expand market access, benefiting even small and rural enterprises. With increasing emphasis on sustainability, ethical sourcing, and circular fashion, India is establishing itself not only as a major supplier but also as a global trendsetter in textiles.

Chart 11: Indian Textile and Apparel Industry Market Size



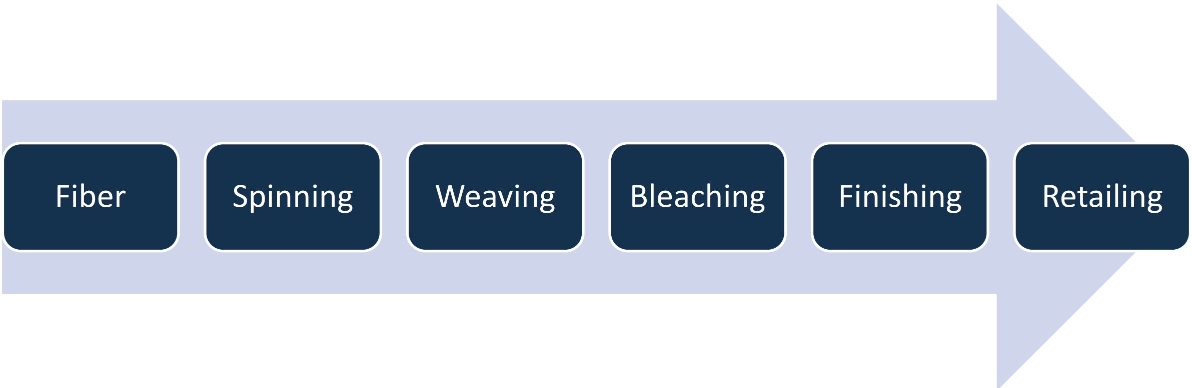
Source: PIB, CareEdge Research

The Indian textile and apparel industry is set to grow from USD 174 Billion in FY24 to USD 350 Billion in FY30, with a 12.4% CAGR driven by rising domestic and export demand. Domestically, rising disposable incomes, and rapid urbanization have led to increased consumption of fashion and home textiles. The boom in online retail and e-commerce platforms has also expanded market access and visibility, particularly for small and medium textile enterprises.

On the global front, India has benefitted from shifting supply chains as countries seek alternatives to China, positioning India as a reliable sourcing destination. Government interventions such as the Production-Linked Incentive (PLI) scheme, the establishment of PM MITRA Parks, and support for technical and man-made fibres have further strengthened infrastructure and innovation capabilities. Sustainability trends, focus on organic cotton, and the increasing popularity of Indian handlooms and heritage textiles in international markets have also boosted the sector's appeal. Together, these factors have created a solid foundation for long-term, inclusive growth in industry.

3.2. Indian Textile Industry: Overview of the Value Chain

The textile value chain encompasses the entire process of transforming raw fibre into finished textile products. It begins with the sourcing of raw materials, such as natural fibres like cotton and wool or synthetic fibres like polyester and nylon. These fibres are then spun into yarn, which is woven or knitted into fabric. The fabric undergoes wet processing, including dyeing, printing, and finishing treatments to enhance its appearance and functionality. During garmenting, the fabric is cut and stitched into final products such as clothing or home textiles. The finished goods are distributed through retail or wholesale channels to reach consumers. Increasingly, the value chain incorporates post-consumer recycling and upcycling, reflecting the industry's growing commitment to sustainability and circular practices.



1. **Fiber Acquisition:** The textile value chain begins with raw material sources, which lays the groundwork for all subsequent processes. This stage involves acquiring both natural fibres such as cotton, wool, and silk, and synthetic fibres like polyester and nylon. The selection of raw materials greatly affects the cost, quality, and sustainability of the final textile products. After sourcing, the materials go through fibre processing, where they are cleaned, aligned, and converted into spinnable fibres through processes like ginning and carding. Proper fibre preparation is crucial to ensure consistent yarn quality. These fibres are then spun into yarn using methods such as ring spinning or air-jet spinning, which determine key properties like strength, elasticity, and texture.

   In India, fibre sourcing is closely tied to regional agro-climatic conditions, which support the cultivation and availability of key fibres in specific states. Cotton is sourced primarily from Maharashtra, Gujarat, Telangana, and Punjab, where black soil and warm climates are ideal for cotton cultivation. Jute is sourced mainly from the alluvial plains of West Bengal, due to the humid climate and fertile soil near the Ganges delta. Karnataka is India's largest producer of mulberry silk. Assam is known for its unique varieties like Muga and Eri silk, which are sourced from indigenous silkworm's native to the region. India also imports synthetic fibres like polyester and viscose, mostly from China, South Korea, and Indonesia, to support its growing man-made fibre industry, as domestic production is still catching up. Additionally, Rajasthan's Bhilwara, widely recognized as the 'Textile City of India,' is a hub for fibre procurement and fabric manufacturing, particularly in cotton and synthetic textiles.

2. **Fabric Formation**: Second phase begins with the weaving and knitting stage which transforms yarn into fabric. While weaving creates more structured fabrics, knitting allows for flexibility and stretching, with the chosen technique influencing the final product's application. Once the fabric is formed, it undergoes dyeing and finishing. This stage enhances the aesthetic appeal and adds functional traits such as water resistance or wrinkle-free properties. These processes must comply with environmental and safety standards to support sustainability goals. The finished fabric then moves to garment manufacturing, where it is cut, stitched, and assembled. This stage demands skilled labour and often integrates technologies like digital design tools to improve speed and precision. In the weaving industry, within a time, span of ten years, a total of 715 clusters across various States/UTs received financial assistance amounting to Rs. 49,655.02 lakh, supporting widespread development in the weaving sector. Through this, 1,73,421 weavers benefited via skill upgradation, provision of upgraded looms, individual worksheds, and lighting units.

    - The fabric formation stage is distributed across different textile hubs. Surat (Gujarat) is India's largest centre for synthetic fabric weaving, especially polyester and georgette. Ludhiana (Punjab) is a hub for woollen and hosiery fabrics, while Tiruppur (Tamil Nadu) specializes in cotton knitwear and T-shirts. Bhiwandi (Maharashtra) is known for power loom-based fabric production. Fabric dyeing and finishing units are heavily concentrated in Surat, Jetpur (Gujarat), and Erode (Tamil Nadu). However, many of these processing hubs face environmental compliance issues, especially around wastewater management.

    - In the garment manufacturing phase, Tiruppur leads in knitwear exports, while Bangalore (Karnataka) is a key hub for apparel manufacturing, particularly for export-oriented women's wear and fashion garments. Delhi-NCR, Noida, and Gurugram (Haryana) house many medium and large garment exporters, especially in ready-made garments (RMG). These regions depend heavily on skilled and semi-skilled labour, particularly women, and are gradually adopting CAD ((Computer-Aided Design) /CAM (Computer-Aided Manufacturing) and automation tools in export units. Meanwhile, India imports a small portion of high-end garments and winterwear from countries like China and Bangladesh to serve premium domestic markets.

3.3. Key segments of the Indian textile industry

The Indian textile industry is one of the most diverse and dynamic sectors of the country's economy, encompassing a broad spectrum of segments that reflect both its rich heritage and modern advancements. From age-old natural fibres like cotton, wool, silk, and jute to innovative manufactured fibres and technical textiles, the industry spans the entire value chain including raw material sourcing, spinning, weaving, processing, and garment manufacturing. Each segment plays a vital role in driving exports, generating employment, and contributing to India's global reputation as a leading textile and apparel hub. Together, these segments serve both domestic demand and international markets, blending tradition with technology and artisanry with commercial scale.

1. Natural Fibres: Cotton, Wool, Silk & Jute Textiles

India's textile industry is historically grounded in natural fibres like cotton, wool, silk, and Jute textiles.

•	**Cotton** is the largest segment, with India being the world's top producer. Cotton textiles include spinning, weaving, and garmenting of yarns and fabrics used both domestically and globally. States like Gujarat, Maharashtra, and Tamil Nadu and Bhilwada are hubs. India's cotton yarn exports are a vital component of the industry, representing a substantial portion of 25-35% of its total production in FY2024. The primary driver for the revenue growth in fiscal 2026 will be the recovery in yarn exports to China. Exports form a significant portion of the industry's revenue, with China being **one** of the key markets.
•	**Woolen textiles**, though smaller, are significant in colder northern regions like Punjab and Himachal Pradesh. Known for high-quality shawls, suits, and blankets, this segment supports winter clothing and luxury wear. India's total wool production for the year 2023–24 is estimated at 33.69 million kilograms, indicating a slight rise of 0.22% over the previous year's output. The production stood at 36.76 million kilograms in 2019–20 and 33.61 million kilograms in 2022–23. State wise Rajasthan remains the dominant contributor to national wool output, accounting for 47.53% of the total, **followed** by Jammu & Kashmir (23.06%), Gujarat (6.18%), Maharashtra (4.75%), and Himachal Pradesh (4.22%). In terms of year-on-year growth, Punjab led the way with an impressive annual growth rate of 22.04%, trailed by Tamil Nadu at 17.19% and Gujarat at 3.20%.
•	**Silk** holds deep cultural and artisanal significance in India, as it is the only country producing all four natural silk types such as Mulberry, Tussar, Eri, and Muga. Karnataka leads in production, with regions like Banaras and Kanchipuram known for traditional handloom silk. India is the second-largest global producer and consumer of silk, with raw silk output rising from 31,906 MT in 2017–18 to 38,913 MT in 2023–24, and mulberry cultivation expanding to 263,352 hectares in FY24. Despite a provisional dip in 9MFY25 with a production of 30,614 MT, the sector shows steady growth, supported by modernization, government initiatives, and strong export performance, led by high-value products like fabrics, garments, and silk carpets.
•	**Jute:** India ranks as the world's top jute producer, followed by Bangladesh and China, with cultivation mainly concentrated in West Bengal, Assam, and Bihar. However, production and domestic usage are on the decline due to costly procurement, limited raw material supply, and outdated equipment. Demand is further impacted by strong competition from synthetic alternatives and fibres like mesta.

2. **Synthetic and Man-Made Fibres (MMF):** This segment includes polyester, viscose, nylon, acrylic, and other man-made fibres and filaments. These are widely used due to their durability, affordability, and versatility textiles are heavily utilized in sportswear, industrial textiles, home furnishing, and technical applications. The MMF sector is rapidly expanding, supported by changing urban lifestyles, innovation in fibre technology, and global demand for performance fabrics. The demand for man-made fibres and fabrics (MMF&F) increased in 2022–23 as garment manufacturers turned to MMF&F due to the rising cost of cotton. In 2023–24, MMF&F production grew at a robust 14.7%, with synthetic fibre output surging by 25.5% and synthetic yarns rising by 8.6%. In 2024–25, the production of man-made fibres and fabrics is expected to grow steadily, driven by rising demand from the apparel sector and high cotton prices, which are pushing manufacturers toward more affordable synthetic alternatives. Meanwhile, the Cotton Corporation of India (CCI) has increased the Minimum Support Price for cotton, encouraging farmers to sell at government centres. This has limited private ginners' access to cotton, and with CCI expected to release stocks only after June, domestic prices may stay elevated. However,

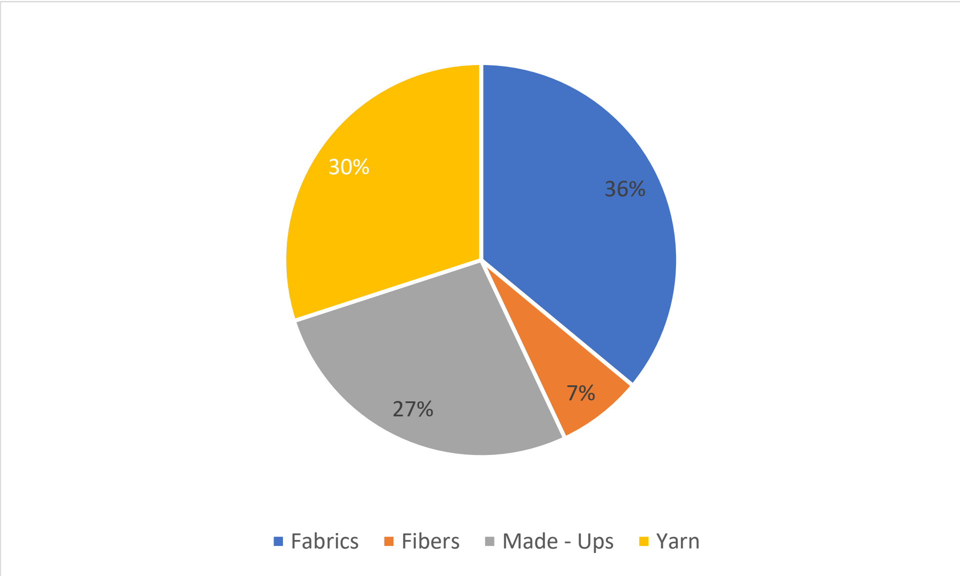
Indian cotton remains costlier than global rates, reducing its competitiveness in export markets.

3.3.1 Overview of Technical Textile

Technical textiles are specialized fabrics designed primarily for function and performance, rather than appearance. Unlike conventional textiles, which focus on aesthetics or comfort, technical textiles are engineered to meet the demanding needs of various industries. They incorporate advanced fibers, high-strength yarns, coatings, and innovative finishes to provide properties such as durability, tensile strength, chemical resistance, fire retardancy, and thermal stability. Their applications span sectors like automotive (seat belts, airbags, tires), construction (geotextiles, insulation, scaffolding nets), agriculture (shade nets, crop covers), healthcare (surgical sutures, protective clothing), and safety (fire-resistant garments, bulletproof vests).

3.4. Composition of the Indian Textile Market by Product Segment

Chart 12: Composition of the Indian Textile Market by Product Segment



Source: SRTEPC, CareEdge Research

In the Indian textile market, fabrics account for 36%, yarn 30%, made-ups 27%, and fibres 7% of the total industry composition. The largest share of fabrics reflects India's strong position in weaving, knitting, and fabric processing (woven, knitted, and non-woven fabrics) which forms the core of the manufacturing value chain. Yarn's significant 30% share indicates the country's historical strength in spinning (cotton, synthetic, and blended yarns) and its role as a major intermediate product supplier. Made-ups, at 27%, highlight the growing focus on value-added products (garments, home textiles and technical textiles) catering to both domestic consumption and exports. The relatively small 7% share of fibres shows that raw materials (cotton, wool, silk, polyester, and other man-made fibres) are quickly converted into yarn and fabrics rather than being sold as such, reflecting the industry's emphasis on downstream production, operational efficiency, and value addition throughout the textile value chain.

3. **Technical Textiles and Industrial Use:** Technical textiles, a rapidly growing and innovation-driven segment, refer to textile products used for applications beyond conventional clothing. These include automotive textiles (such as airbags and seat belts), medical textiles (like masks and PPE kits), agro textiles (e.g., crop covers), defence textiles, and more. India is actively

investing in this field through dedicated missions and incentive programs that promote research and development, adoption of advanced machinery, and enhancement of global competitiveness.

The industry is currently facing challenges such as limited availability of high-performance fibres, a lack of entrepreneurial initiatives, and gaps in skilled manpower. To address these issues and drive sectoral growth, the government has launched the National Technical Textiles Mission (NTTM), with a funding allocation of Rs. 1,480 crores. NTTM supports R&D, market development, exports, and skill training. Initiatives like GIST 2.0 and the GREAT scheme are fostering stronger linkages between academia and industry. Under NTTM, over 168 research projects and 71 innovations have been undertaken. Additionally, the budget boosts capital subsidies for technical textiles investments, increasing the subsidy for spinning modernization from 2% to 6% to reduce costs and promote machinery upgrades. Furthermore, events such as Technotex 2024 and progressive state policies are contributing to the overall development of the sector.

4. **Readymade Garments (RMG), Handlooms & Handicrafts:** The Readymade Garments (RMG) or apparel industry is a key part of the overall textiles industry in India. Indian textiles and apparel products have high global appeal due to their fine craftsmanship across the entire value chain from fibre, yarn, and fabric to apparel. RMG industry in India is a non-capital-intensive industry and it is largely unorganised with 60-70% where the manufacturers belong to the micro, small and medium enterprises (MSME) operating in specific clusters across the country. In FY 2024–25, India's wearing apparel sector grew 6.2% (IIP index 116.7), driven by strong domestic demand, especially in North and West India. Textile and apparel exports, including handicrafts, rose 7% from April to December 2024, fuelled by demand from the US, UK, and UAE. Lower inventories in the US and EU have increased apparel imports since mid-2024. The India-UK Free Trade Agreement offers preferential tariff access, enhancing export competitiveness, while ongoing EU trade talks may open further markets. These factors support sustained growth amid global shifts away from China sourcing**.**

3.5. Growth drivers of Indian textile industry

1. **Abundant Raw Material Availability:** India is one of the largest producers of cotton, jute, and silk in the world, providing a durable base for textile manufacturing. The wide availability of natural fibres, along with increasing production of man-made fibres, ensures a steady and cost-effective supply of raw materials, supporting both traditional and modern textile segments.

2. **Large Skilled Workforce:** The Indian textile industry benefits from a vast pool of skilled and semi-skilled labour. Millions of weavers, artisans, and factory workers are engaged across rural and urban areas, making it one of the largest employment-generating sectors in the country. This human resource strength supports mass production as well as intricate handcrafted products.

3. **Rising Domestic Consumption:** India's growing middle class, increasing disposable income, and urbanization are fuelling a steady rise in domestic textile and apparel consumption. The demand for both ethnic and western wear, along with home textiles and lifestyle products, is expanding in metros, towns, and even rural areas.

4. **Strong Export Potential:** Indian textiles are in high demand globally due to their quality, variety, and competitive pricing. India exports textiles and apparel to over 100 countries, with key

markets including the U.S., European Union, and the Middle East. Government initiatives like RoSCTL (Rebate of State and Central Taxes and Levies) and the PLI (Production Linked Incentive) scheme further boost export competitiveness.

5. **Government Support and Policy Push:** The Indian government has introduced several initiatives to strengthen the textile sector, such as the National Technical Textiles Mission, Integrated Textile Parks (SITP), and the PLI scheme for MMF and technical textiles. Subsidies, tax rebates, and infrastructure investments are also encouraging modernization and attracting foreign investment.

6. **Technological Advancements and Modernization:** The industry is rapidly adopting advanced machinery, automation, and sustainable technologies to improve productivity and meet global standards. Smart textiles, digital printing, and eco-friendly dyeing processes are gaining traction, helping Indian manufacturers stay competitive in the international market.

7. **Growth of E-Commerce and Fashion Retail:** Online shopping platforms and organized retail have revolutionized textile and apparel sales in India. E-commerce has made it easier for small brands, artisans, and startups to reach a wider audience, while global fashion trends are quickly influencing consumer choices through digital media.

Textile Weaving: India's weaving industry is underpinned by a diverse array of fibre inputs comprising man-made, natural, and specialty fibres, each contributing uniquely to the sector's scale of operations, structural composition, and level of technological advancement.

- Man-made fibres (MMF), with the production volume at 5.481 million metric tons in FY24, are integral to industrial weaving. Widely used in the organized power loom and mill sectors, MMFs such as polyester and viscose are processed through automated systems, including high-speed shuttle-less looms like air-jet and rapier machines. Their uniformity and tensile strength make them ideal for mass production of blended fabrics, ready-made garments, furnishings, and technical textiles. MMFs enable high efficiency, cost-effectiveness, and scalability, positioning India competitively in global textile exports.
- Cotton, producing 5.50 million metric tons in FY24, remains the backbone of India's traditional and semi-mechanized weaving industry. It is processed in handloom and power loom units, with handlooms preserving artisanal techniques and power looms enabling higher productivity. Cotton's softness and breathability make it ideal for ethnic wear, casual clothing, and home textiles, giving it a unique dual role in both mass and artisanal markets.
- Jute (1.0439 million metric tons) and silk (30,614 metric tons) also play vital roles. Jute is mainly woven for industrial uses like sacks and mats, supporting rural agro-industries and eco-friendly products. Silk drives the luxury and heritage segment, produced mainly on handlooms and jacquard looms in clusters such as Varanasi, Kanchipuram, and Assam, supporting artisanal livelihoods and cultural heritage.
- Consumer preferences in India are rapidly evolving due to urbanization, rising incomes, and growing sustainability awareness. Domestic demand covers ethnic wear (sarees, kurtas) and functional fabrics (wrinkle-free, moisture-wicking). Regional tastes differ, with the South favouring fine cotton, the East silks, and the West colourful prints like Bandhani and Patola. Globally, Indian fabrics are sought after in the US, Europe, and the Middle East for shirting, home textiles, and eco-labelled products, pushing producers to meet international quality and

ethical standards.

- Challenges include industry fragmentation, outdated technology in smaller units, and competition from imports. Government programs such as the National Handloom Development Programme, Power Tex India, and the PLI scheme aim to modernize infrastructure, enhance skills, and boost exports. The growth of e-commerce and rising consumer interest in handmade and sustainable textiles offer new opportunities. Balancing tradition with innovation and sustainability is key to the industry's future.

Textile Processing: The Indian textile processing industry, valued at USD 158 billion in 2023, is poised to grow to USD 241 billion by 2030, driven by both natural and synthetic fibres. Natural textiles like cotton and silk lead the market due to India's abundant raw materials, traditional expertise, and growing global demand for eco-friendly fabrics. Meanwhile, synthetic fibres are the fastest-growing segment, fuelled by demand for durable, affordable, and versatile fabrics used in activewear, fast fashion, and technical textiles. Textile processing involves preparing fibres and fabrics for dyeing and finishing by removing impurities and creating uniform surfaces to ensure better colour absorption and fabric performance. Quality control during processing helps maintain consistent texture, strength, and durability throughout production.

Competitive Strength of the Indian Textile Industry Across the Value Chain: India's textile industry enjoys a strong competitive advantage across the entire value chain from abundant raw material availability to a wide spectrum of finished goods and robust export capabilities. The country hosts over 3,376 spinning mills, numerous weaving mills and processing units, supported by a skilled workforce and a growing base of textile parks, including 7 planned PM MITRA mega parks. This extensive infrastructure enables the production of a broad range of products, from basic fabrics to high-end fashion, technical textiles, and handcrafted goods. Coupled with efficient port logistics, a competitive cost structure, supportive government policies, and adherence to international quality standards, India has positioned itself as a versatile and reliable global textile powerhouse.

3.6. Key Players Across the Indian Textile Value Chain

- **Fiber / Raw Material:** Players in the fiber segment include Grasim Industries, JBF Industries, and Aditya Birla Group, supplying viscose, polyester, and cotton fibers to domestic and global markets.
- Spinning: Spinning companies such as Vardhman Textiles, Arvind Limited, and Trident Group dominate yarn production, offering cotton, blended, and synthetic yarns for diverse applications.
- Weaving / Fabric Manufacturing: Weaving players like Arvind Limited, Raymond, and Sutlej Textiles works in woven fabrics for apparel, shirting, and suiting segments.
- Bleaching & Finishing / Processing: Processors including Welspun India, Bombay Dyeing, and JCT Limited further does some additions to fabrics through bleaching, dyeing, printing, and finishing to meet domestic and export standards.
- Retailing / Apparel & Garments: Apparel and retail players such as Aditya Birla Fashion & Retail (Pantaloons), Raymond, and Arvind Brands works in the ready-made garments and branded apparel market in India.

3.7. SWOT Analysis of the Textile Industry

- Strengths: The Indian textile industry benefits from a vast and diverse manufacturing base that covers cotton, MMF, handloom, powerloom and garmenting. A skilled workforce and rich cultural heritage, particularly in handloom and khadi, give India a distinctive global identity. Continued government support through schemes like PLI, PM MITRA Parks, and SITP boosts modernization and competitiveness. Additionally, India is gradually strengthening its presence in man-made fibres and technical textiles—segments that hold strong growth potential.

- Weakness: Despite its strengths, the sector faces serious internal weaknesses. High costs of cotton and MMF make Indian products less competitive internationally. The supply chain remains fragmented, dominated by small, unorganised units with outdated machinery and inconsistent quality. Export competitiveness is weakened by the absence of FTAs, cumbersome export procedures and high compliance costs. Infrastructure issues such as unreliable power supply and inefficient logistics add to operational challenges. Environmental compliance remains a major weakness, as many MSMEs lack the financial capacity to invest in cleaner, sustainable technologies.
- Opportunities: The industry has several promising opportunities ahead. The global move towards "China-plus-one" sourcing positions India favourably for attracting new business. Demand for MMF, technical textiles, athleisure and home furnishings is growing rapidly, offering avenues for diversification. Integrated textile parks under PM MITRA can create efficient, end-to-end ecosystems that overcome fragmentation. A rising global preference for sustainable and circular textiles opens new niche markets for companies willing to invest in green technologies. Additionally, potential FTAs and strong domestic consumption trends provide substantial long-term expansion opportunities.
- Challenge: The Indian textile sector must deal with increasing raw material price volatility, which raises production costs and affects competitiveness. Compliance with global sustainability standards requires significant investment in wastewater treatment, energy-efficient machinery and safe chemical processing—challenges that smaller units struggle to meet. Infrastructure bottlenecks such as power shortages and logistics inefficiencies further burden operations. MSMEs face difficulties in accessing capital or upgrading technology, leaving them vulnerable in an increasingly competitive market.
- Threat: India faces intense external threats from competitors like Bangladesh, Vietnam and China, all of which enjoy cost advantages or better market access through FTAs. Geopolitical uncertainties, trade tensions and shifting global demand patterns add instability to exports. Tightening international ESG and labour standards pose the risk of losing key markets if Indian manufacturers fail to comply. Climate risks such as erratic rainfall and pest attacks affect cotton output, adding further uncertainty. MSMEs remain particularly vulnerable to these threats due to limited financial and technological resilience.

3.8. Machinery and Equipment Used in Textile Manufacturing and Processing

- **Stenters:** Stenters are essential machines in textile finishing, primarily used for heat-setting, drying, and controlling the width of fabrics after dyeing or printing. They ensure uniform moisture removal and stabilize the fabric to prevent shrinkage, distortion, and uneven finishing. By enabling precise width control and consistent drying, stenters significantly enhance the dimensional stability and appearance of the fabric, making them indispensable for large-scale textile manufacturing units.
- **Drying Ranges:** Drying ranges are continuous systems designed to remove moisture from fabrics following washing, bleaching, or dyeing processes. These machines provide consistent and uniform drying, which is critical for maintaining fabric quality and preventing defects caused by uneven moisture distribution. Their high efficiency and automation reduce processing time, increase productivity, and lower operational costs, making them vital for modern textile

operations.

- **Jet Dyeing Machines:** Jet dyeing machines are high-performance dyeing systems ideal for woven and knitted fabrics, especially delicate and blended materials. They operate with low liquor ratios, which reduces water and chemical consumption while achieving superior dye penetration and color consistency. Their fast dyeing cycles and gentle handling make these machines essential for high-quality, eco-friendly fabric manufacturing with increased throughput.
- **Jiggers (Dyeing Jiggers, Jumbo Jiggers, Hydraulic Jiggers):** Jiggers are batch dyeing machines used extensively for woven fabrics such as cotton, polyester blends, and PV suitings. They provide excellent control over dye penetration and fabric tension, ensuring uniform coloration throughout the batch. Hydraulic and jumbo jiggers offer greater capacity, efficiency, and precision, making them particularly suitable for heavy and dense fabrics. Their flexibility and batch-wise processing capability make them valuable assets for specialized dyeing operations.
- **Weight Reduction Machines:** Weight reduction machines are used primarily for polyester fabrics, where they carry out controlled hydrolysis to reduce fabric weight. This results in a softer hand feel, improved drape, and enhanced appearance—qualities highly valued in fashion and premium apparel fabrics. These machines allow manufacturers to create differentiated, value-added products that command better market prices and meet evolving consumer preferences.
- **Zero-Zero Finishing Machines:** Zero-Zero finishing machines perform mechanical finishing to improve fabric smoothness, uniformity, and appearance. These machines help eliminate wrinkles and creases, enhance surface feel, and prepare the fabric for high-quality garmenting or processing. By delivering a refined, premium finish, Zero-Zero systems boost product quality and help manufacturers achieve export-grade finishing standards.
- **Calender Machines:** Calender machines compress fabric between heated rollers to achieve smoothness, compactness, and aesthetic enhancement. They can create glossy, lustrous finishes on synthetic and blended fabrics, especially suitings. The calendering process improves the fabric's structure and feel, increasing its commercial value and suitability for high-end apparel and furnishing applications.
- **Open Decotize (O.D.) Machines:** Open decotize machines work to remove creases and improve the softness and handle of the fabric before final finishing. This process enhances dye absorption, ensures more uniform finishing, and eliminates processing defects. O.D. machines contribute significantly to raising the overall quality and consistency of processed fabrics, especially those requiring premium finishing.
- **Singeing Machines:** Singeing machines play a critical role in fabric preparation by burning off loose and protruding fibers from the surface. This creates a smooth, clean fabric essential for high-quality printing, dyeing, and finishing. By reducing pilling and improving fabric durability, singeing enhances both the appearance and performance of textiles, making it indispensable for premium manufacturing.
- **Super Finish Machines:** Super finish machines apply specialized finishing treatments that improve the feel, shine, and overall appearance of high-value fabrics. They are typically used for premium suiting and shirting materials to impart a luxury touch. These machines help manufacturers differentiate their products and cater to upscale markets demanding superior finishing quality.
- **Folding Machines:** Folding machines automate the process of folding fabrics into uniform, defect-free lots for packing and dispatch. They ensure consistent folding quality, reduce manual handling, and prevent creasing or damage during packaging. By improving efficiency and protecting fabric integrity, folding machines support streamlined operations and professional

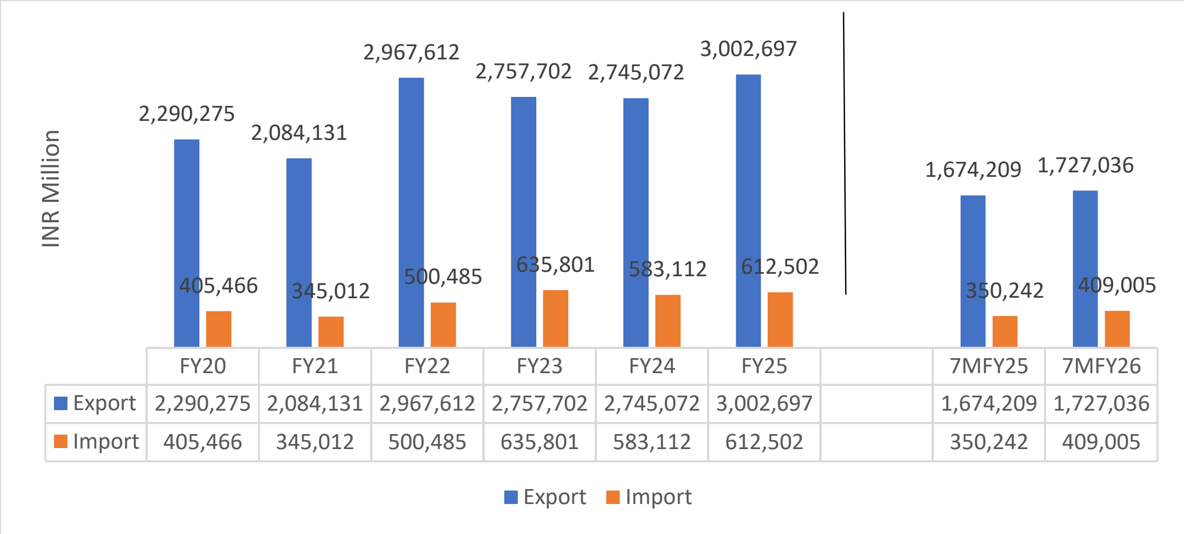
product presentation.

- **Continuous Washing Ranges:** Continuous washing ranges effectively clean fabrics in a high-speed, energy-efficient manner. They offer better washing uniformity than batch systems and reduce water consumption while improving throughput. This makes them essential for large-volume textile manufacturing units aiming for efficiency, sustainability, and consistent quality.
- **Merceriser Machines:** Merceriser machines treat cotton fabrics with caustic soda under tension, enhancing their luster, strength, and dye affinity. The process results in richer colors, improved tensile strength, and a premium finish that significantly elevates fabric quality. Mercerisation is particularly important for high-quality cotton fabrics used in export-oriented garments and home textiles.
- **Shrinkage Range Machines:** Shrinkage range machines ensure that fabrics achieve stable, controlled shrinkage levels before garmenting. This mechanical process improves dimensional stability and prevents post-manufacturing shrinkage, which is critical for export compliance and customer satisfaction. These machines help manufacturers deliver reliable, high-performance fabrics.
- **Cold Pad Batch Dyeing (CPBD) Machines:** CPBD machines enable low-temperature dyeing of cotton fabrics using minimum water and chemicals. This eco-friendly process delivers superior color uniformity while reducing energy consumption. Widely adopted for sustainable manufacturing, CPBD systems enhance efficiency and environmental compliance.
- **Continuous Bleaching Ranges:** Continuous bleaching ranges prepare fabrics for dyeing by removing natural impurities and achieving uniform whiteness across the entire length of the fabric. These machines ensure consistently high-quality bleaching at industrial scale, improving dye uptake and overall finish quality.
- **PAD Dry & PAD Steam Ranges:** PAD dry and PAD steam ranges apply chemical finishes, dyes, or resins uniformly across fabric surfaces. They ensure precise pickup and fixation of chemicals, contributing to superior finishing, better dyeing outcomes, and improved functional properties such as wrinkle resistance or softness.
- **Lafer Machines:** Lafer machines are specialized finishing machines used for raising or brushing the fabric surface to create a soft, plush texture. They are commonly used for winter wear, flannels, and value-added specialty fabrics. Lafer finishing enhances tactile appeal and adds warmth, making fabrics suitable for niche and premium applications.

3.9. Trends in Exports and Imports of Textile Industry

India's textile export sector continues to reflect the country's strong capabilities across a diverse product spectrum, ranging from traditional cotton-based items to modern, value-added garments. In FY24, the export structure showcases India's strategic shift toward higher-value products and greater market diversification, aligning with global demand trends and the government's export-oriented policy framework.

Chart 13: Trends in Exports and Imports of Textile Industry



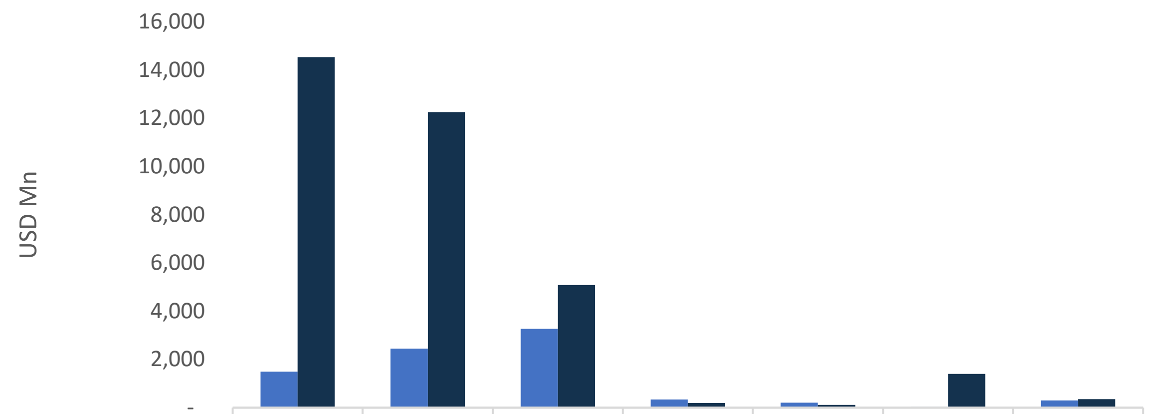
Source: CIME, CareEdge Research

The Indian textile industry has consistently maintained a strong trade surplus, underscoring its position as a leading global exporter. Analysing import–export data from FY20 to FY25, along with the reported 7M FY25 and 7M FY26 data, reveals a stable and growing export base. While imports have risen gradually from INR 405,466 million in FY20 to INR 6,12,502 million in FY25 and further to INR 350,242 million in 7M FY25 and INR 409,005 million in 7M FY26, the exports still continue to far outpace them, increasing from INR 2,290,275 million in FY20 to INR 30,02,607 million in FY25, with further improving from INR 1,674,209 million in 7M FY25 to INR 1,727,036 million in 7M FY26.

This growth trajectory in exports can be attributed to several factors. India’s extensive raw material base, skilled labour, and integrated textile value chain contribute to its competitive advantage globally. Moreover, increasing global demand for Indian textiles, along with diversified product categories like ready-made garments, home textiles, and technical textiles, is fuelling the rise. Additionally, India's focus on sustainability and digital transformation is attracting more international buyers seeking reliable and eco-conscious suppliers. The industry is expected to continue its export trend, with growing penetration in new markets, value-added.

On the import side, India relies on high-performance synthetic fibres, specialty fabrics, textile machinery, and certain chemicals and dyes that are not widely produced domestically. These imports support industry modernization, innovation, and the manufacture of value-added products meeting global standards. This balanced trade highlights India’s integrated and dynamic role within the global textile ecosystem.

Chart 14: Commodity Wise Exports and Imports of Textile Industry



	Readymade Garments	Cotton Textile	Man Made Textiles	Wool & Woolen Textile	Silk Products	Carpets	Jute Products
Import FY2023-24	1,489	2,443	3,275	347	209	34	301
Export FY2023-24	14,532	12,258	5,081	192	119	1,395	353

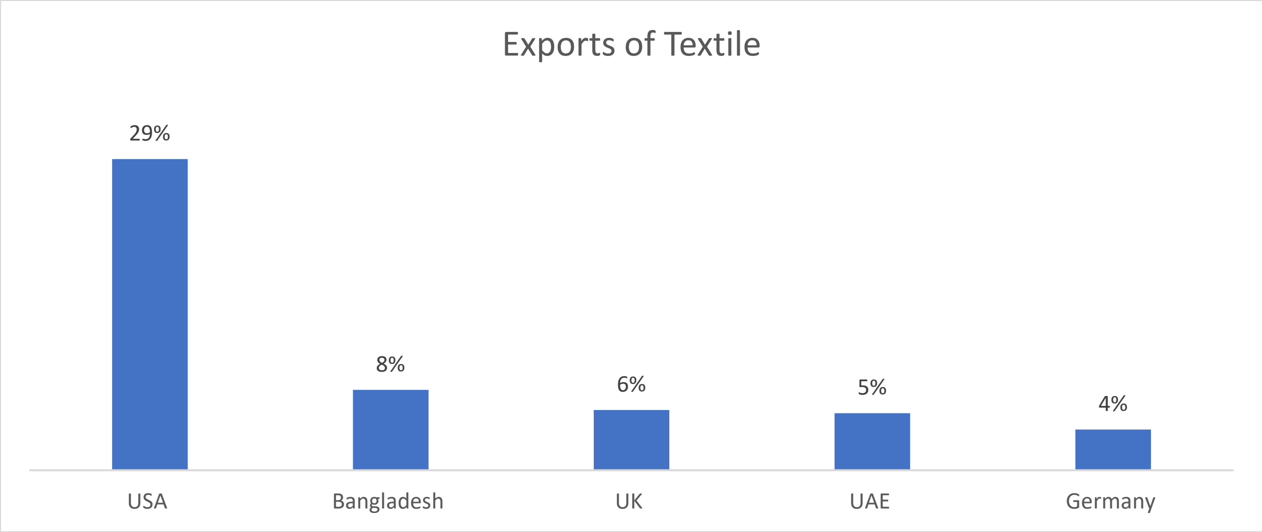
Import FY2023-24 Export FY2023-24

Source: Ministry of Textile

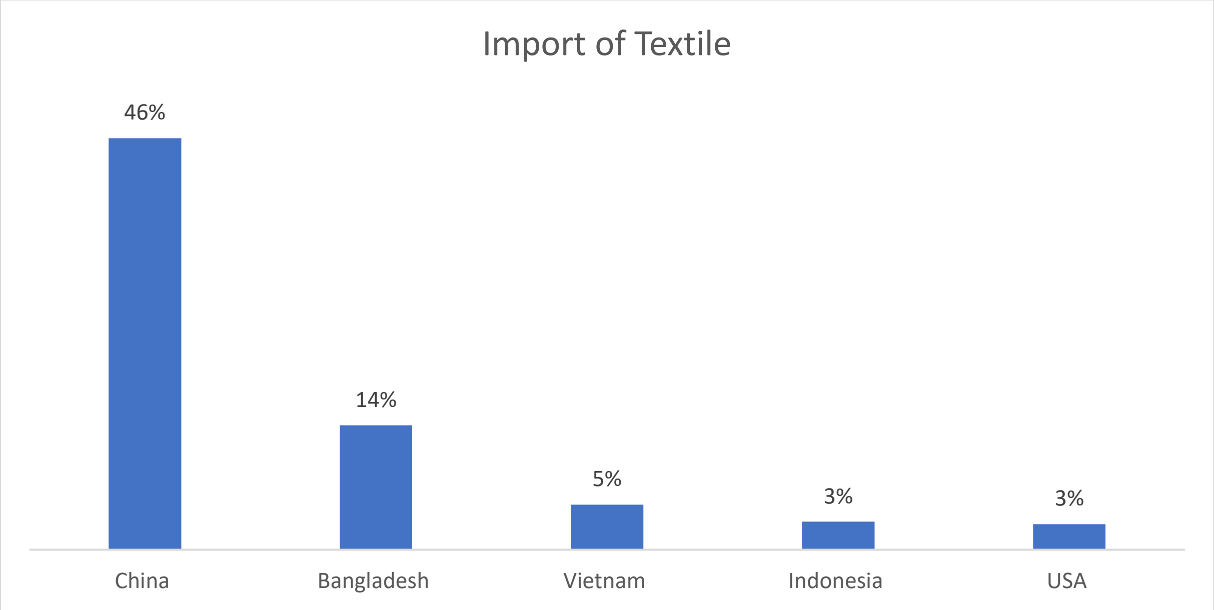
India's textile and apparel (T&A) sector, including handicrafts, has consistently maintained a strong trade surplus over the past five years, with exports reaching USD 35.9 billion in FY2023-24 compared to imports of USD 8.9 billion. Key segments like readymade garments, cotton textiles, man-made textiles, and carpets have driven this performance, with readymade garments alone contributing over USD 14.5 billion in exports. While imports have risen in categories like man-made fibres and wool primarily to meet domestic production needs, India remains a net exporter in most segments. Although, The latest data shows a slight dip in the total exports, it underscores India's global competitiveness in Textile and Apparel, particularly in natural fibre-based and value-added product categories.

In FY 2023–24, India's largest export in the textile and apparel sector was readymade garments, accounting for approximately 41% of total exports, followed by cotton textiles at around 34%, and man-made textiles at 14%. These segments dominate due to India's strong manufacturing base, skilled labour, and global demand for affordable garments and cotton-based products. On the import side, man-made textiles formed the largest share at 37%, followed by cotton textiles at 27%, and readymade garments at 17%. Despite strong domestic production, imports in man-made and cotton textiles are driven by the need for high-quality fibres, specialized synthetic fabrics, or blends not widely produced in India, often required by high-end apparel or export-oriented manufacturers. Thus, India exports high-value finished goods while importing select raw materials and specialized intermediate products to support its textile ecosystem.

Chart 15: Country-wise Exports & Imports (FY25) of Textile



Source: CMIE, CareEdge Research



Source: CMIE, CareEdge Research

In FY25, India’s textile exports were led by the USA (29%) due to strong demand for garments and home textiles, followed by Bangladesh, the UK, UAE, and Germany, which rely on India for yarn, apparel, and home furnishing products. On the import side, China dominated with 46% because of its low-cost supply of synthetic fibres, fabrics, and textile machinery. Imports from Bangladesh, Vietnam, and Indonesia mainly reflect India’s need for affordable garments and man-made fibre inputs. Overall, the pattern highlights India’s export strength in finished products and its dependence on imports for raw materials and cost-efficient intermediate inputs.

3.10. Impact of Trade Policies and Global Demand on Textile Exports and Imports

Global textile consumption is rebounding post-pandemic but remains uneven due to inflationary pressures in the West, shifting fashion trends, and increased emphasis on sustainability and circular fashion. Countries are demanding more eco-friendly, traceable, and ethically produced textiles, pushing Indian exporters to align with international certifications and sustainability standards.

At the same time, India's import dynamics are evolving. While the country continues to import specialised fabrics, advanced machinery, and high-performance raw materials mainly from China, Bangladesh, and Vietnam the government has imposed higher import duties on synthetic textiles and yarns and is actively promoting domestic manufacturing. These measures support national initiatives such as "Make in India" and *Atmanirbhar Bharat* (Self-Reliant India), aimed at reducing dependency on foreign inputs.

Geopolitical shifts and supply chain realignments are encouraging global brands to diversify sourcing away from China toward India, especially in home textiles, man-made fibre garments, and technical fabrics. Indian exporters are positioning themselves as reliable partners in the global textile supply chain. Balancing current trade challenges with proactive sustainability, digital trade adoption, and innovation will be key to strengthening India's global textile standing.

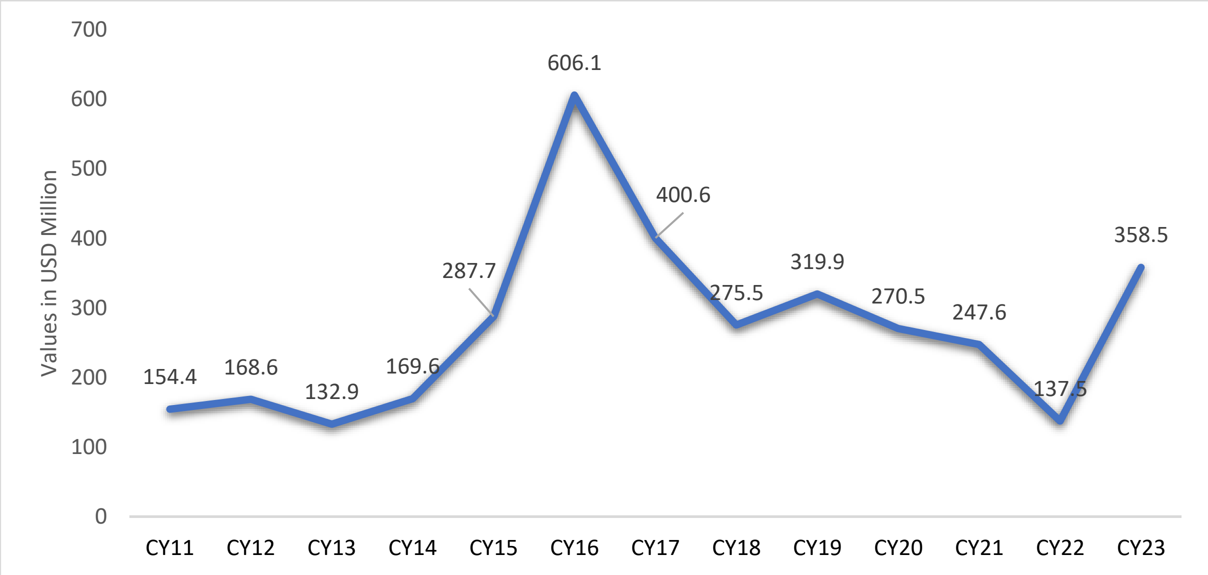
India has recently strengthened its global trade partnerships through a series of key Free Trade Agreements (FTAs). The India–United Kingdom FTA, finalized in July 2025, grants duty-free access on nearly 99% of Indian export tariff lines to the UK, including major sectors such as textiles, leather, engineering goods, and garments. In return, India will gradually lower tariffs on about 90% of UK imports, fostering deeper trade integration between the two nations. The agreement is also expected to enhance cooperation in services, digital trade, and mobility of professionals, significantly boosting India's export potential.

The India–UAE Comprehensive Economic Partnership Agreement (CEPA), signed in February 2022 and effective from May 2022, has significantly deepened trade relations between the two nations. Bilateral trade has nearly doubled to USD 83.7 billion in FY 2023–24, with non-oil trade forming a major share. For India's textile and apparel sector, CEPA has been especially beneficial by offering duty-free market access to the UAE, a key re-export hub for global markets. This has boosted exports of fabrics, garments, home textiles, and man-made fibre products, particularly from MSMEs. The agreement has also encouraged greater investment, sourcing partnerships, and technology collaborations in sustainable textile manufacturing.

The India–EFTA Trade and Economic Partnership Agreement (TEPA), signed in March 2024 and set to take effect from October 2025, marks India's first comprehensive FTA with four advanced European economies such as Switzerland, Norway, Iceland, and Liechtenstein. With a strong focus on investment, job creation, and sustainable trade, TEPA aims to bring in USD 100 billion in FDI and create 1 million jobs in India over 15 years. For the Indian textile and apparel sector, the agreement opens new market opportunities through tariff concessions on nearly 99% of India's exports, including textiles, garments, organic chemicals, and processed products. This will help Indian manufacturers gain duty-free access to high-value European markets, enhance competitiveness, and attract technology and design collaborations in areas such as sustainable fabrics, technical textiles, and high-quality apparel manufacturing. Overall, TEPA is expected to strengthen India's textile exports, promote value addition, and support the sector's integration into premium global supply chains.Over the years, the Government of India has introduced several trade and pricing interventions to stabilise the textile sector and promote exports. In 2025, multiple measures were implemented including the temporary removal of the 11% import duty on cotton (August 2025), later extended till December 2025, to ease input cost pressures on spinning and apparel units. The Export Obligation period under the Advance Authorisation Scheme was also extended from 6 to 18 months for items under Quality Control Orders, benefitting exporters of man-made fibre and technical textiles. Additionally, the RoDTEP (Remission of Duties and Taxes on Exported Products) scheme paused earlier in the year was reinstated in June 2025 and subsequently extended till March 2026, ensuring continuity of export incentives. These measures, alongside periodic adjustments in Minimum Support Prices (MSP) for key raw materials like cotton and jute, underscore the government's balanced approach to protect domestic producers while sustaining export competitiveness across the textile value chain.

3.11. The Foreign Direct Investment in Textiles Sector

Chart 16: The Foreign Direct Investment in Textiles Sector (Fig. in USD Million)



Source: Department of Industrial Policy & Promotion, Ministry of Commerce and Industry, Govt. of India, CareEdge Research

Foreign Direct Investment (FDI) in India's textile sector has fluctuated over the past decade, shaped by global economic conditions, domestic policy reforms, and shifting market dynamics. The sector experienced notable growth during the mid-2010s, particularly following the launch of initiatives such as *Make in India* and various policy measures designed to attract foreign capital. However, this momentum slowed in subsequent years due to global trade uncertainties, including the US–China trade war, Brexit, volatile crude oil prices, and the rise of protectionist measures in key markets. These developments heightened investor caution, disrupted supply chains, and increased operational risks. The COVID-19 pandemic further exacerbated the situation by triggering factory shutdowns, labour shortages, and a sharp decline in global demand, all of which contributed to a downturn in FDI inflows into the Indian textile industry. In recent years, FDI has begun to recover, supported by strategic government interventions such as the Production Linked Incentive (PLI) scheme for man-made fibres and technical textiles. India's emergence as a dependable alternative to traditional manufacturing hubs has also enhanced its attractiveness to foreign investors. FDI continues to play a critical role in strengthening India's textile and apparel sector by facilitating capital infusion, technology transfer, and global integration.

Key drivers of FDI in the sector include the availability of raw materials like cotton and jute, a large skilled workforce, competitive production costs, and rising demand for sustainable and innovative textiles. These investments open opportunities in value-added segments such as technical textiles, performance wear, and export-oriented garments. Strategically, increased FDI is crucial for upgrading infrastructure, bringing in advanced technologies, improving quality standards, and deepening India's integration with global textile supply chains, thus strengthening the country's position as a global textile hub.

Aspect	Key Details
FDI Policy	Most sectors open for 100% FDI under the automatic route; policy reviewed regularly to ensure competitiveness.
FDI Inflows Growth	Increased from USD 36.05 bn (FY 2013–14) to USD 81.04 bn (FY 2024–25), a 14% rise over FY 2023–24.
Top Sectors (FY 2024–25)	Services – 19% (USD 9.35 bn, +40.77% YoY), Computer Software & Hardware – 16%, Trading – 8%.
Manufacturing FDI	Grew 18% YoY to USD 19.04 bn (FY 2024–25) from USD 16.12 bn in FY 2023–24.
Top Recipient States	Maharashtra – 39%; Karnataka – 13%; Delhi – 12%.
Top Source Countries	Singapore – 30%; Mauritius – 17%; USA – 11%.
CumulativFDI (2014–25)	USD 748.78 bn, up 143% from USD 308.38 bn (2003–14), equals 70% of total USD 1,072.36 bn FDI in 25 years.
Source Countries	Expanded from 89 (FY 2013–14) to 112 (FY 2024–25), showing broader global participation.
Key Reforms (2014–2019)	Higher FDI caps in Defense, Insurance, Pension; liberalized rules for Construction, Civil Aviation, Single Brand Retail.
Reforms (2019–2024)	100% FDI (automatic route) allowed in coal mining, contract manufacturing, insurance intermediaries.
Union Budget 2025	Proposed raising FDI limit to 100% for companies reinvesting full premium domestically.
Overall Outcome	India reinforced as a preferred global investment hub due to liberal policies, economic resilience, and investor confidence.

3.12. Government Regulations Supporting the Sector

The Indian Government has been implementing various policy initiatives and schemes for supporting the development of textile sector. These schemes and initiatives are created to promote technology upgradation, creation of infrastructure, skill development and sectoral development in the textile sector. Moreover, these initiatives focus on creating a conducive environment and provide enabling conditions for textile manufacturing in the country which will help in boosting the textile sector. The Union Budget announced an outlay of INR 5272 crores for the Ministry of Textiles for 2025-26. This is an increase of 19% over budget estimates of 2024-25 (Rs. 4417.03 crore).

Further, previously, the government announced various incentives/schemes towards increasing the global competitiveness of the Indian textile industry which includes the extension of Rebate of State and Central Taxes and Levies (RoSCTL), Remission of Duties and Taxes on Export Products (RoDTEP), Production Linked Incentive Scheme (PLI) and PM Mega Integrated Textile Region and Apparel (PM MITRA).

These schemes have given a boost to the capacity expansions by various textile players and form an integrated textiles value chain right from spinning, weaving, processing/dyeing, and printing of garments at one location leading to a reduction in operational and logistics costs of the players thereby increasing margins. The Government has also signed FTAs with UK and UAE to boost apparel export.

In addition to this, the RoDTEP scheme has also been launched supporting the garments and apparel exporters' margins by export incentives.

a) Production Linked Incentive (PLI) Schemes

The Government of India has introduced the Product Linked Incentive (PLI) scheme in textile products to enhance India's manufacturing capabilities and enhancing exports. The financial outlay of this scheme is Rs. 10,683 crores covering five years. The scheme has two parts:
Part-1) where minimum investment is Rs. 300 crore and minimum turnover required to be achieved for incentive is Rs. 600 crores.

Part-2) where minimum investment is of Rs. 100 crore and minimum turnover required to be achieved for incentive is Rs. 200 crores.

b) Remission of Duties and Taxes on Exported Products (RODTEP)

The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme was launched in the year 2020, with applicability from 1st January 2021. This scheme was enforced to repeal and reduce taxes for exported products and thereby increasing exports from the country. The scheme's objective is to refund currently un-refunded duties and taxes. This scheme is available to eligible exporters at a notified rate as a percentage of Freight On Board (FOB) value. In addition to this, Rebate on certain export products will also be provided subject to value cap per unit of the exported product. RoDTEP is implemented by Customs through a simplified IT System.

As of the latest update in October 2024, the **Remission of Duties and Taxes on Exported Products (RoDTEP)** scheme encompasses **10,642 tariff lines** at the 8-digit level. Majorly, the Employment Oriented Sectors like Marine, Agriculture, Leather, Gems & Jewellery etc. are covered under the Scheme. Other sectors like Automobile, Plastics, Electrical / Electronics, Machinery etc. also get support of this scheme. Moreover, entire value chain of textiles also gets covered through RoDTEP & RoSCTL. The budget allocation for RoDTEP Scheme for the current financial year 2024-25 is Rs. 16,575 crores. The benefits of the RoDTEP scheme have also been extended to exports from Domestic Tariff Area (DTA) units till September 30, 2025.

Amongst the various sectors, cotton-based textile products have received favourable rates under RoDTEP in the range of 3.8%-4.3% as compared to around 2% rate under MEIS although there is a cap on the maximum benefit available under RoDTEP. The Federation of Indian Export Organisations (FIEO) has appreciated the Government's move to extend the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme until 31st March 2026, covering exports from Domestic Tariff Areas (DTAs), Advance Authorisation holders, Special Economic Zones (SEZs), and Export Oriented Units (EOUs). This move will continue to provide exporters with remission for unrefunded central, state, and local taxes and duties incurred during the production and distribution of export goods. The extension was made to provide policy continuity and help exporters remain competitive amid global trade challenges.

c) Comprehensive Economic Partnership Agreement (CEPA) with UAE

The Comprehensive Economic Partnership Agreement (CEPA) agreement was signed between the two nations India and United Arabs Emirates (UAE) on 18 February 2022. It is India's complete free traJde agreement signed with any countries in a decade. CEPA was operationalized on 01 May 2022.

Overall, India is going to benefit from preferential market access provided by the UAE on over 97 % of its tariff lines which account for 99% of Indian exports to the UAE in value terms particularly from labour-intensive sectors such as Gems and Jewellery, Textiles, leather, footwear, sports goods, plastics, furniture, agricultural and wood products, engineering products, pharmaceuticals, medical devices, and Automobiles. As regards trade in services, Indian service providers will have enhanced access to around 111 sub-sectors from the 11 broad service sectors. CEPA is expected to increase the total value of bilateral trade in goods to over USD 100 billion and trade in services to over USD 15 billion within five years. In the coming years, this agreement will significantly increase export of apparels and textile products to UAE.

d) Financing Subsidy Schemes

The Indian government actively supports the textile industry's growth and modernization through various financing subsidy schemes.

➢	**Pradhan Mantri MUDRA Yojana:** This broader scheme offers loans to micro-units across various sectors, including textiles. It provides loans under three categories (Shishu, Kishore, and Tarun) with varying loan amounts and interest rate subsidies.
➢	**Scheme for Capacity Building in Textile Sector (SAMARTH):** This scheme addressed the skilled manpower shortage by providing financial assistance for skill development programs relevant to the textile industry. It provided financial support to training providers conducting these programs. As of March 27, 2025, more than 4.78 lakh users have been registered on the Samarth portal. As on March 19, 2025, a total of 3.82 lakh beneficiaries have been trained (passed) and 2.97 lakh beneficiaries (77.74%) have been placed. The SAMARTH scheme has been extended until March 2026, with an additional budget of Rs.495 crore allocated to train 3 lakh more individuals.

e) Other Schemes –

➢ **PM Mega Integrated Textile Region and Apparel (PM MITRA) park**

With a vision of building Atma Nirbhar Bharat and to position India strongly on the Global textiles map, the Government has approved the setting up of 7 PM MITRA parks as announced in Union Budget for 2021-22. This will include 7 Mega Integrated Textile Region and Apparel Parks which will be set up at Greenfield/Brown field sites located in different willing states. This project will develop 50% Area for pure Manufacturing Activity, 20% area for utilities, and 10% area for commercial development. With a total budget allocation of Rs 4,445 crore spread over the period from 2021–22 to 2027–28, the scheme aims to reduce logistics costs, attract greater foreign direct investment (FDI), and enhance India's competitiveness in global textile markets. As of now, seven PM MITRA Parks have been approved across key textile-producing states including Gujarat, Maharashtra, Madhya Pradesh, Tamil Nadu, Karnataka, Uttar Pradesh, and Telangana, laying the foundation for a more efficient and globally integrated textile industry.

➢ **Textile Cluster Development Scheme (TCDS)**

The Indian textile industry relies on interconnected clusters, some of which struggle with outdated technology. This inefficiency hinders worker productivity. To address this, the Ministry of Textiles has implemented the Textile Cluster Development Scheme (TCDS) from 2021-22 to 2025-26. This scheme aims to create a modern, connected workspace for existing new textile units, improving their operational and financial viability. The TCDS cluster development model offers several benefits, including cost-effective production, access to better technology, and a more competitive manufacturing environment. With a total budget of Rs. 853 crores allocated to finalize ongoing projects; this scheme aims to revitalize the Indian textile industry. As of March 18, 2025, about 1.22 lakh employment opportunities have been generated under the scheme. During 2024-25, Rs. 34.48 crore have been released.

- **Integrated Processing Development Scheme (IPDS)**

The Ministry of Textiles has implemented the Integrated Processing Development Scheme (IPDS) to help the industry meet environmental standards. This program, initially launched during the 12th Five Year Plan, is being extended with modifications from 2021-22 to 2025-26 to focus on building new and upgrading existing common effluent treatment plants (CETPs) in both processing clusters and new parks, especially in coastal zones. This ongoing initiative aims to address environmental challenges faced by the textile processing sector.

- **Bharat Tex 2025,** India's largest global textile event, was successfully organized from February 14 to 17, 2025, at Bharat Mandapam, New Delhi. The event spanned 2.2 million square feet and featured over 5,000 exhibitors, providing a comprehensive showcase of India's textile ecosystem. More than 1,20,000 trade visitors, from 120+ countries including global CEOs, policymakers, and industry leaders, attended the event.

  Bharat Tex 2025 served as a platform to accelerate the government's "Farm to Fibre, Fabric, Fashion, and Foreign Markets" vision. India’s textile exports have already reached Rs. 3 lakhs crores, and the goal is to triple this to Rs. 9 lakh crores by 2030 by strengthening domestic manufacturing and expanding global reach. The event demonstrated India's leadership in the textile sector and its commitment to innovation, sustainability, and global collaboration.

- **The Amended Technology Upgradation Fund Scheme (ATUFS)** is a key initiative aimed at promoting modernization and enhancing the competitiveness of India's MSME-driven textile sector. Its primary objective is to facilitate the flow of credit for technology upgradation by providing financial incentives to units investing in benchmarked machinery and equipment. By supporting capital investments, the scheme encourages textile businesses to adopt advanced, energy-efficient, and globally competitive technologies. As of the 2025–26 Union Budget, the Amended Technology Upgradation Fund Scheme (ATUFS) has been allocated Rs.635 crore, marking a 48% increase from the revised estimate of Rs.390 crore in the previous Fiscal. This allocation aims to clear committed liabilities for Unique Identification Numbers (UIDs) generated up to March 31, 2022, as the scheme officially concluded on that date.

- **RIPS 2024: Empowering Rajasthan's Textile Industry**: The Rajasthan Investment Promotion Scheme (RIPS) 2024 is a comprehensive initiative by the Government of Rajasthan aimed at transforming the state's industrial landscape, with a significant focus on the textile sector. Under this scheme, textile enterprises can avail themselves of various incentives, including capital subsidies ranging from 13% to 28% over ten years, turnover-linked incentives between 1.2% to

2% for a decade, and investment subsidies with up to 75% reimbursement of state taxes for seven years. Additional benefits encompass 100% exemptions on electricity duty, stamp duty, conversion charges, and land tax, along with employment boosters offering an extra 10% to 15% on chosen asset creation incentives. The scheme also provides green incentives, freight subsidies, cluster incentives, and training and skilling support. Recognizing textiles as a manufacturing thrust sector, RIPS 2024 offers a 10% thrust booster on top of the selected asset creation incentive. Furthermore, the policy allows for phased investments without loss of benefits and offers customized packages for large-scale investments exceeding ₹500 crore, thereby positioning Rajasthan as a competitive and investor-friendly destination for textile manufacturing.

- **The Samarth Scheme (Scheme for Capacity Building in the Textile Sector):** This scheme addresses the critical need for a skilled workforce in the evolving textile ecosystem. Implemented by the Ministry of Textiles, the scheme aims to train over ten lakh youth across the value chain, excluding spinning and weaving, with a strong focus on industry-led training modules. It emphasizes hands-on, demand-driven skill development through partnerships with textile industry associations, state agencies, and sectoral training partners. The programme ensures post-training placement assistance and alignment with the National Skill Qualification Framework (NSQF) to maintain uniform quality standards. By bridging the gap between manpower availability and industry requirements, the Samarth Scheme enhances employability, productivity, and quality output across both organized and traditional segments. Together, these initiatives create an enabling ecosystem for the textile sector by promoting technology adoption, innovation, and human capital development, thereby reinforcing India's attractiveness as a preferred destination for foreign direct investment.

- The National Technical Textile Mission (NTTM), launched in 2020 with an outlay of Rs 1,480 crore. The mission aims to position India as a global hub for technical textiles, a high-value and innovation-driven segment encompassing applications such as geotextiles, medical textiles, agro-textiles, and industrial textiles. It focuses on four main components research, innovation, and development, promotion and market development, export promotion, and education, training, and skill development. The mission encourages the establishment of Centres of Excellence, collaboration with international institutions, and support for start-ups and MSMEs engaged in technical textile manufacturing. By fostering indigenous innovation and expanding domestic capacity, NTTM seeks to reduce import dependence, enhance export potential, and integrate India more deeply into global technical textile value chains.

- India's textile industry, a major contributor to employment and exports, continues to benefit from the government's proactive policy interventions. To address the demand–supply gap and ensure steady access to quality raw materials, the Government of India has extended the import duty exemption on raw cotton (HS 5201) till 31st December 2025. This move, aimed at stabilizing input costs across the textile value chain from yarn to garments supports both manufacturers and consumers. The decision is expected to strengthen India's global competitiveness while ensuring that farmers' interests remain protected under the Minimum Support Price (MSP) mechanism operated by the Cotton Corporation of India (CCI).

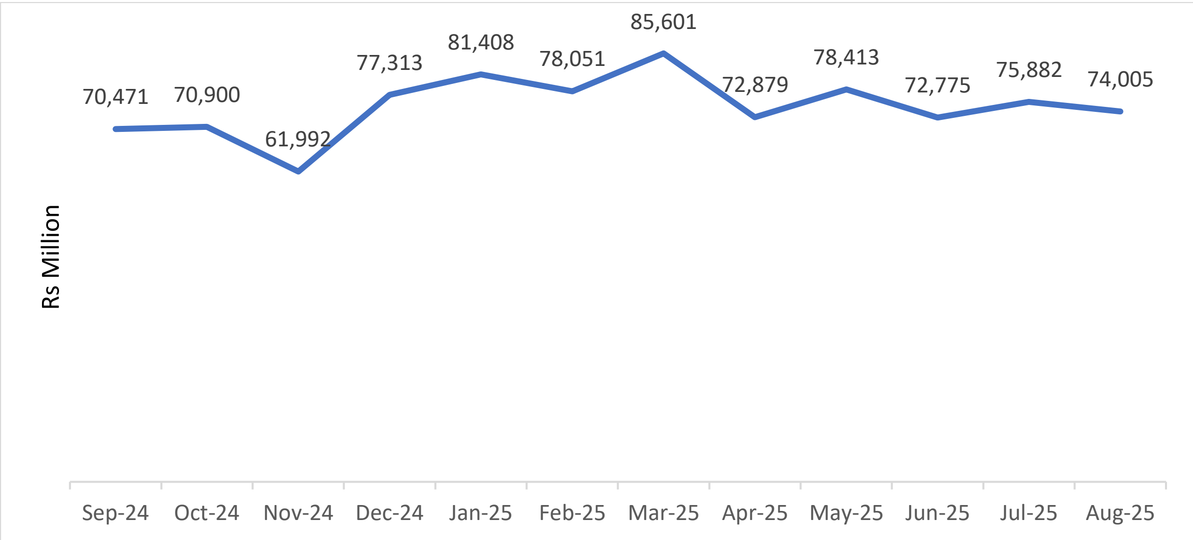
- In another key step, the Directorate General of Foreign Trade (DGFT) has extended the Export Obligation (EO) period under the Advance Authorisation Scheme from 6 to 18 months for products covered under Quality Control Orders (QCOs) issued by the Department of Chemicals

& Petrochemicals (DCPC) and the Ministry of Textiles. This extension provides critical relief to exporters of man-made fibre (MMF) and technical textiles, ensuring easier access to raw materials and enhancing ease of doing business. Around 18% of Advance Authorisations are issued to the textile sector, highlighting the importance of this facilitation for export growth and production continuity.

3.13. The impact of U.S Tariffs on the Indian Textile Exports: -

The U.S. government's recent decision to increase tariffs on select Indian textile and apparel imports has significantly influenced industry dynamics. In the months following the announcement, India's textile exports to the U.S. witnessed a sharp moderation as buyers reassessed sourcing strategies and renegotiated contracts to offset higher landed costs. Exporters faced order deferrals, tighter margins, and rising inventory levels, particularly in cotton and apparel segments that are highly dependent on the American market. While short-term pressures have affected production and employment in key clusters, the policy shift has also prompted Indian manufacturers to accelerate diversification toward alternative markets such as the EU, Middle East, and Latin America. Additionally, the focus is shifting toward higher-value segments, including technical textiles and sustainable fabrics, supported by domestic initiatives like the PLI and NTTM schemes. Overall, the industry is experiencing a transitional phase adapting to trade realignments while striving to strengthen its global competitiveness and reduce market concentration risks.

Chart 17: Trend in Exports to USA post Tariff Imposition



Source: CMIE, CareEdge Research

India's textile exports to the United States recorded steady growth, peaking at around Rs 85,600 million in March 2025. This momentum was driven by post-holiday restocking, firm demand for value-added garments, and stable raw material costs. However, from April 2025 onward, exports began to moderate as U.S. retailers reduced orders amid high inventory levels and softer consumer sentiment. The situation further deteriorated after mid-2025, following the U.S. administration's decision under President Trump to impose higher tariffs on select textile and apparel imports from India. The move, aimed at narrowing the U.S. trade deficit, adversely impacted India's price competitiveness, leading to reduced order volumes, shipment delays, and tighter margins for exporters.

In response to these headwinds, Indian textile players are increasingly focusing on cost optimization, product innovation, and supply chain efficiency to mitigate the impact of external shocks. Companies are investing in automation, digital design, and smart manufacturing technologies to enhance productivity and reduce dependence on labour-intensive processes. Simultaneously, industry bodies are engaging with policymakers to seek trade concessions, explore preferential market access, and push for greater export incentives. The medium-term outlook suggests a period of adjustment, where Indian exporters will recalibrate strategies toward value addition, operational efficiency, and diversified market linkages to restore growth momentum in a more uncertain global trade environment.

3.14. Recent Developments in the textile Industry

1. Temporary Waiver of Import Duty on Cotton (till December 31, 2025): To offer immediate relief to textile manufacturers struggling with high raw material costs, the government temporarily waived import duty on cotton until December 31, 2025. This move was introduced at a time when domestic cotton production had fallen sharply, pushing mills to rely heavily on imports. By removing the duty, imported cotton became considerably cheaper, lowering the input cost for spinning and weaving units. This has helped exporters maintain competitive pricing despite the tariff shock from the U.S., and has provided short-term breathing space, especially for small and medium enterprises that were facing cost pressures.

2. Diversification of Export Markets Beyond the U.S.: Recognizing the risk of excessive dependence on a single market, the government and export bodies have encouraged textile manufacturers to diversify into nearly 40 alternative markets beyond the United States. These include Latin America, Africa, West Asia, Central Asia, and emerging European destinations. The strategy aims to distribute export risks more evenly, ensuring that a tariff shock in one major market does not collapse demand for Indian products. By expanding into multiple destinations, exporters can stabilize orders, develop new buyer relationships, and reduce vulnerability to geopolitical disruptions such as tariff hikes.

3. Exporters Offering Discounts or Absorbing Costs to Retain Buyers: To maintain long-standing relationships with American importers, many Indian exporters are offering price discounts or absorbing part of the additional cost created by U.S. tariffs. This approach is particularly common among larger manufacturers who see value in preserving their market presence and buyer loyalty. However, this strategy comes at the expense of profit margins, which have contracted sharply as companies choose to sacrifice earnings to avoid losing clients. While this helps retain U.S. orders in the short term, it is not sustainable for smaller firms with limited financial buffers.

4. Shift Toward Value-Added Segments like MMF and Technical Textiles: The industry is also responding to tariff pressures by shifting its product mix toward higher-value and less price-sensitive segments such as MMF-based apparel, technical textiles, and niche speciality fabrics. These segments offer better margins, face comparatively lower competitive pressure from countries like Bangladesh and Vietnam, and align more closely with global consumption trends—particularly in performance wear, medical textiles, and industrial applications. By moving into advanced and diversified textile categories, Indian exporters aim to reduce dependence on low-value cotton garments and strengthen long-term competitiveness even in the presence of tariff challenges.

3.15. Outlook for the Indian Textile Industry

The Indian textile industry remains strongly positioned for significant growth through the latter 2020s, bolstered by rising global demand, shifting supply-chain strategies, sustainability momentum, rapid technology adoption and robust government support. With the domestic textile and apparel market valued at roughly USD 174 billion in FY2025 and projected to grow at a healthy pace to 2030, India is increasingly seen as a global hub for both volume manufacturing and value-added textile output.

Technological advancements are becoming more important than ever: beyond traditional mechanisation, there is growing interest in digitisation, automation, and even smart/technical textiles and recycling-ready processes all aligned with global trends for efficiency and sustainability. Government-backed initiatives such as the newly announced Tex-RAMPS (for research & innovation), and ongoing support under PM MITRA Parks Scheme, Scheme for Integrated Textile Parks (SITP) and Production Linked Incentive Scheme (PLI) continue to strengthen infrastructure, plug-and-play manufacturing ecosystems, and encourage investment in state-of-the-art technology.

Sustainability and ESG-compliance have become non-negotiable globally. Indian textile firms are gradually adopting eco-friendly practices from energy-efficient machinery to water conserving dyeing and waste-management to meet international buyer expectations. At the same time, there is an emerging opportunity in technical and MMF-based textiles, which help reduce dependency on unpredictable cotton yields.

On the trade front, shifting global sourcing strategies (the "China + 1" effect) offer India a chance to attract orders previously routed to China. Recent trade developments such as the India–UK Free Trade Agreement are opening up duty-free or preferential markets for Indian textiles, particularly home textiles and apparel.

However, challenges remain. Domestic cotton output has dropped to multi-year lows, prompting a surge in cotton imports to keep mills running which could undercut the cost advantage and increase exposure to global commodity price swings. Rising input costs (raw materials, energy), global economic slowdown, and policy/tariff changes in major export markets (like the US) could also dampen growth momentum.

4. Indian Grey Cloth Industry

4.1 Overview of Indian Grey Cloth Industry

Grey cloth, also referred to as greige fabric, is an unprocessed textile produced directly from the loom or knitting machine, prior to any bleaching, dyeing, or finishing treatments. Typically composed of natural or synthetic fibres such as cotton, polyester, or their blends, it retains its original, untreated appearance, usually a pale, off-white or greyish hue. As a foundational material in the textile industry, grey cloth is essential for further processing, serving as the primary substrate for customized fabric development. Its versatility and adaptability make it a critical component in the production of finished textiles across various applications. It is widely used in sectors such as apparel, home textiles, industrial textiles, and technical fabrics, and plays a key role in global textile supply chains due to its versatility, cost-effectiveness, and scalability.

Grey cloth plays a vital role in enabling value addition across the textile value chain. Its characteristics such as yarn count, weave density, fibre composition, and weight can be tailored to meet diverse end-use requirements. The manufacturing of grey cloth is highly mechanized, involving automatic shuttles less looms, air-jet looms, or rapier looms, depending on the desired fabric quality and output efficiency. Quality parameters like evenness, tensile strength, and contamination level are crucial at this stage, as they directly affect downstream processing outcomes such as dye uptake, print clarity, and finish durability.

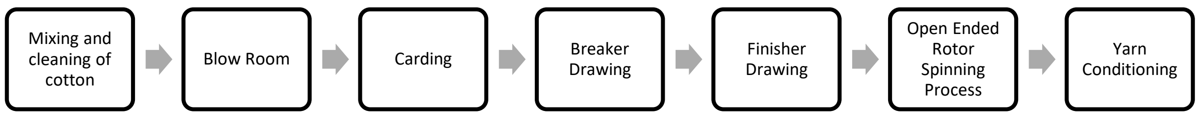
From an industrial standpoint, the grey fabric segment is often considered a barometer for upstream textile activity, with demand closely linked to garment production cycles and export orders. Large-scale production hubs, especially in countries like India and China, benefit from vertical integration, allowing grey cloth to be rapidly converted into finished goods. Moreover, the fabric has gained relevance in the context of sustainable textile production, with manufacturers increasingly focusing on organic fibre sourcing, reduced water usage during processing, and adoption of eco-friendly finishes, starting from the grey fabric stage.

As global fashion and furnishing markets demand faster turnaround and greater customization, grey cloth offers manufacturers the flexibility to stockpile unfinished material, reducing lead times by dyeing or finishing fabric as per real-time market needs. This makes it not only a functional base material but also a strategic asset in agile textile manufacturing and supply chain management.

4.2 Processes for Grey Cloth Production and Market Share

Manufacturing / production process

A. **Spinning:** Yarn manufacturing through Open Ended Rotor Spinning is the process of converting Raw Cotton lint obtained after ginning into yarn. This process involves removal of external impurities (Termed as Trash) to the maximum extent. During the manufacturing process cotton is opened, cleaned and then is converted through a series attenuation of Sliver involving fibre to orient parallel to its axis through the process doubling into final yarn.
The production of the Yarn at units is carried out by following processes/steps as set out below.



(1) **Mixing & Cleaning: -** Cotton fibers are delivered to spinning units in the form of tightly compressed bales from various sources such as ginners, cotton stations, or processed cotton suppliers. To ensure consistency in quality, the cotton from these different sources is first blended through a process called mixing. Since the bales are highly compressed, they must be opened before further processing. This initial stage takes place in the mixing and opening section of the Blow Room. Here, the cotton is broken down into smaller tufts, which are then transported to the main blow room machinery for further cleaning.

(2) **Blow Room:** In this stage of the process, cotton lint is thoroughly opened and cleaned to achieve the highest possible level of fibre separation and impurity removal. The primary goal is to ensure the cotton is broken down into fine tufts while eliminating physical contaminants such as dust, leaf particles, and other foreign matter. This is accomplished by passing the cotton lint through a series of high-speed revolving beaters of various designs, supported by air currents that aid in

loosening and separating impurities from the fibres. Once adequately opened and cleaned, the cotton lint is transferred to the next stage carding via a Chute Feed System. This automated feeding mechanism eliminates the need for manual handling and ensures a smooth, continuous transfer of material between processes, enhancing production efficiency and consistency. Any waste or by-product generated during the blow room operations is efficiently managed through an Automatic Waste Evacuation System, which collects and removes waste material without interrupting the production flow. This not only maintains cleanliness within the facility but also supports a more sustainable and efficient manufacturing process.

(3) **Carding: -** Carding is the process of converting opened cotton lint into a thin web first and then in a loose open rope like form, called sliver. This process plays a vital role in determining the quality of the final yarn, as well-carded fiber is essential for producing high-quality yarn. As such, carding is often regarded as one of the most important steps in the spinning process from a quality perspective. During this process of carding there are two types of waste generated, (i) liker-in-dropping and (ii) flat strips. Both of these waste materials are collected separately through an automated waste management system, ensuring that the production line remains clean and efficient. These waste types fall under the category of "sellable waste" in spinning mills, as they can be reused or sold for secondary applications.

(4) **Drawing: -** Once the carded sliver is produced, it must be further evened out to ensure consistency in yarn quality and to maintain control over key yarn parameters. This is achieved through a process known as Doubling and Drafting. For open-end (OE) spinning applications, the carded sliver first undergoes a step called Breaker Drawing. In this stage, multiple carded slivers are combined (doubling) and then stretched (drafting) to produce a more uniform sliver. This process significantly improves the evenness of the sliver by blending and straightening the fibres. The sliver from the Breaker Drawing is then fed into Finisher Draw Frames for further refinement. During this stage, the drafting process is enhanced by the use of an auto-leveler a highly sensitive mass measuring device installed within the machine. This instrument continuously monitors and adjusts the sliver thickness, ensuring greater uniformity and improved output quality. Additionally, during the drafting process, the fibres are aligned parallel to the sliver axis, which is essential for achieving uniformity and strength in the final yarn. This alignment and evenness are critical to producing high-quality yarn in the final stages of manufacturing. Overall, the Doubling and Drafting process plays a key role in improving sliver uniformity, enhancing fibre orientation, and ensuring that the final yarn meets the desired standards of quality, consistency, and performance.

(5) **Open end rotor spinning machines**: - The sliver produced from the Draw Frames is directly fed into the Rotor Spinning Machine, with each rotor position using one can of sliver. From these cans, sliver is individually fed into the Spin Box of each rotor position. Inside the Spin Box, an Opening Roller with a saw-tooth surface separates and individualizes the fibres. These fibres are then guided into the Rotor, which spins at extremely high speeds. The centrifugal force throws the fibres onto the groove of the rotor, where yarn formation begins. This spinning method is called Open-End Spinning, as there is a continuous open gap between the incoming fibres and the yarn already being formed. Fibers are fed using a feed roller and fibre channel, aligned onto the rotor groove, and the newly formed yarn is drawn out through the navel into the machine's winding system. The yarn is wound directly onto yarn tubes (parallel cheese packages) at the winding unit. Each package is produced to a preset length, after which the spindle stops automatically, and the doffer system replaces the full package with an empty one. Each empty

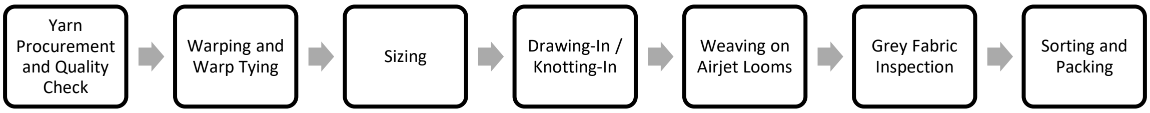
tube carries a starter yarn, which is spliced to the new yarn by the piecing unit, restarting the winding process without manual intervention. As the OE spinning system produces a final marketing-ready package, no additional winding is needed. These yarn packages typically range from 2 kg to 4 kg, based on market requirements.

(6) **Yarn Conditioning**: - The yarn packages produced from the rotor spinning process are subsequently sent for yarn conditioning in a vacuum yarn conditioning plant.

B. Weaving

Weaving is the process in which two different sets of yarns or threads are interlaced with each other to form a fabric or cloth. One of these sets is called warp which is the lengthwise yarn running from the back to the front of the loom. The other set of crosswise yarns are the fillings which are called the weft or the woof.

The production of the Grey Fabric at our units is carried out by following processes/steps as set out below:



(1) **Yarn Procurement and Quality Check:** The process begins with the procurement of quality yarn, typically in cone form, for both warp and weft purposes. Upon arrival, the yarn undergoes thorough quality checks to ensure it meets the desired specifications such as counts, tensile strength, elongation, and uniformity. Lab testing is conducted to verify twist per inch (TPI), count strength product (CSP), hairiness, and nep content. This ensures the yarn is suitable for further processing and will perform well during weaving.

(2) **Warping and Warp Tying:** Once the yarn passes inspection, the next stage is warping, where the required number of yarn ends are wound in parallel from cones onto a warp beam. This is done by mounting the cones on a creel and guiding the yarns through tension controllers and stop motion devices to ensure alignment and uniform tension. Depending on the design and production schedule, the process may proceed to warp tying. In case of repeated styles already running on the loom, the new warp beam is connected to the previously running one using a warp tying machine. This machine automatically ties each new yarn end to the corresponding old end, allowing the new warp to be pulled through the existing drop wires, healds, and reed. This method significantly reduces loom downtime and manual re-threading, enabling a faster and more efficient transition.

(3) **Sizing:** After warping or tying, the warp yarns are sent for sizing, which is essential to strengthen the yarns and reduce friction-related breakages during weaving. In the sizing machine, the warp sheet is passed through a size solution consisting of starch and others. The yarns are then squeezed to remove excess liquid and dried using steam or hot air dryers. The final product is a sized warp beam where yarns have a protective coating that enhances their performance on high-speed looms.

(4) **Drawing-In / Knotting-In:** Depending on whether it is a new design or a repeat order, either

drawing-in or knotting-in is done. For a new design, each warp end is manually drawn through drop wires, heald eyes (of the heald frames), and the dents of the reed in a specific sequence according to the fabric design. For repeat orders, knotting-in is done using the warp tying machine to connect the new warp to the existing ends, which are already set in the loom. This saves time and ensures consistency in production.

(5) **Weaving on Airjet Looms:** With the warp beam ready and installed on the loom, the weaving process commences. Airjet looms, which are known for their high speed and precision, are used to insert the weft yarn using a stream of compressed air. As the warp threads are raised and lowered by the heald frames to form a shed, the weft yarn is blown across the width of the fabric through this shed. The reed then beats the weft into place, and the process continues in a cycle to produce the fabric. Airjet looms are especially suitable for producing lightweight to medium-weight fabrics at high efficiency.

(6) **Grey Fabric Inspection:** Once weaving is completed, the grey fabric is taken for inspection to identify and grade any defects. The fabric is unrolled and passed over a lighted inspection table or through a manual inspection system. Trained personnel look for defects such as broken ends, broken picks, oil stains, floatings, thick and thin places, or any irregularities in the weave. The inspection is usually conducted as per the industry practice, and based on the number and type of faults, the fabric is categorized into different quality grades.

(7) **Sorting and Packing:** In the final stage, the fabric is sorted according to grade, length, quality, and **order** specifications. The sorted fabric is then packed in suitable packaging materials such as polythene sheets, HDPE fabric, or carton boxes. For export or bulk dispatch, rolls may be vacuum packed or placed on pallets. Each package is labelled with all necessary details for easy identification. The entire lot is prepared for dispatch along with packing lists and invoices, completing the grey fabric production process.

Preparing Warps and Wefts for Weaving-:

The warp yarns, which form the foundation of fabric, undergo several preparatory steps before weaving—namely spooling, warping, and slashing. In spooling, yarn is wound onto large cones placed on a creel. From there, the yarns are transferred onto a warp beam, aligned in parallel. These yarns are then fed into a slasher machine for slashing (or sizing), where they are coated with a protective layer typically starch-based or synthetic (e.g., polyvinyl alcohol or water-soluble acrylics). This sizing process strengthens the yarns, reducing breakage and abrasion during weaving. Finally, the sized yarns are wound onto the final warp beam, ready to be used on the loom.

<u>Shedding</u>: In the shedding process, alternate warp yarns are lifted to create an opening, or shed, allowing the filling yarn (weft) to be inserted through the warp. On modern weaving looms, shedding is performed automatically by a component called the harness. The harness is a rectangular frame that holds a series of wires known as heddles. As each warp yarn unwinds from the warp beam, it is threaded through an eye in the heddle. The process of threading each warp yarn through the correct heddle eye is called drawing-in.

<u>Picking</u>: As the warp yarns are lifted during shedding, the weft yarn is inserted through the shed using a carrier device. Each pass of the weft yarn from one side of the loom to the other is known as a pick. Various types of looms use different methods to insert the weft yarn, depending on their design.

Common types include shuttle looms, shuttleless looms, and circular looms, each employing distinct techniques for weft insertion.

Beating up: This stage of the weaving process, known as battening, involves compacting the fabric after each weft insertion. All warp yarns pass through the heddle eyelets and then through the reed, a comb-like frame. With every pick (weft insertion), the reed moves forward to push or beat the weft yarn firmly against the already woven fabric. This action ensures a tight and compact fabric structure, contributing to the strength and uniformity of the finished material.

Taking Up and Letting Off: As the shedding, picking, and battening processes occur, the newly formed fabric is gradually wound onto the cloth beam, a step known as "taking up." Simultaneously, the warp yarns are released from the warp beam, a process referred to as "letting off." The weave pattern is determined by how groups of warp yarns are raised by the harnesses to allow the insertion of the weft yarn. Variations in this movement result in different types of fabric weaves, each offering unique characteristics. These weave structures not only influence the appearance and utility of the fabric but also determine its strength, texture, and durability.

In India, particularly in textile hubs like Ahmedabad, the production and processing of grey cloth play a significant role in the textile industry. The city's well-established infrastructure and skilled workforce support the efficient manufacturing & Processing of grey fabric. Local textile mills and processing units employ advanced pretreatment technologies to cater to both domestic and international markets. By adhering to international standards in fabric preparation, Indian manufacturers enhance the quality and competitiveness of their products in the global textile market.

4.3 Growth Drivers and Challenges

Key Growth Drivers in Grey Cloth Segment (India) Key Challenges in Grey Cloth Segment (India)

1. **Strong Domestic Textile Ecosystem**: India has a well-established textile value chain, from raw cotton to finished garments. The grey cloth segment, being the intermediate stage between yarn and finished fabric, benefits immensely from this integration. Many weaving clusters across states like Gujarat, Maharashtra, Tamil Nadu, and Uttar Pradesh fuel consistent demand and output in the grey fabric space.	1. **Technological Obsolescence in Weaving Units:** A significant portion of India's weaving sector still operates with outdated shuttle looms, leading to lower productivity, higher defect rates, and inconsistent quality. While modern looms like rapier and air-jet are gaining traction, adoption remains limited due to high capital costs.
2. Rising Demand from Processing and Garmenting Units: The increase in domestic and export demand for processed fabrics and ready-made garments creates a stable pull for grey cloth. As garment manufacturers look to scale production, they rely on a steady supply of greige fabric, especially in cotton and blended categories.	2. Fragmented and Unorganized Structure: The grey cloth segment is highly fragmented, with many small and unorganised players. This leads to challenges in maintaining quality standards, meeting large-volume orders, and adhering to global compliance norms, making it harder to attract premium buyers.

3. Cost-Competitiveness of Indian Producers: India's grey cloth producers, especially in traditional weaving clusters, have maintained a competitive cost structure due to low labour costs and access to raw materials. This makes India an attractive sourcing destination for bulk fabric orders from both domestic processors and overseas buyers.	3. Volatility in Raw Material Prices: Being closely tied to cotton yarn prices, the grey fabric segment is vulnerable to raw material cost fluctuations. When yarn prices spike or fall suddenly, it impacts weaving unit margins and working capital cycles.
4. Government Support & Cluster Development: Schemes like Integrated Textile Parks, Amended TUFS, and PM-MITRA have improved infrastructure and technology access for grey cloth producers. Power subsidies and other incentives provided by state governments (like in Gujarat and Maharashtra) are also boosting output and modernization in weaving hubs.	4. Environmental and Compliance Pressures: Though grey fabric production itself is less polluting, the segment is increasingly being scrutinized for labour practices, energy consumption, and traceability. Export buyers now expect traceable, ethically sourced fabrics, which small weavers often find hard to deliver due to lack of systems and certifications.
5. Export Potential in Emerging Markets: As many Southeast Asian and African countries expand their textile processing capacities but lack strong weaving bases, Indian grey cloth exports have opportunities to grow. With consistent quality and scalability, Indian suppliers are gradually penetrating these markets.	5. Competitive Pressure from Other Countries: Countries like China, Vietnam, and Pakistan offer grey fabric at competitive prices with better consistency and large-scale capacity. This affects India's export potential unless Indian weavers modernize and scale up rapidly.

4.4 Outlook for Grey Cloth Industry:

The outlook for grey cloth in India is optimistic, marked by consistent growth in production and demand across key fabric types. Cotton and polyester continue to dominate the market, with rising consumption driven by both domestic needs and export potential. The industry is benefiting from improved manufacturing capabilities, innovation in fabric blends, and increasing preference for versatile textile materials across fashion and industrial applications.

Regionally, states like Gujarat and Tamil Nadu remain central to the sector's momentum, backed by strong infrastructure and skilled labour. With supportive government policies, technological advancements, and a growing focus on sustainability, the grey cloth market is well-positioned for long-term expansion. The sector is expected to maintain a healthy balance between volume growth and value generation, reinforcing its crucial role in India's textile economy.

5. India's Competitive Advantage in Global Textiles:

India holds a distinct competitive edge in the global textile and apparel industry due to several strategic advantages, which collectively enhance its appeal as a preferred manufacturing destination. These include:

1. **Labour and skills strengths in Indian Textiles:** India maintains a labour cost advantage in the

global textile market through a combination of factors such as a large, flexible workforce, regional wage variations, and increasing productivity driven by skill development and operational efficiencies. The presence of vertically integrated textile hubs enables streamlined production and reduced overheads, while government support and ongoing infrastructure improvements further lower operational barriers. These elements collectively enhance India's competitiveness and reinforce its position as a key player in the international textile industry.

2. **Supply Chain in Indian Textiles**: India's rise in the Logistics Performance Index to 38th in 2023 from 54th position in 2014 reflects better port infrastructure, customs efficiency, and cargo movement. This enhances the textile supply chain by reducing delays and improving delivery reliability. Lower logistics costs directly benefit manufacturers by increasing margins. Whereas Bangladesh continues to face persistent logistical challenges. These issues were highlighted during a meeting held by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), where international buyers raised concerns about slow internet speeds, shipment delays, and container congestion at Chattogram port. These ongoing inefficiencies hinder Bangladesh's ability to meet tight delivery schedules. In contrast, India's advancing logistics ecosystem ensures faster turnaround, strengthening its appeal as a preferred textile sourcing destination.

3. **Production Scalability**: India's textile sector benefits from a well-developed infrastructure that includes large industrial clusters, integrated textile parks, and specialized hubs, enabling scalable production across the value chain. Initiatives like the PM MITRA scheme, with Rs. 4,445 crores allocated for seven mega parks, and facilities such as the Kakatiya Mega Textile Park in Telangana, which aims to generate over 100,000 jobs, reflect this strength. Established clusters like Tiruppur and hi-tech hubs like Palladam in Tamil Nadu facilitate large-scale, diversified manufacturing. Proximity to ports and robust logistics further enhance export efficiency, enabling India to meet both niche and bulk global demand. Bangladesh's textile industry is mostly made up of small and medium units with limited value chain integration, while Vietnam, though improving, still lacks large-scale, fully integrated parks. In contrast, India offers investment-ready, integrated zones that cover the entire value chain, giving it an edge in efficiency, scalability, and production control.

4. **Diversification, Sustainability, and Innovation:** India benefits from a vast and diversified domestic market that drives continuous innovation and demand for a wide variety of textile products, enabling manufacturers to adapt quickly to changing global fashion trends. The country also has a strong network of small and medium enterprises (SMEs) that contribute flexibility and niche expertise, especially in artisanal and regional textile crafts. Additionally, India's growing adoption of sustainable and eco-friendly practices, such as organic cotton cultivation and water-saving dyeing technologies, aligns with the rising global emphasis on ethical fashion. This commitment to sustainability enhances India's appeal to environmentally conscious brands and consumers worldwide. Moreover, robust digitalization and increasing integration of Industry 4.0 technologies are gradually improving productivity and quality, helping Indian textiles compete more effectively on the global stage. Indian Textile Processing Industry.

5. **Raw Material Advantage:** India enjoys strong self-reliance in key textile raw materials, producing about 24% of global cotton, and is the leading jute goods producer globally, contributing around 70% of the world's total production, and ranking second in silk production. It has expanding capacity in man-made fibres. Unlike other countries such as Sri Lanka,

Indonesia and Turkey which depend on raw material imports such as raw cotton, yarn, and fabrics, India’s domestic supply helps lower costs, reduce delays, and ensure supply chain stability.

6. The Swift Transformation of Fashion Trends in India

In 2025, technology is revolutionizing India's fashion industry by making shopping more interactive and personalized. Augmented Reality (AR) allows customers to virtually try on clothes, accessories, and makeup using their smartphones or in-store AR mirrors, helping them visualize how items will look without physically wearing them. This innovation enhances online shopping experiences, reduces uncertainty, and lowers return rates. Additionally, digital fashion platforms are utilizing artificial intelligence to offer personalized style recommendations based on individual preferences and body types. These advancements not only streamline the shopping process but also open new avenues for creative expression, blending traditional fashion with cutting-edge technology.

Inclusivity and gender-fluid fashion are gaining momentum, with designers creating unisex clothing lines that challenge traditional gender norms. Oversized silhouettes, neutral tones, and adaptable designs are becoming mainstream, reflecting a broader societal shift towards acceptance and diversity. Additionally, the resurgence of 90s and early 2000 trends, such as low-rise jeans, cargo pants, and vibrant neon colors, is evident in contemporary streetwear, appealing to a sense of nostalgia among younger generations . This revival signifies the cyclical nature of fashion and its ability to reinvent past styles for modern audiences.

In essence, India's fashion scene in 2025 and further, is a vibrant tapestry woven from threads of cultural reverence, sustainability, technological innovation, and inclusive design, reflecting the country's evolving identity on the global fashion stage.

Fast fashion, characterized by the rapid production of trendy, affordable clothing, has transformed the global textile industry. This model emphasizes quick turnaround times, cost efficiency, and continuous product updates to meet ever-changing consumer demands. While it has democratized fashion by making it more accessible, it also poses significant challenges for textile manufacturers, including environmental degradation, labor concerns, and the need for agile production processes.

To navigate the complexities of fast fashion, textile manufacturers must address several critical requirements:

1. **Flexible Supply Chains**: Manufacturers need agile supply chains capable of quickly adapting to new designs and fluctuating consumer demands. This involves efficient logistics, responsive inventory management, and close collaboration with suppliers to ensure timely delivery of materials and products.
2. **Cost Efficiency**: Maintaining low production costs is essential to offer affordable products. Manufacturers achieve this by optimizing operations, reducing material waste, and leveraging economies of scale. However, this cost-cutting pressure can sometimes lead to compromises in labor conditions and environmental standards.
3. **Sustainable Practices**: There's a growing demand for eco-friendly production methods. Manufacturers are encouraged to use sustainable materials, such as organic cotton or recycled fabrics, and to implement processes that minimize water usage and chemical pollution. Adopting sustainable practices not only meets consumer expectations but also aligns with environmental

regulations.

4. **Ethical Labor Standards**: Ensuring fair wages, safe working conditions, and compliance with labor laws is vital. Ethical labor practices are increasingly scrutinized by consumers and watchdog organizations, making it imperative for manufacturers to uphold high labor standards and avoid exploitative practices.
5. **Quality Control**: Despite the fast-paced production, maintaining product quality is crucial to meet consumer satisfaction and reduce return rates. Implementing rigorous quality assurance processes helps ensure that products meet established standards and customer expectations.
6. **Technological Integration**: Adopting advanced technologies, such as automation and data analytics, can enhance efficiency, reduce waste, and improve decision-making processes. Technologies like 3D design and AI-driven forecasting enable manufacturers to respond swiftly to market trends and optimize production workflows.
7. **Waste Management**: Implementing effective strategies to manage and reduce textile waste is important for environmental sustainability and regulatory compliance. Practices such as recycling, upcycling, and adopting circular economy principles help minimize the environmental footprint of textile manufacturing.
8. **Transparency and Traceability**: Providing clear information about sourcing, production processes, and supply chain practices helps build consumer trust and meet regulatory requirements. Utilizing technologies like blockchain and IoT devices can enhance traceability, ensuring that every step of the supply chain is accountable and transparent.

5.1 India's Emerging Textile Powerhouse and FDI Magnet

- **Overview:** India's textile industry continues to evolve into a globally competitive sector, supported by regional clusters that specialize in diverse textile segments. Cities such as Bhilwara, Surat, Tiruppur, Ludhiana, and Panipat have emerged as prominent centers of textile manufacturing, processing, and exports. Each region contributes uniquely to India's textile value chain, benefiting from local resource availability, industrial ecosystems, and policy-driven support for investment and modernization.

- **Economic Significance and Growth Momentum:** Among these hubs, Bhilwara—often known as the "Textile City" or "Manchester of Rajasthan"—has gained recognition for its strong polyester and suiting fabric base, contributing nearly Rs 25,000 crore annually to the textile economy and generating substantial employment. Similarly, Surat in Gujarat dominates synthetic and man-made fiber production, while Tiruppur in Tamil Nadu is a global knitwear export hub. Ludhiana leads in woolen and hosiery products, and Panipat is well-known for its home textiles and handloom products. Collectively, these clusters contribute a significant share to India's textile exports and domestic market supply.

- **Strategic Advantages and Industrial Infrastructure:** Bhilwara's integrated textile ecosystemwith more than 400 spinning, weaving, and dyeing units offers a complete fiber-to-fabric value chain. Other centers such as Surat and Tiruppur benefit from well-developed logistics networks, access to ports, and specialized industrial estates. The ongoing establishment of textile parks, Mega Integrated Textile Region and Apparel (PM MITRA) Parks, and Common Effluent Treatment Plants (CETPs) across multiple states further strengthens India's textile infrastructure, making these regions attractive destinations for Foreign Direct Investment (FDI).

- **Government Policy Support:** Under initiatives like the Textile and Apparel Policy 2025 (Rajasthan), Gujarat Textile Policy, and Tamil Nadu Integrated Textile Policy, several state governments are offering fiscal incentives, infrastructure support, and training programs to enhance competitiveness. The Central Government's Production Linked Incentive (PLI) Scheme and National Technical Textiles Mission also aim to modernize textile clusters and encourage value-added production.

- **Skill Development and Academic Support:** Educational institutions such as Manikya Lal Verma Textile and Engineering College (Bhilwara), The Southern India Mills' Association (SIMA) Training Centers (Tiruppur), and The Institute of Fashion Technology (Surat) play an instrumental role in producing technically skilled professionals. Industry-academia collaborations across these regions ensure that emerging technologies in fabric innovation, dyeing, and sustainable processing are effectively adopted.

Bhilwara is an ideal location for a textile company like Sonaselection because the city is among India's largest and most dynamic textile hubs. With over 850 manufacturing units and an annual textile industry turnover of roughly Rs 25,000 crore, the region produces about 50% of India's polyester fabrics and suiting materials and exports yarn and fabric worth around Rs 3,800 crore annually. The district accounts for about 44% of Rajasthan's yarn production capacity, with vast infrastructure including spinning mills, weaving units, processing houses and power-loom clusters.

For Companies, locating operations in Bhilwara provides access to a well-integrated textile ecosystem from raw material supply and yarn production to weaving, finishing and export infrastructure which reduces procurement and logistic costs. The concentration of skilled labor established supply-chain networks, and high production capacity make it easier to scale up. Moreover, with the state government and local industry pushing modernization (loom upgrades, processing capacity expansion, synthetic/MMF focus), Bhilwara's infrastructure and policy environment support growth, innovation, and export readiness.

Conclusion:

Bhilwara, along with other regional textile hubs like Surat, Tiruppur, Ludhiana, and Panipat, collectively symbolizes India's transformation into a diversified and investment-friendly textile ecosystem. The combination of strong local manufacturing bases, policy incentives, and rising foreign investment interest positions these centers as key contributors to India's global textile competitiveness and sustainable economic growth.

- Among these hubs, Bhilwara often known as the **'Textile City of Rajasthan'** has gained recognition for its strong polyester and suiting fabric base, contributing nearly Rs 25,000 crore annually to the textile economy and generating substantial employment. Similarly, Surat in Gujarat dominates synthetic and man-made fiber production, Tiruppur in Tamil Nadu is a global knitwear export hub, Ludhiana leads in woolen and hosiery products, and Panipat is well-known for home textiles and handloom products. Collectively, these clusters contribute a significant share to India's textile exports and domestic market supply."**Economic Significance and Growth Trajectory:** Bhilwara's textile sector is a cornerstone of its economy, contributing approximately Rs 25,000 crore annually. The city produces over 50% of India's polyester fabrics and suits, with exports nearing Rs 3,800 crore. Employing around 85,000 individuals directly and an additional 60,000 indirectly, Bhilwara's textile industry is a major employment generator in the region.

- **Strategic Advantages and Infrastructure:** The city's strategic location in Rajasthan, coupled with its proximity to major cotton-producing areas, provides a steady supply of raw materials. Bhilwara boasts over 400 manufacturing units, including spinning mills, weaving units, and dyeing facilities, facilitating a comprehensive value chain from fiber to fashion. The establishment of textile parks and industrial estates further enhances its appeal to investors.
- **Government Initiatives and Policy Support:** The Rajasthan government's Textile and Apparel Policy 2025 aims to bolster the sector's growth by offering substantial financial incentives, addressing infrastructure challenges, and promoting skill development. These initiatives are designed to attract both domestic and foreign investments, fostering a conducive environment for industry expansion.
- **Educational Institutions and Skill Development**: Institutions like the Manikya Lal Verma Textile and Engineering College play a crucial role in producing a skilled workforce adept in textile engineering and related fields. These educational establishments collaborate with industries to ensure a steady supply of trained professionals, meeting the evolving demands of the textile sector.

Conclusion: Bhilwara's emergence as a leading textile hub in India is a testament to its strategic initiatives, robust infrastructure, and supportive policies. With continued investment and innovation, the city is poised to strengthen its position as a global player in the textile industry, contributing significantly to India's economic growth and employment generation.

5.2 Policies of Rajasthan for Textile Industry:

The Rajasthan Textile and Apparel Policy-2025 envision transforming Rajasthan into a global textile manufacturing hub. The policy aims to attract investments worth Rs 10,000 crore and generate employment for approximately 2 lakh individuals over the next five years. It encompasses a wide array of sectors, including garment manufacturing, technical textiles, handloom, wool processing, leather products, and footwear manufacturing.

Under the Rajasthan Textile and Apparel Policy 2025, the state has introduced a range of incentives to promote industrial growth and environmental sustainability. These measures aim to bolster the textile sector's competitiveness and attract significant investments.

Financial Incentives for Industrial Growth

The policy offers substantial financial support to encourage investment in the textile industry:

- **Asset Creation Incentive (ACI):** Capital subsidies ranging from 13% to 28% of Eligible Fixed Capital Investment (eFCI) are provided, varying based on project size and location.
- **Turnover-Linked Incentive (TLI):** Enterprises can avail themselves of incentives between 1.2% and 2% of their net sales turnover.
- **Capital Subsidy Ceiling:** Subsidies are capped at Rs 50 crore for the first three years, Rs 65 crore for the next four years, and Rs 80 crore for the subsequent three years.
- **Stamp Duty and Registration Fee Exemption:** 100% exemption is granted to encourage investment in land and property.
- **Electricity Duty Exemption:** 100% exemption on electricity consumption for a specified period

to reduce operational costs.

Environmental Sustainability Initiatives

Recognizing the importance of sustainable practices, the policy includes provisions to promote environmental responsibility:

- **Green Solution Incentive:** 50% reimbursement, up to Rs 12.5 crore, for adopting environmentally friendly technologies.
- **Patent and Copyright Costs:** 50% reimbursement to encourage innovation and intellectual property protection.

Support for Export Units

To enhance the global competitiveness of Rajasthan's textile sector, the policy provides:

- **Freight Subsidy:** 25% reimbursement on export freight, capped at Rs 25 lakh per year.
- **Skill Development:** Financial support for training workers to enhance their skills and productivity.

These comprehensive incentives are designed to position Rajasthan as a leading hub for textile and apparel manufacturing, emphasizing sustainable growth, innovation, and global competitiveness.

Regarding the recent imposition of reciprocal tariffs by the United States, India faces a 27% tariff on textile imports. In comparison, other major textile-exporting countries face higher tariffs such as Bangladesh (37%), Vietnam (46%), Cambodia (49%), Pakistan (29%), and China (34%). This relatively lower tariff on Indian textiles may provide a competitive advantage in the U.S. market.

These developments underscore the strategic importance of the Rajasthan Textile and Apparel Policy in enhancing the state's textile sector's competitiveness on the global stage.

5.3 The Bangladesh Crisis: A Catalyst for India's Textile Industry

Bangladesh has long been a formidable player in the global textile market, primarily due to its competitive labour costs and preferential trade agreements. However, recent political unrest and economic challenges have disrupted its garment sector, creating a significant opportunity for India to capitalize on the shifting dynamics.

- **Impact of Bangladesh's Crisis on Its Textile Sector:** The political turmoil in Bangladesh has led to factory shutdowns, labor unrest, and a decline in export orders. This instability has prompted global retailers to reconsider their sourcing strategies, seeking more reliable alternatives to mitigate risks associated with disrupted supply chains.
- **India's Strategic Positioning:** India, with its established textile infrastructure and skilled workforce, is well-positioned to absorb the displaced demand from Bangladesh. Indian textile hubs like Tirupur, Ludhiana and Bhilwara are experiencing increased inquiries from international buyers seeking stable and efficient production partners. The Indian government's initiatives, such as the PM Mega Integrated Textile Region and Apparel (PM MITRA) scheme, aim to enhance

the sector's competitiveness by providing modern infrastructure and reducing logistics costs.

- **Leveraging Trade Agreements**: Recent trade agreements, such as the India-UK Free Trade Agreement, have further bolstered India's attractiveness as a sourcing destination. These agreements eliminate tariffs on key textile exports, providing Indian manufacturers with a competitive edge over countries like Bangladesh and China.
- **Employment and Economic Growth:** The shift in global sourcing to India has the potential to generate significant employment opportunities.If India were to secure a modest portion of the global apparel market currently dominated by Bangladesh, it could significantly bolster employment within India's apparel sector. Such an increase in market share could lead to the creation of a substantial number of direct and indirect employment opportunities, thereby enhancing the sector's contribution to the national economy.

The crisis in Bangladesh has inadvertently opened avenues for India to strengthen its position in the global textile market. By leveraging its infrastructure, skilled labor, and favorable trade agreements, India can attract displaced investments and expand its share in global textile exports. However, to sustain this growth, India must address challenges related to labor shortages, factory scalability, and production costs to remain competitive on the world stage.

5.4 Automated Technologies in Bhilwara Textile Industry

Bhilwara, often referred to as "Vastranagari," stands as a prominent textile hub in India, playing a pivotal role in the nation's textile industry. The district's textile operations encompass spinning, weaving, processing, and denim production, contributing significantly to both the state's economy and employment landscape.

Bhilwara's processing houses have an annual capacity of approximately 70 to 75 crore meters, constituting 85% of Rajasthan's total processing capacity. The district hosts nearly 20 processing houses, equipped with over 75 stenters and 416 chambers, processing nearly 573 lakh meters of fabric monthly. The textile industry in Bhilwara employs over 75,000 individuals directly and an additional 60,000 indirectly, making it the largest employer in both the organized and unorganized sectors after agriculture.

Production Capacity: Bhilwara is home to 16 spinning mills and 5 open-end spinning units, collectively producing tonnes of polyester/viscose and cotton yarn annually. This output accounts for about 44% of Rajasthan's total yarn production capacity.

Infrastructure: The district boasts 7.67 lakh spindles and 19,500 rotors. The mill sectors of Bhilwara have 48 knitting machines and more than 2100 looms enriching its capacity of production.

Technological Advancements: Bhilwara is recognized for adopting advanced technologies, including air jet spinning, and is the sole producer of silk yarn in Rajasthan.

Sustainable Fashion

Sustainable and recycled fashion are gaining significant momentum in India, reflecting a broader global shift towards eco-consciousness in the apparel industry. This transformation is propelled by a combination of grassroots innovation, government initiatives, and the emergence of forward-thinking brands.

In urban centers like Mumbai, communities are actively engaging in upcycling practices. For instance, in Dharavi, artisans repurpose discarded plastic waste into woven products such as bags and mats, blending traditional techniques with modern sustainability goals.

Companies utilize hemp as a primary fabric, offering biodegradable and durable clothing options. They focus on upcycling textile waste into stylish garments, emphasizing zero-waste policies and innovative designs. Advancements in technology are also playing a crucial role. Brands are incorporating blockchain for supply chain transparency and artificial intelligence to optimize production processes, thereby reducing waste and enhancing sustainability efforts. Together, sustainable and recycled fashion represents a shift towards a more circular and responsible industry, where the focus is on longevity, ethical practices, and reducing environmental footprints.

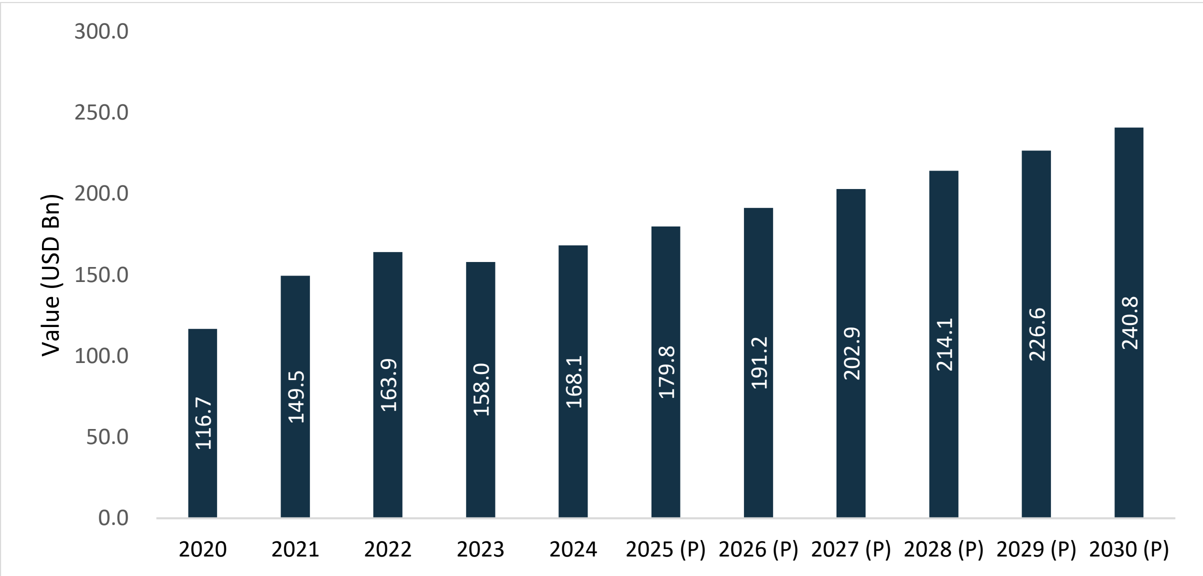
6. Overview of Indian Textile Processing Industry

6.1 Indian Textile Processing Industry

The textile processing industry covers a range of treatments applied to fibres, yarns, and fabrics to enhance their appearance, texture, and performance characteristics. These processes are vital for converting raw materials into finished textiles suitable for various applications, including clothing, home furnishings, and industrial products. Core stages include pre-treatment (desizing, scouring, bleaching), dyeing and printing, and finishing, which imparts properties such as softness, wrinkle resistance, and water repellence. The industry is substantial and continues to grow steadily, driven by a strong supply of raw materials, a large and cost-effective labour force, and rising domestic demand. With abundant availability of key inputs and efficient labour costs, the industry can produce competitively priced products, attracting significant interest from both local and global manufacturers.

Supportive policy measures, investment incentives, and focus on local manufacturing are creating a favourable environment for capacity expansion and technological upgrades. At the same time, increasing awareness around sustainable production and the rise of digital commerce are opening new growth avenues. India's push towards trade cooperation through free trade agreement and heightened demand for eco-friendly textiles are expected to boost exports and enhance India's position in the global market. With these trends, the industry is well-placed to sustain healthy growth in the coming years.

Chart 18: Textile Processing Industry Market Size and Forecast

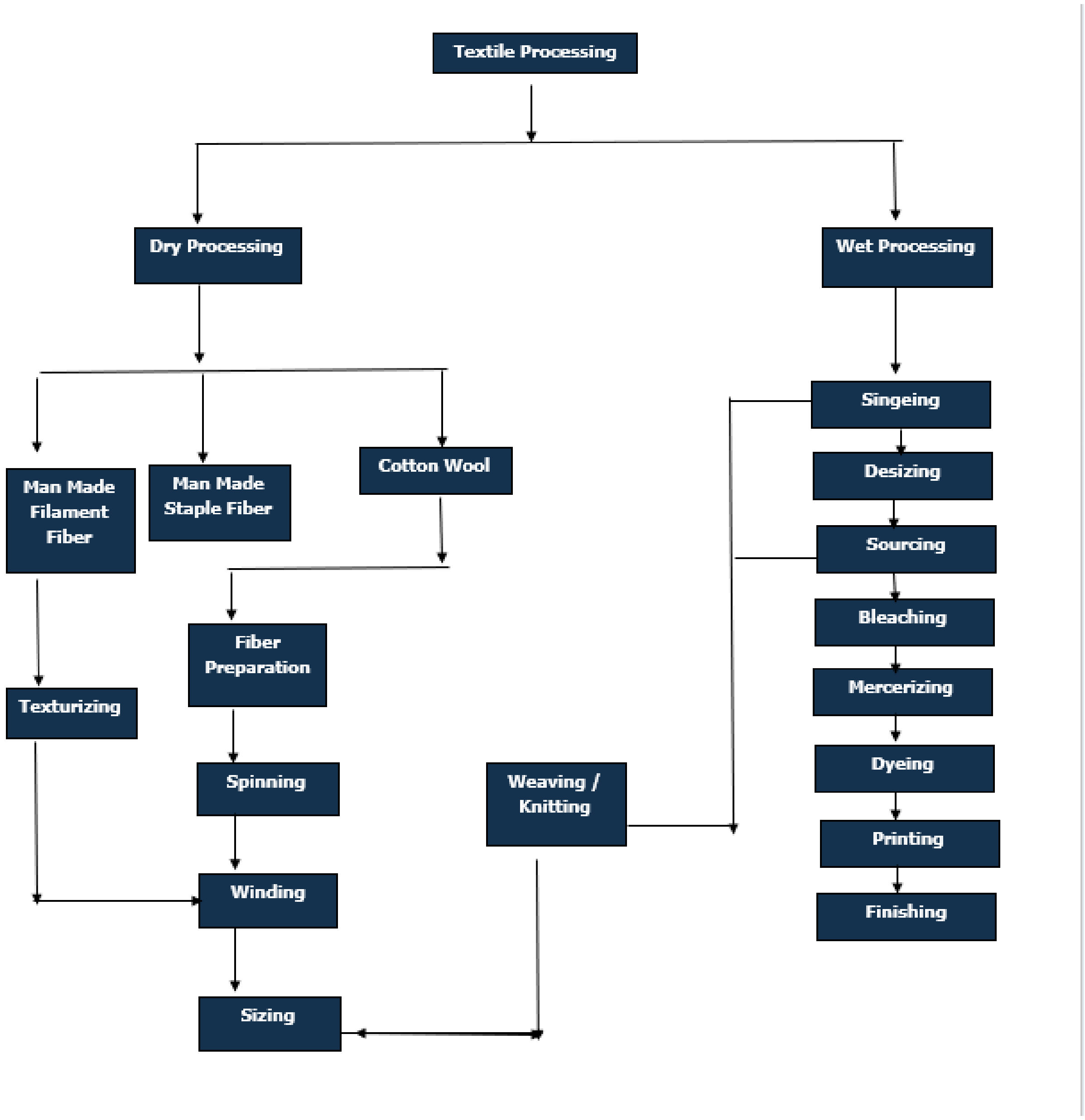


Source: Maia Research, CareEdge Research

After a challenging CY20, marked by pandemic related disruptions, CY21 marked a sharp recovery driven by increased demand as markets reopened and production resumed after the impact of Covid-19. CY22 continued this growth trajectory, albeit at a slower pace, with a moderate increase. However, in CY23, the industry faced a slight decline possibly due to challenges like fluctuating cotton prices, diminishing demand, capacity under-utilization and dumping of imported fabrics and garments from China and Bangladesh.

The Indian apparel and textile industry had a mixed performance in calendar year 2024 (CY24), characterized by modest growth, export woes, and strategic direction toward sustainability and rising global competitiveness. Projections for CY25 to CY30 indicate steady and stable growth. This growth outlook is expected to be driven by factors such as the recovery from past setbacks, the continued expansion of domestic and international markets, and advancements in processing technologies that enhance efficiency and sustainability. The increasing demand for eco-friendly textiles and the adoption of digitalisation and automation in production are likely to fuel this growth. By CY30, the Indian textile processing industry is expected to mature, supported by its competitive edge in both local and global markets, ensuring long-term stability and growth despite short-term fluctuations.

Textile Processing Flow Chart



Source: CareEdge Research

1. **Textile Processing Overview:** Textile processing refers to the entire chain of operations involved in converting raw fibers whether natural like cotton and wool or synthetic like polyester and nylon into finished fabric ready for use. The process broadly consists of two major stages. Dry Processing and Wet Processing. Dry processing involves mechanical and physical operations that transform fibers into yarn and fabric, while wet processing uses chemical and aqueous

treatments to clean, color, and finish the material.

2. **Dry Processing:** Dry processing encompasses all physical steps carried out before any chemical treatment. It includes handling both natural and synthetic fibers, converting them into yarn, and then into fabric.

- **Man-Made Filament Fiber:** Man-made filament fibers are continuous synthetic strands, such as polyester, nylon, or viscose filament. These fibers are directly produced in long lengths through extrusion and can be used as they are or textured to improve performance characteristics.
- **Texturizing:** Texturizing is a mechanical process that modifies smooth filament yarns to create bulk, stretch, and softness, mimicking the comfort of natural fibers. Techniques like false-twist texturizing or air-jet texturizing introduce crimps or loops in the filament, improving elasticity, warmth, and fabric feel.
- **Man-Made Staple Fiber and Cotton/Wool:** Staple fibers both synthetic and natural are short-length fibers that require spinning to form yarns. Cotton and wool fall into this category and need preparatory processes to ensure smooth yarn production.
- **Fiber Preparation:** In this step, fibers are cleaned, blended, carded, and combed. These operations align the fibers parallel to each other, remove impurities, and produce a uniform sliver (a loose strand of fibers) ready for spinning. Proper fiber preparation ensures strength, evenness, and smoothness in the final yarn.
- **Spinning:** Spinning converts the prepared sliver into continuous yarn by drawing and twisting it. The twist binds fibers together, imparting strength and cohesion. Different spinning methods such as ring, rotor, or air-jet spinning are used depending on fiber type and desired yarn quality.
- **Winding:** Winding is the process of transferring spun yarn from smaller bobbins onto larger cones or packages suitable for further processing. It also helps in clearing weak or uneven sections of yarn, ensuring smoother weaving or knitting.
- **Sizing:** Sizing is an important step where a protective film (made from starch, PVA, or synthetic resins) is applied to the yarn surface. This coating enhances yarn strength, reduces friction, and minimizes breakage during weaving. After weaving, this layer must be removed during wet processing (desizing).
- **Weaving / Knitting:** In weaving, two sets of yarns the warp and the weft are interlaced at right angles to form woven fabric. In knitting, yarns are interlooped to form knitted structures. Both processes create what is called greige fabric, which is unfinished and requires subsequent wet processing to enhance its usability.

3. **Wet Processing:** Wet processing involves chemical treatments that improve the fabric's appearance, texture, and functionality. It includes preparatory, coloration, and finishing stages.

- **Singeing:** Singeing removes loose or protruding fibers from the surface of the fabric by passing it rapidly over a gas flame or heated plate. This makes the surface smooth and prevents pilling, ensuring a cleaner appearance after dyeing and printing.
- **Desizing:** Since yarns are coated with sizing material before weaving, desizing is required to remove this layer. Enzymatic, oxidative, or acid desizing methods are used depending on the size material. Proper desizing ensures uniform dye absorption in later stages.
- **Scouring:** Scouring is a deep cleaning process that removes natural impurities such as waxes, oils, and dirt, as well as residual chemicals from the fabric. It typically involves boiling the fabric in an alkaline solution. This step improves absorbency, allowing dyes and finishes to penetrate

evenly.

- **Bleaching:** Bleaching eliminates the natural color of fibers to produce a uniform white base, suitable for dyeing or printing. Hydrogen peroxide is commonly used for cotton fabrics, while milder agents are applied for wool and silk to prevent damage.
- **Mercerizing:** Mercerization is a chemical treatment applied to cotton fabric using concentrated caustic soda (NaOH). It causes the fibers to swell, increasing luster, strength, and affinity for dyes. This step significantly enhances the brightness and smoothness of cotton textiles.
- **Dyeing:** Dyeing imparts uniform color to the textile material, which can be done at the fiber, yarn, fabric, or garment stage. Various dye types (reactive, vat, disperse, etc.) are chosen based on fiber composition. The process involves controlled temperature, pH, and time to ensure consistent coloration.
- **Printing**: Printing applies colored patterns or designs to specific areas of the fabric using pigments or dyes. Techniques include screen printing, digital printing, and roller printing. Printing adds aesthetic value and is commonly used for fashion and home textiles.
- **Finishing:** Finishing is the final stage that imparts specific functional or aesthetic properties to the fabric. It includes mechanical finishes (like calendering, raising, or compacting) and chemical finishes (like wrinkle resistance, water repellency, flame retardancy, or softening). Finishing gives the fabric its final handle, appearance, and performance suited to its intended end use.

4. **Final Output**: The combined dry and wet processing stages transform raw fibers into finished textile fabrics that are clean, strong, visually appealing, and functional. These fabrics are then ready for garment production, home furnishings, or industrial applications.

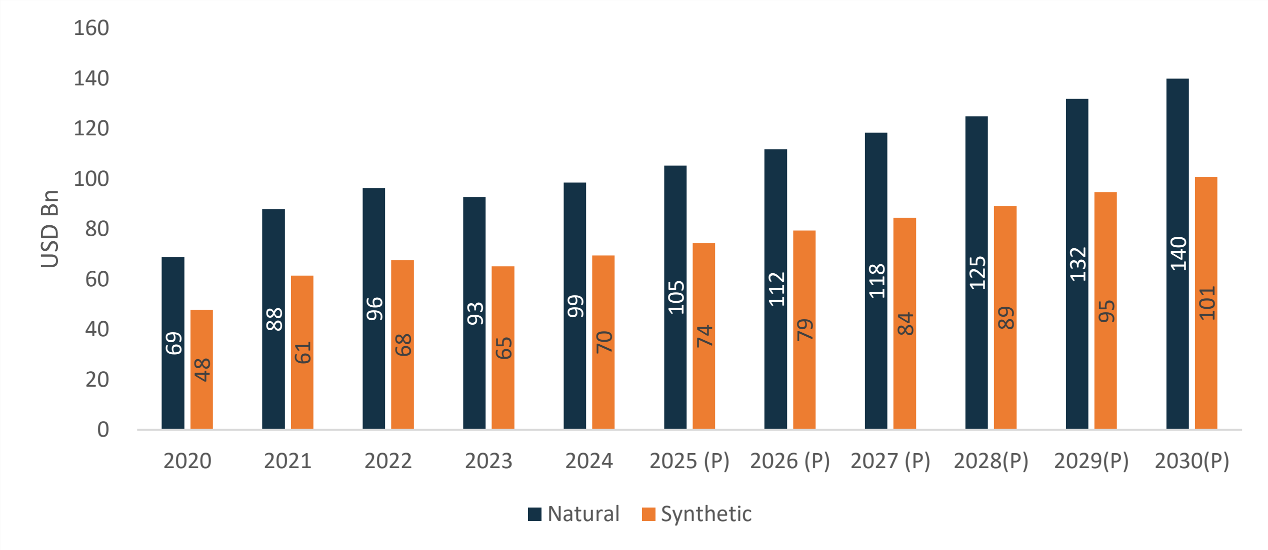
6.1.1. Indian Textile Process Market Size by Product Type

Natural textiles represent the leading segment within India’s textile processing industry. The country benefits from an abundant supply of natural fibres such as cotton, jute, and silk, which ensures stable and cost-efficient raw material availability. This self-sufficiency reduces reliance on imports and supports scalable, consistent production.

India’s deep-rooted tradition in natural fibre cultivation and textile craftsmanship has fostered strong consumer trust in these materials. Valued for their comfort, breathability, and environmental attributes, natural textiles align closely with evolving consumer preferences. This has reinforced their market leadership and sustained high demand in both domestic and international markets.

Synthetic textiles form the fastest-growing segment in India’s textile processing industry, driven by their versatility, durability, and affordability. Comprising fibres such as polyester, nylon, and viscose, they serve a broad range of sectors including sportswear, fast fashion, and technical textiles. Their capacity for mass production and limited reliance on agricultural cycles further enhances their appeal. The industry is also embracing sustainability, with rising adoption of recycled fibres and eco-friendly manufacturing processes to meet global environmental standards. Supported by technological advancements and strong export potential, synthetic textiles are rapidly gaining market share and are poised to play a key role in India’s emergence as a global textile leader.

Chart 19: Indian Textile Processing Industry Market Size and Forecast- By Product Types



Source: Maia Research, CareEdge Research

The Indian textile processing industry, valued at USD 159 billion in CY24, is projected to reach USD 241 billion by CY30, driven by growth across both natural and synthetic fibre segments. Natural textiles, which currently lead the market with USD 99 billion, are expected to grow to USD 140 billion in CY30, due to India's abundant raw material base, traditional expertise in cotton and silk, and rising global demand for breathable and eco-friendly fabrics. The sector also benefits from government support and strong consumer preference for sustainable, comfortable materials. On the other hand, synthetic fibres are the fastest-growing segment, projected to increase from USD 70 billion in CY24 to USD 101 billion by CY30, fuelled by demand for durable, affordable, and easy-care fabrics used in activewear, fast fashion, and technical applications. This growth is further supported by increased investment in recycling technologies, innovation in performance textiles, and India's rising role as a low-cost, high-capacity global manufacturing hub. Together, these factors are shaping a robust and diversified future for India's textile processing industry

6.1.2. Indian Textile Processing Industry Export Contribution

India's textile processing industry plays a pivotal role in bolstering the nation's export capabilities. It contributes significantly to employment and economic growth, making India one of the largest exporters of textiles and apparel globally.

• **Large-Scale Manufacturing Units:** Large-scale manufacturing units are central to India's textile processing industry, enabling high-volume production to meet both domestic and global demand. These expansive facilities are concentrated in key textile hubs such as Surat, Ahmedabad, and Tirupur, each specializing in distinct segments of textile production. In Surat, Gujarat, the focus is on synthetic textiles, particularly polyester fabrics, with the city being one of the largest centres for polyester production in India. Ahmedabad, known as the 'Manchester of the East,' has a rich history in textile manufacturing, especially in cotton fabrics. Tirupur, Tamil Nadu, stands out as a leading centre for knitwear, contributing significantly to India's garment exports.
• **Export Infrastructure and Logistics Connectivity:** India's expanding network of ports, inland container depots, and freight corridors enables efficient movement of goods, reducing turnaround times for exports. Textile hubs such as Mumbai, Chennai, and Mundra offer direct

	shipping access to key international markets, which facilitates cost-effective and timely delivery of processed textiles.
•	**Technological Advancements:** The adoption of modern technologies, such as automated dyeing machines and waterless dyeing techniques, enhances product quality and reduces lead times. These innovations make Indian textiles more appealing to global buyers seeking efficiency and sustainability.
•	**Strong Domestic Textile Ecosystem:** India's well-integrated domestic supply chain, encompassing everything from raw material production to finished goods, enhances export readiness. This integration ensures timely delivery and consistent quality, strengthening India's position in the global textile market.

Growth Drivers of Indian Textile Processing Industry

India's textile processing industry has significantly enhanced its export capabilities through various strategic initiatives.

- **Government Support and Policies:** The Indian government has implemented several initiatives to modernize the textile sector, and boost exports The Amended Technology Upgradation Fund Scheme (ATUFS), seeks to enhance productivity, quality, and employment while promoting export growth and import substitution. Additionally, the establishment of **Mega Integrated Textile Region and Apparel (MITRA) Parks** aims to streamline operations and reduce logistics costs by creating integrated textile hubs. Export incentives under schemes like the **Merchandise Exports from India Scheme (MEIS)** further support the industry's global competitiveness.

- **Free Trade Agreements (FTAs):** India's Free Trade Agreement (FTA) with the UK will enable demand in the textile sector by removing duties on major exports such as garments and fabrics, allowing Indian products to compete more strongly in the UK market. This should raise export levels and assist in employment generation in the textile sector, which is labour-intensive. India is actively pursuing Free Trade Agreements with key partners to enhance market access for its textile products. Negotiations with the **European Union (EU)** focus on reducing tariffs and aligning industry standards to facilitate smoother trade. Similarly, discussions with the **United States (US)** aim to secure preferential access for Indian textiles, potentially eliminating tariffs and boosting exports. These agreements are expected to level the playing field for Indian exporters in global markets.

- **Sustainability Trends:** Global demand for eco-friendly textiles has prompted Indian manufacturers to adopt sustainable practices. Techniques such as **waterless dyeing** and the use of **organic cotton** are becoming prevalent, aligning with international environmental standards.

- **Export-Focused Product Diversification:** India's textile exports encompass a wide range of products, including **ready-made garments, home textiles,** and **ethnic wear.** This diversification allows India to cater to various international markets, enhancing its global footprint. Notably, home textile exports have seen significant growth, driven by global demand and strategic initiatives.

- **Digital Platforms and E-Commerce:** The rise of e-commerce has opened new avenues for Indian textile exporters. Several Platforms enable Indian manufacturers to reach international customers more easily, expanding their global presence. This digital expansion facilitates access to a broader customer base and streamlines the export process.

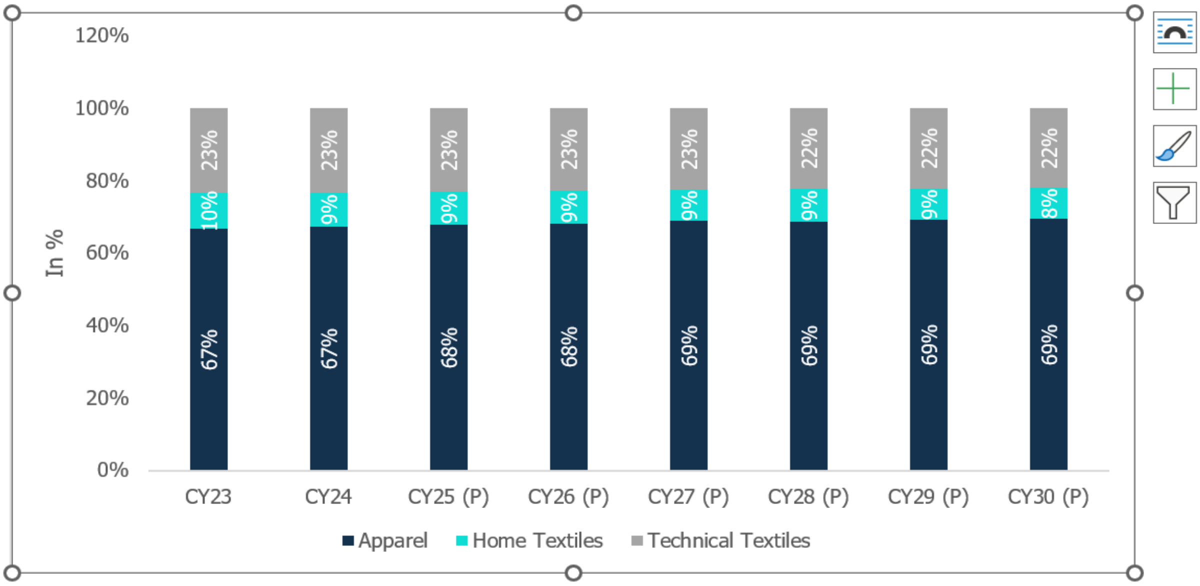
6.1.3. Key sustainability challenges in the Indian textile processing industry:

1.	**Excessive Water Consumption**: Textile processing, especially dyeing and finishing, requires large amounts of water, leading to over-extraction from water-scarce areas and water pollution due to untreated chemical discharge.
2.	**Chemical Pollution**: The use of hazardous chemicals, such as toxic dyes and heavy metals, is widespread, contributing to environmental degradation and health risks for workers and nearby communities.
3.	**High Energy Consumption**: The energy-intensive nature of textile processing results in significant carbon emissions, with many units still relying on non-renewable energy sources like coal and diesel.
4.	**Textile Waste Generation**: Large amounts of fabric scraps, offcuts, and non-recyclable packaging contribute to solid waste, which often ends up in landfills, increasing environmental pollution.
5.	**Limited Recycling and Circular Economy Practices**: There is a lack of widespread adoption of recycling processes for textile waste, and the industry has yet to fully embrace circular economy practices that could reduce waste and enhance material reuse.

6.2 Indian Textile Process Market Size by Application

The Indian textile processing industry caters to a broad spectrum of applications, reflecting its diverse capabilities and deep integration across domestic and global value chains. Key application areas include apparel, which remains the largest segment driven by strong domestic consumption and growing exports, home textiles, such as bed linen, curtains, and upholstery, supported by rising urbanization and lifestyle upgrades and technical textiles, a rapidly emerging segment used in sectors like healthcare, automotive, construction, and agriculture. Additionally, industrial textiles serve niche applications requiring specialised performance characteristics like durability, resistance, and insulation. This wide application base not only ensures the industry's resilience but also positions it for robust growth, driven by evolving consumer preferences, policy support, and increasing investments in innovation, sustainability, and capacity expansion.

Chart 20: Indian Textile Processing Industry Market Size and Forecast- By Application



Source: Maia Research, CareEdge Research

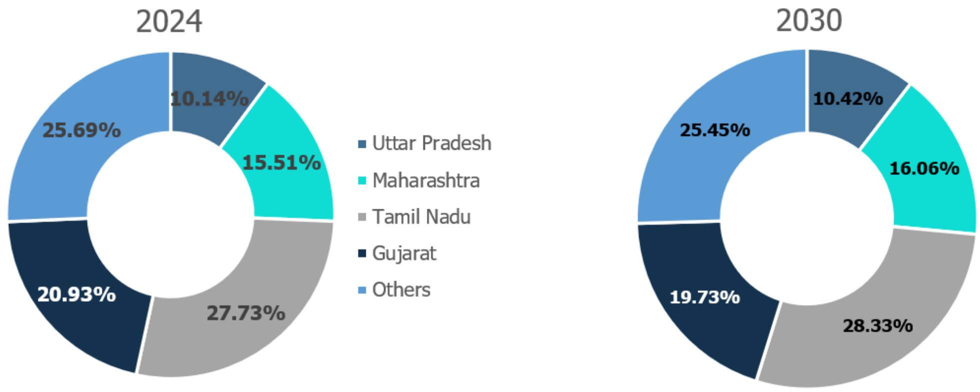
Apparel continues to dominate, maintaining a strong and slightly growing share from 67% in CY24 to 69% by CY30 driven by India's large consumer base, rising fashion consciousness, the growth of organized retail, and expanding export markets. This increase also reflects growing demand for fast fashion and performance wear, particularly in synthetic and blended fabrics.

Home textiles, which include products like bed linens, towels, and curtains, hold a steady but slightly declining share, falling from 9% in CY24 to 8% by CY30. The demand remains stable due to factors like rising disposable income. positively impacting the living standards, home renovation trends, and export strength, the relative decline suggests other segments are growing at a faster pace. Meanwhile, technical textiles used in sectors such as healthcare, agriculture, automotive, and infrastructure maintain a consistent share of 23% until CY27, before slightly dipping to 22% by CY28 and beyond. Despite the marginal decline, this segment is expected to remain vital, fuelled by government initiatives like the National Technical Textiles Mission and increasing industrial usage. Overall, while apparel remains the core driver, the data reflects a well-diversified application mix supporting sustained industry growth.

6.3 Indian Textile Process Market Size by Region

The Indian textile processing industry is geographically well-distributed, with several key states driving its growth through strong industrial infrastructure, skilled labour, and access to raw materials. Major regions like Uttar Pradesh, Maharashtra, Tamil Nadu, and Gujarat play a pivotal role in shaping the sector, each contributing based on their regional strengths in traditional textiles, spinning, dyeing, and synthetic processing. In addition to these leading states, many other regions are emerging as new textile hubs, supported by government incentives and increasing private investment. This regional spread ensures a balanced and resilient growth trajectory for the industry nationwide.

Chart 21: Indian Textile Processing Industry Market Share and Forecast- By Region



Source: Maia Research, CareEdge Research

Others Include: Rajasthan, Telangana, Karnataka, and Andhra Pradesh

The regional revenue distribution of India's textile processing industry from 2024 and 2030 reflects the dominance of traditional hubs with slight shifts. Tamil Nadu remains the top contributor, increasing from 27.73% in CY24 to 28.33% CY30(P), supported by its strong industrial base, export-oriented units, and integrated processing facilities. Maharashtra's share is expected to grow from 15.51% to 16.06%, driven by its increasing focus on synthetic textiles and improved logistics infrastructure. Uttar Pradesh may see a modest increase from 10.14% to 10.42%, reflecting steady expansion in traditional textile zones and enhanced state-level initiatives. In contrast, Gujarat sees a minor decline from 20.93% to 19.73% in CY30(P), potentially due to saturation and rising competition from other states. The "Others" category remains relatively stable, suggesting that while new regions are developing, growth is more pronounced in the established centres.

6.4 Technology Landscape

India's textile processing industry is experiencing a significant transformation, moving from traditional methods to modern, technology-driven solutions. Traditional processing techniques such as manual dyeing and screen printing are often labour-intensive, inconsistent, and environmentally taxing. In contrast, modern technologies emphasize efficiency, precision, and sustainability. Innovations such as automated machinery, advanced treatment processes, and eco-compliant systems improve product quality while reducing operational costs and environmental impact.

A key area of advancement is the adoption of innovative processes like digital printing, enzyme-based treatments, and waterless dyeing. Digital printing offers high-speed, low-waste, and highly customizable fabric solutions with reduced water and chemical usage. Enzyme-based processes replace harsh chemicals with eco-friendly biological agents for fabric treatment, improving sustainability and fibre strength. Similarly, waterless dyeing technologies, including those utilising supercritical carbon dioxide, are gaining prominence amid growing water scarcity and increasingly stringent environmental regulations.

The integration of automation and Industry 4.0 technologies is further revolutionising textile processing. IoT-enabled systems, real-time analytics, and smart sensors facilitate precise monitoring and control, ensuring consistent quality and optimal resource use. Automation, robotics, and AI-driven tools are streamlining production, reducing manual intervention, and enhancing predictive maintenance and supply chain visibility. These advancements are essential for improving turnaround times, meeting global standards, and staying competitive in an increasingly demanding market.

Types of New and Sustainable Textile Processing and Dyeing Technologies

New Techniques of Textile Processing and Dyeing: With the increasing global focus on sustainability, the textile industry has been shifting toward eco-friendly and resource-efficient technologies. Conventional wet processing and dyeing methods consume large amounts of water, energy, and chemicals, often leading to significant environmental pollution. Modern innovations aim to minimize these impacts by adopting cleaner, faster, and waterless dyeing systems that enhance productivity and quality while ensuring environmental safety.

Supercritical CO_2 Dyeing: One of the most significant innovations in waterless dyeing is the use of supercritical carbon dioxide (CO_2) as a dyeing medium. In this process, CO_2 is heated and pressurized until it reaches a supercritical state, where it behaves like both a gas and a liquid. The dye dissolves in this medium and efficiently penetrates synthetic fibres such as polyester and nylon. This eliminates the use of water and the need for effluent treatment. The CO_2 used in the process can be captured and recycled, making it a closed-loop and sustainable technology. It also offers advantages such as faster dyeing cycles, better dye fixation, and energy savings.

Digital (Inkjet) Textile Printing: Digital printing has emerged as a modern alternative to traditional screen printing. This process involves applying dyes or pigments directly onto fabrics through computer-controlled inkjet printers. Digital printing drastically reduces water usage by nearly 90 percent since it requires no screens, washing, or rinsing steps. It allows precise control over designs and colors, enabling high-resolution prints, short production runs, and easy customization. Moreover, digital printing minimizes chemical waste and reduces energy consumption, making it highly suitable for sustainable textile production.

Plasma and Ozone Treatments: Surface modification using plasma and ozone technologies is another eco-friendly development in textile processing. Plasma treatment involves exposing the fibre surface to ionized gas, which alters its properties and improves dye absorption without using water or chemicals. Similarly, ozone treatment is used for bleaching and cleaning fabrics, replacing conventional chemical bleaching agents like hydrogen peroxide. These methods operate at room temperature, save energy, and reduce environmental pollution, while also improving dye uptake and color fastness.

Enzymatic or Bioprocessing: Enzymatic processing uses natural biological catalysts instead of harsh chemicals in various textile treatments such as scouring, bleaching, and polishing. Enzymes like amylase, cellulase, and catalase perform specific functions—removing impurities, smoothing fabric surfaces, and eliminating residual chemicals. These processes operate under mild conditions, consume less energy and water, and produce biodegradable effluents. Bio-scouring and bio-polishing have become common in cotton and knitwear processing, as they enhance softness and appearance while being environmentally benign.

Foam Dyeing and Finishing: Foam dyeing is a relatively new technique where dyes and finishing agents are applied to fabrics in the form of foam rather than liquid. Since foam contains less water, this method reduces water usage by nearly 70–80 percent and also lowers drying energy requirements. The process provides uniform coloration and can be applied to various fibres including cotton and polyester. In finishing, foam application is also used for coatings, flame retardants, and softeners, ensuring a more sustainable alternative to conventional padding and drying methods.

Nanotechnology-Based Processing: Nanotechnology is increasingly being integrated into textile processing to impart special functionalities such as UV protection, antimicrobial properties, stain resistance, and self-cleaning effects. This is achieved by coating fabrics with nanoparticles or embedding them within the fibre structure. Such treatments are highly durable and often require fewer chemicals compared to traditional finishing processes. Nanotechnology is particularly useful in performance and technical textiles used in sportswear, defense, and healthcare applications.

Low-Liquor Ratio (LLR) Dyeing Machines: Modern dyeing machines are designed to operate with very low liquor ratios, meaning that they use minimal water relative to the fabric weight. Advanced systems like airflow, jet, and soft-flow machines can reduce water consumption by 50 to 70 percent compared to conventional methods. These machines also cut down chemical and energy usage while ensuring consistent dyeing quality and reproducibility. LLR technology represents a major step toward efficient and sustainable textile processing.

Eco-Bleaching and Low-Temperature Processes: Recent developments in bleaching technology allow fabrics to be whitened effectively at lower temperatures using stabilized peroxide and advanced oxidation systems. These eco-bleaching processes consume less energy, prevent fibre damage, and improve fabric feel. They are particularly suitable for organic cotton and delicate textiles, aligning well with the growing demand for environmentally friendly materials.

Recycled and Natural Dye Systems: The use of natural dyes extracted from plants, minerals, and insects has been revived as part of the sustainable textile movement. Additionally, recycling dye baths and reusing dye effluents help conserve water and reduce waste generation. Although natural dyes often have limitations in shade range and color fastness, they are non-toxic, biodegradable, and align with circular economy principles. Many sustainable brands now use natural or low-impact dye systems to meet eco-certification standards and consumer preferences for green products.

6.5 SWOT Analysis: Indian Textile Processing Industry

Strengths:

The Indian textile processing industry benefits from a well-integrated and self-reliant value chain encompassing fiber production, yarn manufacturing, fabric processing, and garmenting. This end-to-end capability enhances flexibility and reduces dependence on imports. India is also one of the leading producers and exporters of man-made fibers, fabrics, and made-ups, supported by a cost-competitive manufacturing base and a large skilled workforce. Furthermore, government initiatives such as the Production Linked Incentive (PLI) Scheme, the establishment of PM MITRA Parks, and the extension of RoDTEP benefits have strengthened the sector’s global competitiveness and encouraged fresh investments in processing infrastructure.

Weaknesses:

Despite its advantages, the industry faces several internal challenges. Poor infrastructure, particularly the unreliable supply of water and electricity, hampers smooth operations and increases production costs. The absence of adequate Common Effluent Treatment Plants (CETPs) in small industrial clusters adds to environmental compliance difficulties. Tightening environmental norms have also increased expenditure on effluent treatment and pollution control systems, straining the financial capacity of small and medium enterprises. Moreover, limited access to affordable finance restricts modernization efforts, leading many units to operate with outdated and inefficient machinery. The shortage of skilled and technically trained labor especially in semi-urban and rural textile hubs—further limits productivity and the adoption of advanced technologies.

Opportunities:

There are strong growth opportunities driven by modernization, export potential, and sustainability trends. Upgrading to automated, energy-efficient, and eco-friendly technologies can significantly improve productivity, quality, and cost efficiency. India's expanding global trade relations—through recent Free Trade Agreements (FTAs) with the UAE and the UK, and ongoing negotiations with the EU—are expected to open new markets and enhance export competitiveness. Additionally, the growing global focus on sustainable and circular textile production presents an opportunity for Indian manufacturers to differentiate themselves through green certifications, traceability, and environmentally responsible processing practices.

Threats:

The Indian textile processing sector continues to face strong external pressures, particularly from China's dominant position in global textiles. Chinese manufacturers benefit from advanced technology, automation, large-scale production, and substantial government support, allowing them to achieve superior cost efficiency. This results in highly competitive pricing that challenges Indian processors in both domestic and international markets. There are also persistent concerns about dumping practices, where low-priced Chinese textiles flood markets and erode the margins of Indian producers. Additionally, global buyers increasingly demand faster turnaround times and consistent quality—areas where India still struggles due to fragmented supply chains, logistical bottlenecks, and slower processing cycles. Without focused investments in technology, skill development, and process optimization, Indian processors risk losing further ground in the global value chain.

7. Overview of Fabric Industry in India

7.1 Introduction of Fabric Industry in India

Fabrics are an essential component of the textile industry, acting as the intermediary between raw material processing which is yarn and the production of final products, such as clothing, home furnishings, and industrial materials. They are created from fibres, whether natural (like cotton or wool) or synthetic (such as polyester or nylon), and undergo various production methods to become usable materials with specific characteristics.

Manufacturers use three major ways to make fabrics: weaving, knitting, and non-woven processes. Weaving crosses two different sets of yarns at right angles, creating a fabric that is firm, stable, and long-lasting. Knitting interloops yarns to form fabrics that are flexible, stretchy, and soft. Non-woven processes bond or felt fibres directly, without using yarns. These fabrics are usually used for cost-effective, disposable, or specialized technical functions. One can group fabrics according to their method of construction and physical characteristics, such as strength, elasticity, and texture. Below is the division of fabrics in terms of type of construction and major physical factors:

Fabric Type	Examples	Production Method	Strength	Elasticity	Texture
Woven	Denim, Poplin, Twill	Interlacing of yarns	High	Low	Structured, crisp
Knitted	Jersey, Rib, Interlock	Interlooping of yarns	Moderate	High	Soft, flexible
Non-Woven	Felt, Spunbond, Geotextile	Bonding of fibres	Varies	Limited to Moderate	Smooth or coarse

Fabrics are crucial to the textile industry, not only adding to the manufacture of everyday products but also to their functional performance and beauty. In fashion, the choice of fabric has a direct impact on the design, drape, and comfort of a garment. For instance, fabrics with moisture-wicking or stretch properties are greatly sought after in sportswear and activewear.

Within the home textiles segment, producers value fabrics that are durable, easy to maintain, and provide tactile comfort, particularly for items like upholstery, curtains, and bedding. Technical textiles, on the other hand, are specifically designed to fulfill specific performance requirements—like fire retardancy, tensile strength, or thermal insulation—based on their end uses.

With the industry moving towards more sustainability, the need for eco-friendly materials keeps increasing. Biodegradable materials, recycled fibers, and intelligent textiles are revolutionizing the market by providing high performance while meeting environmental needs.

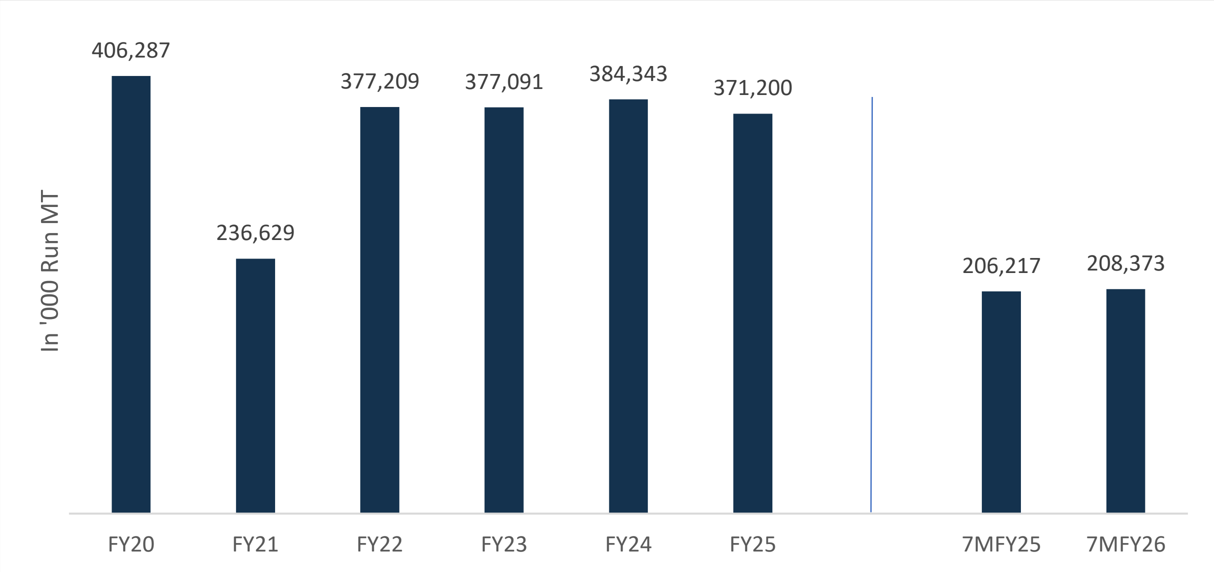
7.2 Types of the Fabrics and their application in the industry

Fabric Type	Description	Examples	Applications
Woven Fabrics	Made by interlacing two sets of yarns – the weft (horizontal) and the warp (vertical). They are strong, firm, and durable, with limited stretch.	• Denim: A thick cotton fabric used in jeans and casual wear. • Twill: A fabric with A diagonal weave used in trousers and jackets.	• Apparel: Formal wear, trousers, jackets, denim jeans. • Automotive: Upholstery, airbags, and seatbelts. • Home Textiles: Bed linens, curtains, and upholstery materials. • Industrial: Workwear and protective clothing.
Knitted Fabrics	Made by looping yarns together to create a stretchy, flexible material that can stretch in all directions.	• Jersey Knit: Soft and stretchy fabric used for t-shirts. • Rib Knit: Stretchy fabric used in sweaters and other garments.	• Apparel: Casual wear, activewear, sportswear (t-shirts, leggings, dresses). • Medical: Compression garments, socks, stockings. • Children's Wear: Soft and stretchy materials for ease of movement.
Non-Woven Fabrics	Created by bonding fibers together using mechanical, thermal, or chemical methods, without the need for yarns or threads. Lightweight and disposable.	• Spunbond: Used in medical and hygiene products like surgical gowns and masks. • Needle punch: Used in carpets and automotive insulation. • Melt blown: Used for filtration materials. – Air laid: Used in wipes and diapers.	• Medical Textiles: Surgical masks, gowns, bandages, and wound dressings. • Geotextiles: Soil stabilization, erosion control, drainage systems. • Automotive: Soundproofing, insulation, and filtration. • Packaging: Durable protective covers and shopping bags.

7.3 Trend in the production of Cotton woven Fabrics.

Cotton woven fabric production was at 406,287.4 thousand Meters in FY19-20. However, the COVID-19 pandemic severely impacted the industry in FY20-21, causing a sharp decline to 236,628.5 thousand Meters due to factory shutdowns and supply chain disruptions. Since then, production has gradually rebounded, reaching 384,343.3 thousand Meters in FY23-24, signalling a recovery and a return to pre-COVID levels, driven by increased demand for casual and athleisure wear along with technological advancements.

Chart 22: Cotton Woven Production



Source – CMIE, CareEdge Research

Technological advancements in the cotton woven fabric industry have led to significant improvements in production efficiency and sustainability. Innovations such as automated weaving, eco-friendly dyeing techniques, and advanced manufacturing processes have enhanced fabric quality while reducing environmental impact. The demand for cotton woven fabrics has surged, particularly driven by the growing popularity of casual and athleisure wear. Consumers increasingly prioritize comfort, breathability, and versatility, making cotton a preferred choice for everyday and activewear. This shift has significantly impacted the textile industry, compelling manufacturers to embrace modern technologies and sustainable practices to meet evolving market demands for high-performance and eco-conscious fabrics.

7.4 End-User Industries for Fabrics

1. Apparel and Fashion Industry

The Apparel and Fashion sector is a key industry where fabrics are central to the design, functionality, and comfort of clothing. Fabrics are chosen based on their texture, appearance, and performance, helping designers create garments that are both stylish and wearable. With advancements in fabric technology, modern materials now offer added features like moisture-wicking, UV protection, and antibacterial properties, meeting the changing needs of consumers. Fabrics are carefully selected to match the intended garment, its purpose, and the season. For example, lightweight cotton is often used in summer clothing due to its breathability, while heavier materials like wool are preferred for winter wear for added warmth.

Types of Fabrics in Apparel:

•	**Woven Fabrics:** These are commonly used for structured garments such as trousers, blouses, and jackets. They are known for their durability, strength, and ability to resist creases.
•	**Knitted Fabrics:** These fabrics provide stretch and comfort, making them ideal for casual wear, sportswear, and activewear, like t-shirts, leggings, and sweaters.
•	**Non-woven Fabrics:** Though used less frequently in mainstream fashion, non-woven fabrics are often employed for accessories, linings, and support elements due to their lightweight and disposable nature.

2. Home Textiles and Upholstery

The Home Textiles and Upholstery industry focuses on fabric products used in homes to provide comfort, function, and style. Fabrics for home use need to be both durable and attractive, suitable for items like curtains, bedding, and furniture. These textiles not only enhance the décor of living spaces but also offer comfort and practicality. Fabrics for home textiles must withstand frequent use and laundering while maintaining their appearance and feel. In addition to aesthetics, many modern home fabrics are designed to offer extra benefits, such as stain resistance, fire-retardant properties, and UV protection. With an increasing demand for sustainable living, eco-friendly fabrics are also gaining popularity in home textiles.

Common Fabric Types in Home Textiles:

•	**Curtains and Drapes:** Heavy woven fabrics such as velvet are often used in curtains and drapes for their aesthetic appeal and ability to block light. Some are also designed for thermal insulation.
•	**Bedding and Linens:** Soft and breathable materials like cotton and linen are used for bed sheets, pillowcases, and covers, valued for their comfort and ease of maintenance.
•	**Upholstery:** Sturdy fabrics like canvas and chenille are used for covering furniture such as sofas and chairs, ensuring they are durable, easy to clean, and resistant to wear.

3. Industrial and Technical Applications

In Industrial and Technical Applications, fabrics are specially engineered to serve critical roles in various sectors like construction, automotive, and healthcare. These fabrics are created for specific purposes such as protection, insulation, filtration, offering superior strength, durability and functionality. Unlike typical fabrics, industrial textiles are designed to meet the demanding conditions of specific industries.

Key Fabric Types in Industrial Use:

•	**Protective Clothing:** Fabrics that are fire-resistant or offer protection against chemicals and heavy-duty wear are essential in industries like manufacturing, emergency services, and oil and gas. These fabrics ensure safety and comfort for workers in hazardous environments.
•	**Geotextiles:** Woven and non-woven fabrics are used in civil engineering for applications such as soil stabilization, erosion prevention, and drainage in construction projects.
•	**Filtration Fabrics:** Non-woven materials, such as spun-bond and melt-blown, are commonly used in filters for air and water purification systems, industrial machinery, and other filtration systems.

• **Automotive Textiles:** Fabrics in the automotive industry are used for components like seat covers, airbag linings, and soundproofing materials. These fabrics must meet strict safety standards for fire resistance, heat tolerance, and durability.

7.5 Overview, Processes and Growth Drivers of Cotton Ginning & Pressing Industry

- **Overview of the Cotton Ginning and Pressing Industry**

The cotton ginning and pressing industry plays a crucial role in the textile supply chain, acting as the key link between raw cotton farming and cotton-based production. This industry handles the processing of raw cotton picked from farms to remove the cotton fiber (lint) from the seeds and other waste. Once this is done, the fiber is pressed into bales and sent to textile mills for further use. India, being one of the biggest producers of cotton in the world, has a strong ginning and pressing network, mostly located in cotton-growing states like Gujarat, Maharashtra, Telangana, and Andhra Pradesh.

- **Main Processes in Cotton Ginning**

The main process in cotton ginning starts with feeding raw cotton into machines. These machines pull apart the fiber from the seeds using either saw gins or roller gins. Saw gins are usually used for short-length cotton, while roller gins work better for long-length cotton. After the fiber is separated, it is cleaned, dried, and pressed into standard-sized bales. These bales are then packed and labelled for delivery to textile companies. The removed seeds are not wasted; they are used to produce cottonseed oil, animal feed, or are planted again for future crops.

- **Growth Drivers and Key Factors in Cotton Ginning & Pressing Industry**

The growth of the cotton ginning and pressing industry is supported by several factors. One major reason is better technology the use of modern machines, moisture control tools and fiber cleaners has improved efficiency and helped produce better quality cotton with fewer impurities. These upgrades help meet the rising demand for clean, high-grade cotton, especially from leading textile and clothing companies. In addition, the growing demand for cotton fabrics in both local and international markets is pushing the industry forward. Government help through subsidies and upgrade plans under programs like the Technology Mission on Cotton (TMC) has also supported the creation of advanced ginning centers, especially in smaller towns and rural areas. Other important reasons include more land being used to grow cotton, better crop management methods and the rise of connected supply chains where ginning centers are located close to spinning units. Also, increasing concern for the environment has led to a shift toward natural fibers like cotton, making high-quality ginning even more important in today’s market.

7.6 Growth Drivers and Challenges

Growth Drivers of the Fabrics Industry in India	**Challenges for the Fabrics Industry in India**
Rising Domestic and Global Demand: India’s growing population, increasing income levels, and evolving fashion preferences are driving the demand for various fabrics like cotton, synthetic,	**Scattered and Unorganised Units**: Many fabric-making units, especially in weaving and dyeing, are small and unregistered, causing issues such as inconsistent product quality, poor working

mixed, and speciality fabrics. Indian fabric exports are also rising globally due to affordable prices and robust production capabilities.	conditions, and limited capacity for technological adoption. This makes it difficult for them to compete with larger, more modern facilities.
Strong Textile Ecosystem: India has a comprehensive textile system from raw materials (like cotton, wool, silk, polyester) to yarn production, weaving or knitting, dyeing, and final stitching. This integrated system helps fabric manufacturers access materials and services easily, saving time and costs.	**Fluctuating Raw Material Prices**: The prices of key raw materials such as cotton, viscose, and polyester fluctuate due to global supply-demand changes, weather conditions, and trade regulations. This volatility makes it difficult for fabric manufacturers to plan production, control costs, and offer consistent prices, affecting profitability and delivery schedules.
Government Support and Schemes: Initiatives like the Production Linked Incentive (PLI) for synthetic fibres, MITRA parks scheme, and Technology Upgradation Fund Scheme are helping companies improve and scale up production. These programs aim to increase global competitiveness and attract investment into Indian fabric companies.	**Outdated Machinery and Low Productivity**: Many fabric makers still rely on old machinery and handlooms, leading to low productivity, higher waste, and inconsistent fabric quality. Many small players lack the resources or knowledge to upgrade to modern systems, hindering their ability to meet quality standards and take on large orders.
Shift Towards Specialised and Eco-Friendly Fabrics: Fabrics with additional features such as protection against germs, sunlight, or water, as well as eco-friendly production methods, are gaining popularity. The increasing use of fabrics in sportswear, medical textiles, and specialised garments is creating new opportunities for the industry.	**Environmental and Regulatory Pressures**: The fabric dyeing and treatment process uses significant water and chemicals, causing pollution. With growing pressure to adopt sustainable practices, manufacturers are expected to install wastewater treatment systems and switch to eco-friendly chemicals. However, these changes require substantial investment, which many small units cannot afford.
Growth of Online Sales and New Brands: The rise of direct-to-consumer brands and online fashion platforms is increasing the demand for diverse fabric types and quicker delivery. Manufacturers are using online platforms to connect directly with clothing brands and designers.	**Transport and Infrastructure Challenges**: Many fabric production units are located in small towns or rural areas where transport and infrastructure are unreliable. This causes delays in sourcing raw materials and delivering finished products. Additionally, small businesses in these regions often struggle to access financial support, hindering expansion and smooth operations.

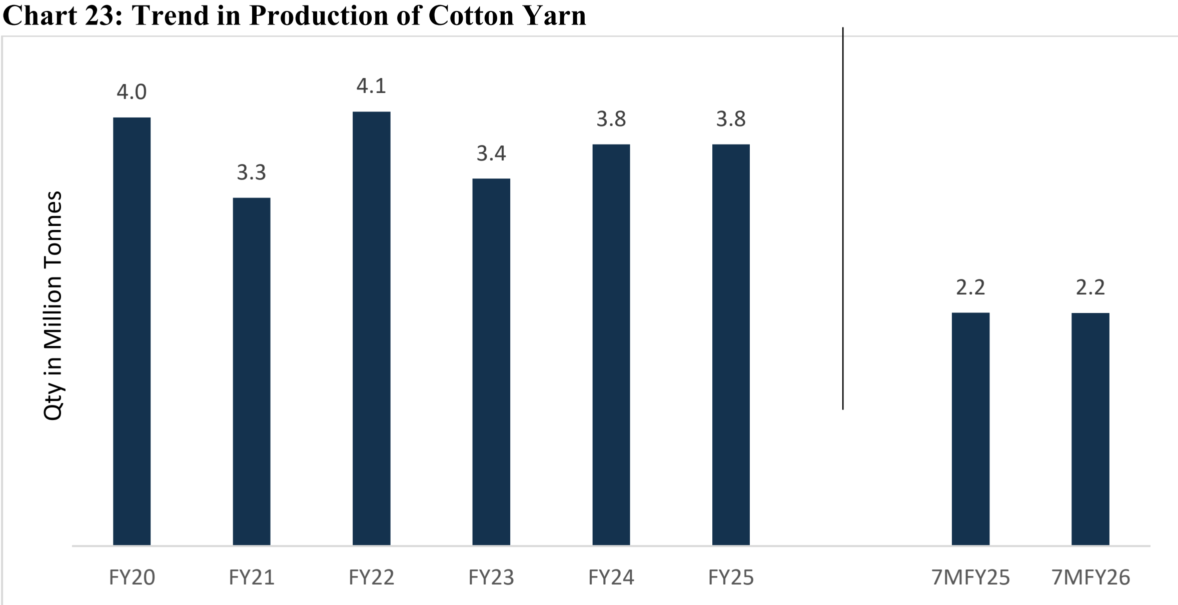
8. Outlook for Cotton Yarn: Market Trends, Growth Drivers, and Challenges

8.1 Trend in the Cotton Yarn Production

India's cotton industry boasts a complete value chain, exporting everything from raw cotton to finished garments, a testament to its expertise in this crucial material. This robust export ecosystem significantly bolsters India's net foreign exchange earnings, solidifying cotton's position as a cornerstone of the nation's economic well-being. The Indian cotton industry has demonstrated remarkable resilience, bouncing back significantly after the disruptions caused by the pandemic. Cotton is a vital commercial crop in India, contributing about 24% to global cotton production and sustaining the livelihoods of millions of farmers and workers. It plays a crucial role in India's foreign exchange earnings through exports of raw cotton, intermediate products, and finished goods. India holds the largest cotton acreage in the world.

Several factors support continued growth in cotton yarn production. The "China Plus One" strategy, where businesses are diversifying their manufacturing bases away from China, has shifted some global demand towards India. Additionally, the government's supportive policies, including the Minimum Support Price (MSP) program, create a favourable environment for cotton farmers and producers. Accordingly, the Indian cotton industry has overcome recent challenges and is well-positioned for continued success. Its strong domestic market, export potential, and supportive government policies provide a solid foundation for future growth.

Chart 23: Trend in Production of Cotton Yarn



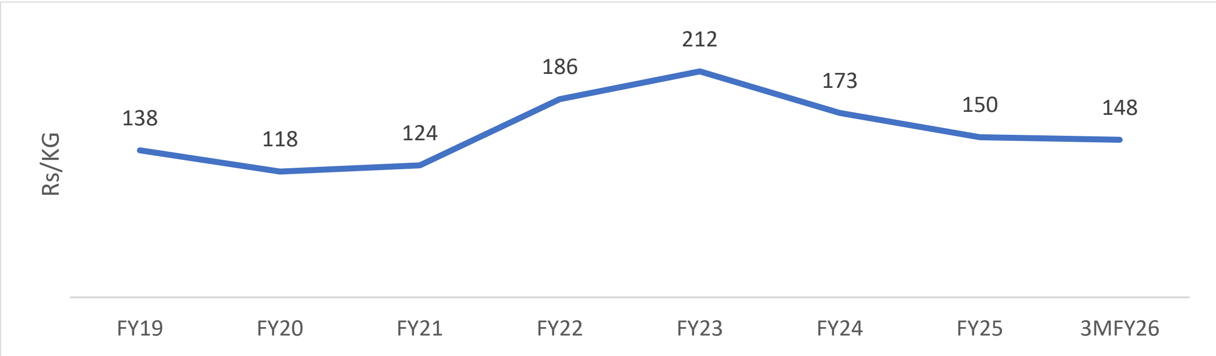
Source: CMIE, CareEdge Research

Cotton yarn production in India has shown moderate fluctuations over the past few years, reflecting both domestic and global textile-market dynamics. Production stood at 4.0 million tonnes in FY20, but declined to 3.3 million tonnes in FY21 due to pandemic-driven disruptions in demand and mill operations. Output recovered strongly in FY22 to 4.1 million tonnes, supported by improved export demand and normalised manufacturing activity. However, FY23 saw another dip to 3.4 million tonnes, largely because of high cotton prices and weakening global demand. In FY24, production improved to 3.8 million tonnes, a level that is expected to be broadly maintained in FY25, reflecting stabilising cotton availability and steady orders from both domestic and international buyers.

8.2 Trend in Cotton Prices

Indian cotton prices have seen significant fluctuations in recent years, influenced by global supply chain disruptions, demand variations, and input cost pressures. After a sharp rise due to supply constraints and strong export demand, prices started to ease with improved availability and stabilizing market conditions. This moderation in prices is providing some relief to textile manufacturers by lowering raw material costs, potentially improving their margins. However, the softening trend may affect farmer earnings and needs to be balanced with supportive government policies. Overall, the cotton market is entering a more stable phase, though global dynamics and weather conditions will continue to play a crucial role.

Chart 24: India Average Cotton Prices



Source: Index Mundi

Table **4: Cotton Season-wise Monthly average prices of a few popular varieties of lint cotton (in Rs per quintal)**

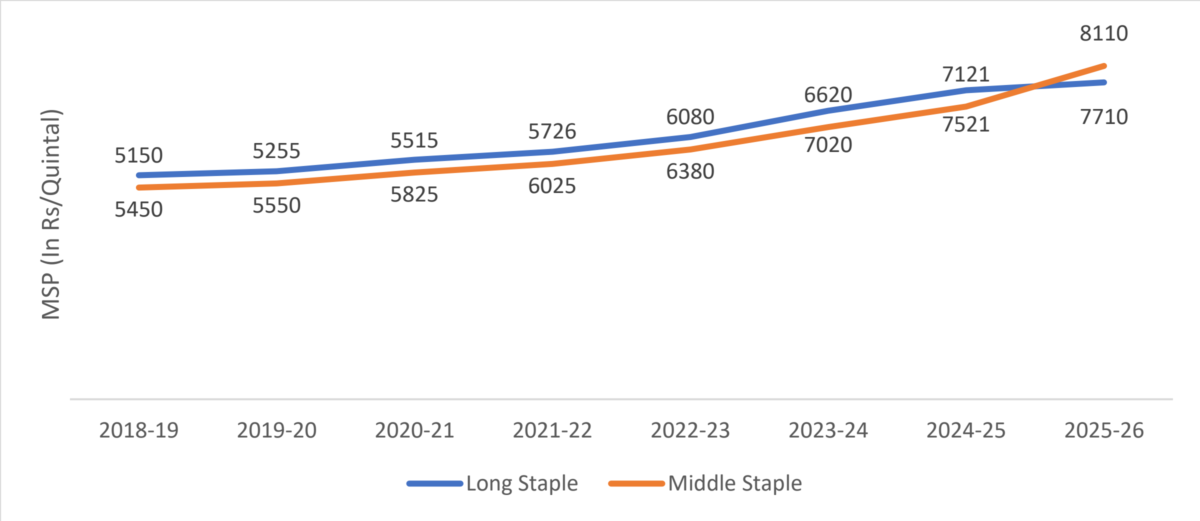
Product	**Oct - March 2023-24**	**Oct - March 2024-25**	**y-o-y % change**
S-6	16,117	15,223	-6%
J-34	14,884	14855	-0.2%

Source: Office of Textile Commissioner, CareEdge Research

The Indian government sets a Minimum Support Price (MSP) for cotton to safeguard the income of cotton farmers. This MSP serves as a safety net, guaranteeing a minimum price for their produce in case market prices fall below this level. The MSP for cotton in India varies depending on the variety and staple length. The breakdown of the current MSP for the 2025-26 marketing season (October-September):

- Medium Staple Cotton: Rs 7710per quintal
- Long Staple Cotton: Rs 8110per quintal

Chart 25: Trend of Minimum Support Price on Cotton (in Rs /Quintal)



Source: Cotton Association of India, CareEdge Research

8.3 Export Market for Cotton Yarn

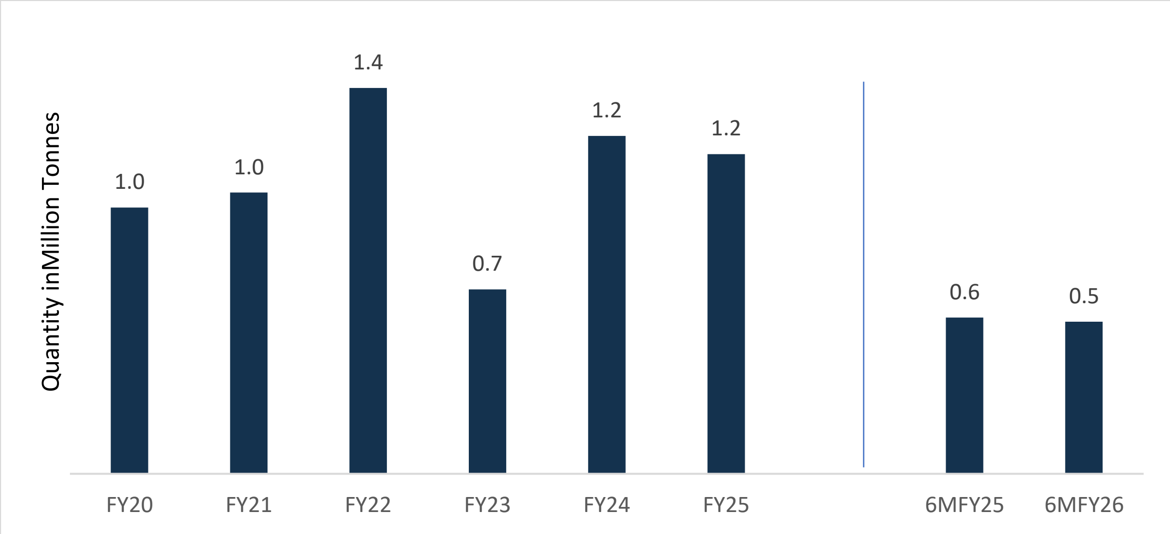
Demand Dynamics for Indian Cotton Yarn

India's cotton yarn exports are a vital component of the industry, representing a substantial portion of 25-35% of its total production. Currently, Indian cotton holds the most competitive pricing in the global market, attracting buyers with its affordability. As a result, there has been a noticeable rise in exports, as reported by the Cotton Association of India. The cost advantage enjoyed by Indian cotton over supplies from the United States and Brazil, the world's leading exporters, can be attributed to lower prices and freight costs, which are influenced by India's proximity to importing countries. However, despite the strong demand and promising export prospects, India's exports may face limitations due to a reduction in surplus caused by an anticipated decrease in local production.

However, FY23 posted significant challenges, with exports plunging by 52% year-on-year due to a sharp disparity between domestic and international cotton prices, making Indian cotton yarn less competitive in global markets. Additionally, a global economic slowdown, driven by high inflation and recessionary pressures in key economies such as the US and EU, led to weaker demand for textiles, further affecting Indian cotton yarn exports. While FY24 saw signs of recovery, the momentum remained gradual.

The global ban on cotton exported from China's Xinjiang region has created a chance for India to increase its share of the cotton yarn market. While the global economic slowdown presents obstacles, the shift in sourcing destinations offers an opportunity for Indian cotton yarn exporters. Addressing the price disparity and focusing on cost efficiencies will be crucial for capitalizing on this chance and ensuring the long-term success of the industry.

Chart 26: Trend in Exports of Cotton Yarn



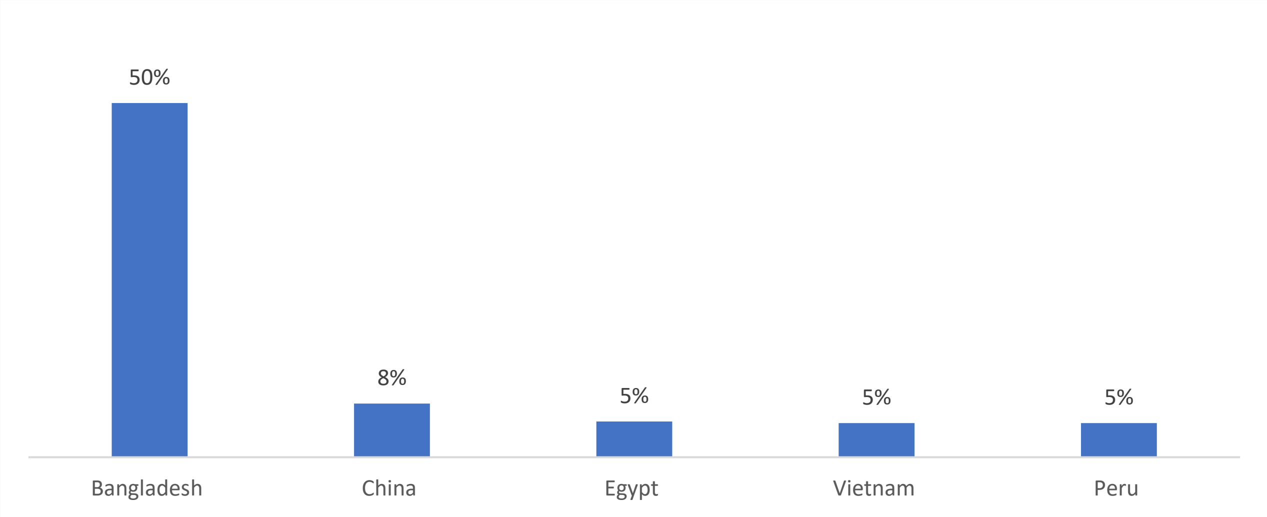
Source: CIME, CareEdge Research

8.4 Export Destination for India

India is one of the world's largest producers and exporters of cotton yarn, playing a pivotal role in the global textile value chain. With abundant raw cotton availability, cost-effective labour, and a robust spinning capacity, India serves as a key supplier of high-quality cotton yarn to various textile manufacturing hubs around the world. Cotton yarn exports form a crucial segment of the country's textile export basket, catering to countries that have large downstream industries in weaving, knitting, and garment production. Over the years, India's cotton yarn exports have shown dynamic trends influenced by global demand patterns, trade policies, and shifting preferences in the international textile market. The country's strategic geographical location and trade relations with countries like Bangladesh, China, and Vietnam further reinforce its position as a reliable and competitive supplier of cotton yarn globally.

In the 10-month periods of FY24 and FY25, Bangladesh consistently led as the top export destination for India's cotton yarn, driven by its robust garment manufacturing sector that relies heavily on Indian yarn imports due to limited domestic cotton production. China remained the second-largest importer, although its demand showed relative stability amid policy shifts and global competition. Vietnam, Egypt, and Peru accounted for smaller yet steady shares, reflecting their growing textile sectors and demand for high-quality yarn. The data also highlights a slight increase in export diversification, with marginal growth in shares held by other countries, suggesting India's ongoing efforts to broaden its market base through strategic trade relations and improved logistics connectivity.

Chart 27: Country-wise share of India Cotton Yarn Exports (% Share to Total)-FY25



Source: CMIE, CareEdge Research

8.5 Growth Drivers and Key Challenges for the Cotton Yarn Market

Growth Drivers	Challenges
1. Rising Demand in Textiles: The global demand for cotton yarn continues to grow, driven primarily by the booming textile and apparel industries. Cotton yarn serves as a critical raw material for garments, home furnishings, and industrial textiles. As populations grow and disposable incomes rise, particularly in developing countries, the demand for clothing and textiles also increases, directly benefiting the cotton yarn sector.	1. Volatile Cotton Prices: Cotton prices are highly sensitive to global supply demand dynamics, weather patterns, and government policies. Sudden price spikes or crashes directly impact the cost structure of yarn producers, who often have limited flexibility to pass on the price changes to buyers, thus squeezing their margins.
2. Favourable Government Policies: Many governments, particularly in cotton-producing nations like India, have introduced supportive policies to boost the textile value chain. Incentives such as the Production Linked Incentive (PLI) scheme, subsidies on capital investment, and assistance in modernizing infrastructure have created a conducive environment for growth in the cotton yarn industry.	2. Global Competition: The industry faces stiff competition from low-cost manufacturing countries like Vietnam, Bangladesh, and Pakistan, where labour and operational costs are lower. These competitors often enjoy better trade access and infrastructure, making it harder for others to maintain market share without significant cost optimization.
3. Growing Export Opportunities: With increasing global integration and demand for quality yarn, exporting countries like India, Vietnam, and Pakistan are seeing a rise in international orders. Trade tensions, such as those between the US and China, have also redirected orders to alternative suppliers, enhancing export potential for others in the region.	3. Dependency on Monsoon & Agriculture: Cotton being an agricultural crop, its supply is heavily dependent on favourable climatic conditions. In countries like India, monsoon failure or pest outbreaks can drastically affect cotton output, leading to raw material shortages or inflated prices for yarn manufacturers.

4. Sustainability Trends: Environmental awareness among consumers is fuelling demand for natural, biodegradable fibres like cotton. As sustainability becomes a top priority for global fashion brands, the preference for cotton yarn over synthetic alternatives like polyester is expected to strengthen, creating a long-term growth trajectory.	4. Power and Labour Costs: Power availability and cost, along with labour-related challenges, are significant concerns in many manufacturing hubs. Frequent power outages, rising wage bills, and labour shortages during peak seasons can disrupt operations and reduce profitability.
5. Vertical Integration by Brands: Global fashion and retail brands are increasingly adopting vertical integration by directly sourcing yarn from mills to ensure quality, traceability, and ethical compliance. This strategy has opened new long-term contracts for cotton yarn manufacturers and improved their revenue visibility.	5. Operational and External Challenges Facing the Cotton Yarn Industry: Spinning mills face multiple challenges that threaten their global competitiveness, including technological obsolescence, where outdated machinery leads to lower productivity, poor quality, and higher wastage. Additionally, tightening environmental regulations demand significant capital investment in sustainable practices, straining especially small and mid-sized units. On top of these operational hurdles, the industry is exposed to geopolitical risks such as changes in trade agreements, tariffs, sanctions, and conflicts, all of which can disrupt supply chains and create uncertainty for export-driven businesses.

8.6 Outlook for the Cotton Yarn Industry

In India, e-commerce portals have boosted the sales of traditional garments by giving larger exposure to producers who were confined to one geography. Other growth drivers include a rise in the millennial and Gen Z population. Additionally, rising purchasing power in emerging and developed economies is expected to add to the industry's growth prospects. In the near term, despite challenges from inflation and higher interest rates, customer expectations have improved, and further economic normalization is expected to bode well for the industry.

The domestic cotton yarn production is anticipated to experience medium-term growth due to a projected softening of cotton prices. This price decrease is expected as fresh cotton harvests arrive and export levels decline. However, geopolitical tensions and potential disruptions like those impacting the Red Sea route could cause future cost and demand fluctuations. Furthermore, both domestic and global cotton crop supply and pricing will likely influence overall demand sentiment.

Additionally, the surplus production capacity within the country has intensified competition, leading to margin pressures due to market price undercutting. In response, the government's focus aligns with its aim of inclusive and participatory development. Their central strategy involves bolstering domestic textile manufacturing by establishing best-in-class infrastructure, promoting technological advancements to foster innovation, and enhancing skill development while leveraging the sector's traditional strengths.

9. Ready Made Garment Industry

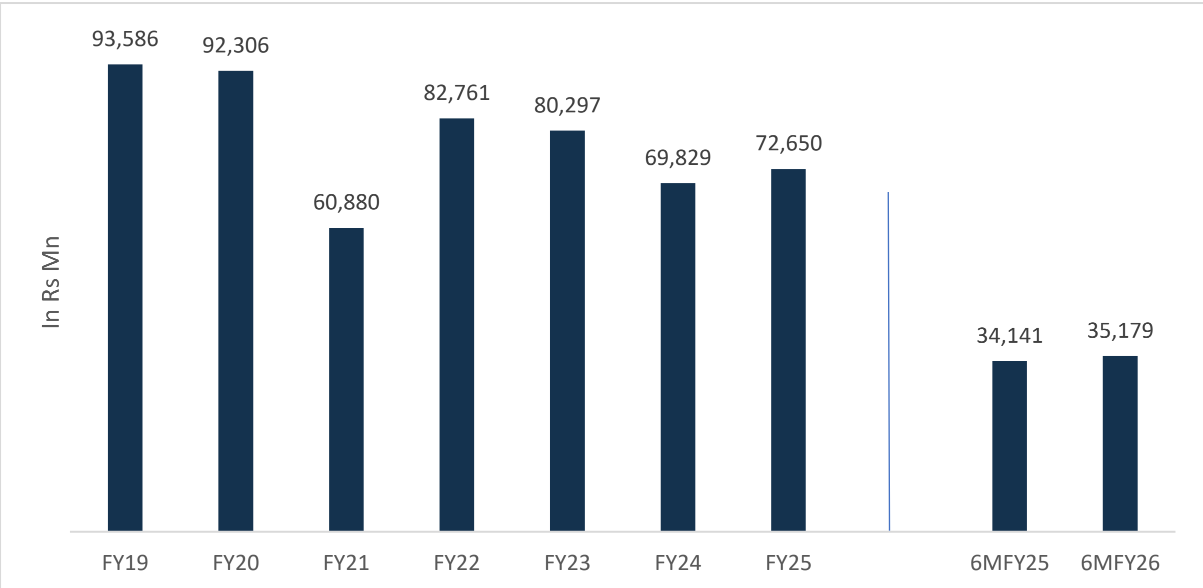
9.1 Overview of the sector

The Readymade Garments (RMG) or apparel industry is the major segment of the overall textiles industry in India. Indian textiles and apparel products have high global appeal due to their fine craftsmanship across the entire value chain from fibre, yarn, and fabric to apparel. RMG industry in India is a non-capital-intensive industry and it is largely unorganised with 60-70% where the manufacturers belong to the micro, small and medium enterprises (MSME) operating in specific clusters across the country. The Indian textile and apparel industry are highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India. India is the 6th largest exporter of Textiles & Apparel in the world. The Indian RMG exports currently accounts for around 41% of total textile and clothing production in India as per the Ministry of Textiles.

9.2 Review of the sector

The Index of Industrial Production (IIP) for India's wearing apparel sector registered a 6.2% year-on-year growth in FY25, reaching an index level of 116.7. This growth was primarily driven by robust domestic demand, as retail sales in the apparel segment rose by 6%, particularly led by North and West India majorly. The textile and apparel industry contributes 2.3% to GDP, 13% to industrial production, and 12% to exports. The Ministry of Textiles reported a 7% increase in textile and apparel exports, including handicrafts, from April to December 2024, compared to the same period the previous year. India exported textile items worth USD 34.4 billion in 2023-24, with apparel constituting 42% of the export basked and materials/semi-finished materials at 34% and finished non-apparel goods at 30%. The overall manufacturing sector also showed positive momentum, with a 3.0% IIP growth in March 2025, indicating broader industrial recovery. Furthermore, moderating inflation especially in clothing and footwear, which generally ranges between 2%- 3% helped stabilize input costs and enhance production efficiency. These combined factors contributed to the sustained industrial growth in the wearing apparel segment during the fiscal year.

Chart 28: Demand & Supply Trend Analysis for Readymade Industry



Source: CMIE, CareEdge Research

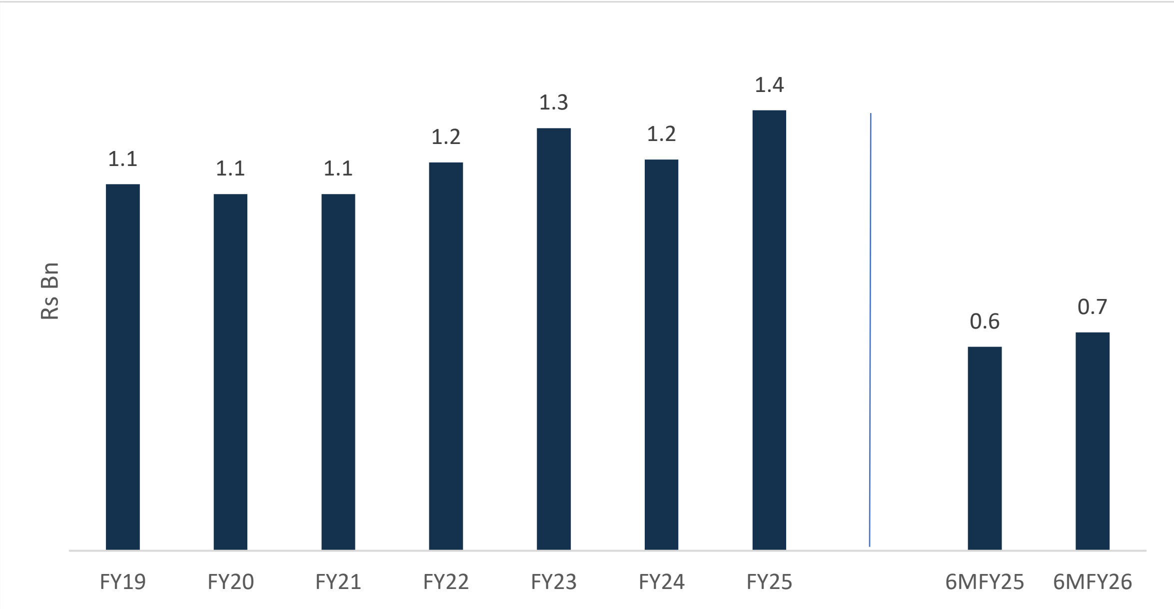
Production (in Rs million) has fluctuated considerably from FY19 to FY25, rising initially to Rs 93,586 million in FY19 before declining to Rs 92,306 million in FY20 and then dropping sharply to Rs 60,880 million in FY21 due to pandemic-related disruptions, labour shortages, and supply-chain constraints. Output recovered in FY22 to Rs 82,761 million but softened again through FY23 and FY24 as industries faced uneven raw material availability and subdued demand. FY25 shows a modest improvement to Rs 72,650 million, while the rise from 34,141 million in 6MFY25 to 35,179 million in 6MFY26 indicates a slow but steady recovery, though levels remain below the pre-pandemic peak.

Table 5: Indicators for the RMG industry

Indicators	FY24	FY25	Y-o-Y % Change	March2024	March 2025	Y-o-Y % Change
IIP index of wearing apparel	109.9	116.7	6.2%	143.0	144.8	1%
WPI of manufacture of wearing apparel	150.8	153.4	2%	151.5	154.5	2%

Source: CMIE, CareEdge Research

Chart 29: Trend Analysis of Export Market in Readymade Garments



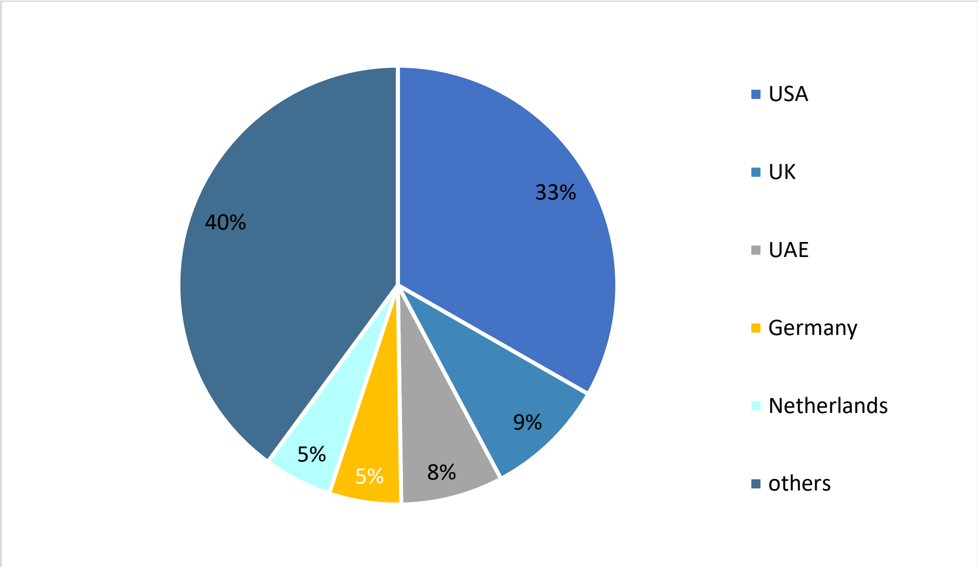
Source: CMIE, CareEdge Research

India's readymade garment (RMG) exports experienced a decline in FY24, attributed to several factors. The global economic slowdown, exacerbated by geopolitical tensions such as the Red Sea crisis, led to increased freight costs, impacting the competitiveness of Indian exports. Additionally, high retail inventory levels and sluggish demand from key markets like the U.S. and Europe further dampened export performance. In contrast, FY25 witnessed a recovery in RMG exports, driven by a shift in global sourcing strategies, with Western buyers moving away from traditional suppliers like China and Bangladesh. Government initiatives, including the Production-Linked Incentive (PLI) scheme and proposed free trade agreements with the UK and EU, provided further support to the sector's expansion.

However, challenges such as rising labor and freight costs, along with geopolitical uncertainties, continued to pose risks to sustained growth.

9.3 Trade in RMG Industry Top of Form

Chart 30: Destination-wise RMG exports from India FY25



Source: CMIE, CareEdge Research
Others include Spain, France, Saudi Arabia, Italy, Australia, Poland, Canada, Denmark, Japan

India's readymade garment (RMG) exports in FY2024–25 totaled Rs 1,354.7 billion, with the United States leading as the top destination, accounting for 33% of total exports. The United Kingdom and the United Arab Emirates followed, contributing 9% and 8%, respectively, to the export value. Germany and the Netherlands each represented 5% of the total RMG exports. The United States' dominant share is attributed to its large consumer market and sustained demand for Indian apparel. The UK's share has been bolstered by the India-UK Free Trade Agreement (FTA), which is expected to further enhance trade relations and reduce tariffs, making Indian garments more competitive in the UK market. The UAE's significant contribution is due to its role as a re-export hub, facilitating trade across the Middle East and North Africa. Germany and the Netherlands have consistently been key markets for Indian apparel, with steady demand driven by fashion trends and trade agreements within the European Union. Overall, these country-wise export figures highlight India's strong presence in major global markets, supported by strategic trade agreements and a reputation for quality apparel manufacturing. Although, US tariffs can significantly impact the Indian Ready-Made Garment (RMG) industry. Increased tariffs on Indian textile exports to the US will likely make them less competitive compared to products from countries with lower or no tariffs, potentially leading to reduced demand and revenue for Indian exporters. This could also affect related sectors like apparel and accessories, which are also part of the consumer cyclical sector.

Bangladesh has recently restricted imports of Indian cotton yarn via land ports, allowing shipments only through seaports. In response, India will impose similar restrictions on ready-made garment imports from Bangladesh across all land ports, including LCS and ICP, requiring these goods to enter only via seaports. This reciprocal move aims to encourage Bangladesh to reconsider its restrictions, address trade imbalances, and protect Indian textile exporters by ensuring fair and consistent trade terms.

Table 6: Segment-wise RMG exports from India (Value in USD Mn)

Segment	July 2024 (USD mn)	July 2025 (USD mn)	Growth (%)	Apr–Jul 2024 (USD bn)	Apr–Jul 2025 (USD bn)	Growth (%)
Readymade Garments (RMG)	1.28	1.34	4.75 %	5.13	5.53	7.87%
Cotton Textiles (yarn, fabrics, made-ups, handlooms)	0.9705	1.02	5.17 %	3.89	3.88	-0.26% (nearly unchanged)
Man-made Fibre (MMF) Textiles	405.6	422	4.05 %	1.57	1.59	1.13%
Jute Manufacturing (incl. floor coverings)	25.6	32.4	26.35%	108.9	126.1	15.78%
Carpets	123.1	133	8.05 %	486.5	503.9	3.57%
Handicrafts (excl. handmade carpets)	139.4	153.4	10.01%	546.9	552	0.92%

Source: PIB

Overall, textile exports in July 2025 showed moderate growth across most segments, supported by steady global demand and improved shipment flows. RMG exports grew due to stronger orders from key Western markets and competitive pricing. Cotton textiles saw only marginal cumulative growth because of subdued demand for yarn and fabrics amid cheaper synthetic substitutes. MMF textiles recorded modest gains as man-made fibres increasingly replaced cotton in global sourcing, though price competition kept growth limited. Jute exports posted strong double-digit growth, driven by rising demand for eco-friendly packaging materials. Carpet exports improved on the back of higher demand in the U.S. and Europe for premium home décor products. Handicrafts registered slight cumulative growth as niche demand remained stable but not strong enough for significant expansion. Overall, the sector benefited from recovering global consumption, though price competition and uneven demand across product categories kept growth moderate.

9.4 Outlook

The apparel industry's growth is closely intertwined with advancements in textile processing, which serves as a critical link between raw materials and finished garments. As consumer preferences evolve towards fast fashion, performance wear, and sustainable clothing, the textile processing technologies have adapted to meet these demands.

Innovations in dyeing, printing, and finishing techniques have enabled manufacturers to produce fabrics with enhanced aesthetics, functionality, and durability. The adoption of waterless dyeing methods and the use of biodegradable chemicals reflect a shift towards more environmentally friendly practices in textile processing. These advancements not only improve the quality of apparel but also align with global sustainability goals.

Government initiatives, such as the Production Linked Incentive (PLI) scheme and the establishment of Mega Integrated Textile Region and Apparel (MITRA) parks, aim to modernize the textile sector by integrating the entire value chain from spinning and weaving to processing and garment manufacturing at single locations. This integration enhances efficiency, reduces logistics costs, and fosters innovation in textile processing, thereby supporting the apparel industry's expansion.

Furthermore, the growing demand for synthetic and blended fabrics in activewear and other apparel categories has spurred the development of specialized processing techniques to handle these materials effectively. By embracing such advancements, the textile processing sector plays a pivotal role in enabling the apparel industry to cater to diverse consumer needs and expand its global footprint.

The global shift towards sustainable and ethical sourcing practices has further bolstered India's RMG sector. International buyers are increasingly diversifying their supply chains, moving away from traditional suppliers like China and Bangladesh, and turning to India for its reliable production capabilities and adherence to sustainability standards. This trend, combined with India's efforts to enhance its manufacturing capabilities and export potential, positions the RMG industry for continued growth and global competitiveness. With ongoing investments in technology, infrastructure, and workforce development, India's RMG sector is well-positioned to meet the dynamic demands of the global apparel market.

India’s RMG sector is well-positioned for sustained growth due to its large skilled workforce, improving infrastructure, and rising global relevance. With effective execution of policies and sustained investment, India has the potential to emerge as a global apparel manufacturing hub.

10. Competitive Landscape

1. Sonaselection India Limited

Sonaselection India Limited, incorporated on February 11, 2022, is engaged in the manufacturing of textile fabrics, with its operations based in Bhilwara, Rajasthan. In March 2023, Sonaselection initiated the establishment of a fabric manufacturing and processing plant at its facility on Chittor Road, Hamirgarh, which became fully operational in July 2024. The plant is equipped to handle end-to-end manufacturing, including dyeing, processing, and finishing of fabrics.

With this expansion, the company transitioned from job-work services to the manufacturing and direct sale of its own finished fabrics, allowing for greater value addition and market flexibility. The facility has an installed capacity of 82.44 million metric per annum for fabric manufacturing and processing. Sonaselection uses advanced textile machinery such as stenters, drying ranges, jet dyeing machines, jiggers, weight-reduction machines, zero-zero finishing machines, calenders, singeing machines, mercerisers, Lafer machines, continuous washing and bleaching ranges, PAD dry/steam ranges, and folding machines for large-scale fabric dyeing, finishing, and processing.

Particulars	FY23	FY24	FY25	Q1'FY26
Revenue from Operations (Rs. Million)	939.12	1,209.79	3,159.52	1,042.35
EBITDA (Rs. Million)	180.76	284.87	581.19	163.43
EBITDA Margin (%)	19.25%	23.55%	18.39%	15.68%
PAT (Rs. Million)	25.09	130.95	185.63	47.98
PAT Margin (%)	2.67%	10.82%	5.88%	4.60%
Return on Net Worth (%)	14.96%	40.46%	34.08%	6.62%
Return on Capital Employed (%)	32.69%	16.18%	16.97%	3.79%
Debt-Equity Ratio	1.75	3.72	2.96	2.81
Sale of Services (%)	97.47%	88.72%	30.12%	21.79%
Sale of Goods (%)	2.53%	11.28%	69.88%	78.21%
Working Capital Days	103	104	122	104
Inventory Days	129	127	115	165
Debtors Days	58	44	48	70
Creditors Days	50	54	57	96

Source: Industry Sources

2. Nitin Spinners Limited

Founded in 1992 in Bhilwara, Rajasthan, Nitin Spinners Ltd is a mid-sized textile manufacturer producing cotton/blended yarn, knitted fabrics, and woven/finished fabrics. Its facilities, located in Bhilwara and Chittorgarh, have capacities of 1,10,000 MTPA yarn, 11,000 MTPA knitted fabric, and 40 million meters of woven fabric. In Q3FY25, yarn contributed 72.6% of revenue, fabrics 22.3%, and others 5.1%. Around 65% of revenue comes from exports to 50+ countries, including the USA and China.

Particulars	FY23	FY24	FY25	Q1'FY26
Revenue from Operations (Rs. Million)	24,067.07	29,056.49	33,056.54	7,933.13

Particulars	FY23	FY24	FY25	Q1'FY26
EBITDA (Rs. Million)	3,003.66	3,793.08	4,750.15	1,130.27
EBITDA Margin (%)	12.48%	13.05%	14.37%	14.25%
PAT (Rs. Million)	1,648.11	1,315.18	1,754.26	409.86
PAT Margin (%)	6.85%	4.53%	5.31%	5.17%
Return on Net Worth (%)	17.33%	12.11%	14.29%	NA
Return on Capital Employed (%)	11.28%	11.11%	12.61%	NA
Debt-Equity Ratio	0.95	1.17	0.89	NA
Sale of Services (%)	0.01%	0.00%	0.00%	NA
Sale of Goods (%)	99.09%	99.15%	99.31%	NA
Working Capital Days	104	110	109	NA
Inventory Days	101	101	102	NA
Debtors Days	35	34	41	NA
Creditors Days	14	12	14	NA

Source: Industry Sources

3. Sangam India Limited

Sangam (India) Ltd is a textile manufacturer engaged in producing synthetic blended, cotton, and texturized yarns, fabrics, denim, and seamless garments. It is a leading player in PV dyed yarn and denim, with a presence in over 50 countries. The company’s product portfolio includes PV and cotton yarns, woven PV fabrics, denim fabrics, and seamless garments under the C9 Airwear brand. Manufacturing operations span across three spinning mills and two weaving, processing, and garment plants in Rajasthan, with over 3 lakh spindles and denim capacity of 60 million meters annually. Sales are split between domestic and export markets, and the company operates solar and wind energy units with a combined capacity of 21 MW.

Particulars	FY23	FY24	FY25	Q1'FY26
Revenue from Operations (Rs. Million)	27,123.00	26,280.60	28,569.50	7,897.70
EBITDA (Rs. Million)	3,187.10	2,282.70	2,600.10	703.70
EBITDA Margin (%)	11.75%	8.69%	9.10%	8.91%
PAT (Rs. Million)	1,305.40	408.20	318.00	21.30
PAT Margin (%)	4.81%	1.55%	1.11%	0.27%
Return on Net Worth (%)	16.57%	4.43%	3.23%	NA
Return on Capital Employed (%)	15.52%	6.91%	6.85%	NA
Debt-Equity Ratio	0.95	1.10	1.14	NA
Sale of Services (%)	3.60%	3.52%	3.00%	NA
Sale of Goods (%)	94.34%	93.52%	94.08%	NA
Working Capital Days	85	98	75	NA
Inventory Days	124	139	132	NA
Debtors Days	49	56	62	NA
Creditors Days	NA	NA	NA	NA

Source: Industry Sources

4. Vishal Fabrics Limited

Vishal Fabrics Limited is Incorporated in 1985. It is a part of the Ahmedabad-based Chiripal Group. The company manufactures denim fabric and is also engaged in the processing of fabric on a job-work basis, where it procures mainly grey fabric and dyes and prints as per the customer requirements. It has entered into the denim processing business by setting up 8 units in Dholi Integrated Spinning Park (DISP) situated at Dholi near Ahmedabad.

Particulars	**FY23**	**FY24**	**FY25**	**Q1'FY26**
Revenue from Operations (Rs. Million)	15,478.60	14,501.30	15,198.30	3,971.68
EBITDA (Rs. Million)	1,397.00	1,021.20	1,229.30	295.47
EBITDA Margin (%)	9.03%	7.04%	8.09%	7.44%
PAT (Rs. Million)	528.20	211.30	290.10	91.64
PAT Margin (%)	3.41%	1.46%	1.91%	2.31%
Return on Net Worth (%)	14.57%	5.27%	6.51%	NA
Return on Capital Employed (%)	14.87%	9.15%	11.25%	NA
Debt-Equity Ratio	0.81	0.92	0.61	NA
Sale of Services (%)	12.39%	0.95%	0.41%	NA
Sale of Goods (%)	86.71%	97.71%	98.50%	NA
Working Capital Days	101	134	127	NA
Inventory Days	25	24	28	NA
Debtors Days	100	122	125	NA
Creditors Days	36	29	29	NA

Source: Industry Sources

OUR BUSINESS

Unless otherwise indicated or the context otherwise requires, in this section, references to "we" "our" or "us" refer to our Company and its Subsidiary on a consolidated basis. Unless the context otherwise requires, references to "Company" or "Our Company" refers to Sonaselection India Limited, on a standalone basis. Prior to July 2025, our Company did not have any Subsidiary. Accordingly, unless stated otherwise, all financial and operational statistics for June 30, 2025, Fiscal 2025, Fiscal 2024, and Fiscal 2023 are presented on a standalone basis. To obtain a complete understanding of our Company and business, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", "Restated Financial Information" and "Management's Discussions and Analysis of Financial Condition and Results of Operations" on pages 44, 172, 351 and 433, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole. Additionally, see 'Definitions and Abbreviations' on page 1 for certain terms used in this section.

Some of the information set out in this section, especially information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward Looking Statements" on page 27 for a discussion of the risks and uncertainties related to those statements and also the section titled "Risk Factors" on page 44 for a discussion of certain factors that may affect our business, financial condition or results of operations. We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, some of which may not be derived from our Restated Financial Information or otherwise subjected to an examination, audit or review or any other services by our Statutory Auditor, or any other expert. The manner of calculation and presentation of some of the operational and financial performance indicators and the assumptions and estimates used in such calculation, may vary from that used by other companies in India and other jurisdictions. Our financial year ends on March 31 of every year, so all references to a particular financial year are to the 12 month period ended March 31 of that year.

'Unless otherwise indicated, industry and market data used in this section has been derived from industry report titled 'Textile Research Report' dated December 2025, prepared and issued by CARE Analytics and Advisory Private Limited, appointed by us pursuant to engagement letter dated April 19, 2025 and exclusively commissioned and paid for by us in connection with the Issue (the ***"CareEdge Report")****. Unless otherwise indicated, all industry and other related information derived from 'CareEdge Report' and included herein with respect to any particular year refers to such information for the relevant calendar year. CARE Analytics and Advisory Private Limited was appointed by our Company and is not connected to our Company, our Directors and our Promoters. A copy of the CareEdge Report is available on the website of our Company at www.sonaselection.com.*

OVERVIEW

We are an integrated fabric manufacturing and processing company engaged in the production of value added products. Leveraging advanced technology, well established production capabilities and stringent quality systems, we convert raw textiles into finished, high-quality fabrics. Our model enables us to offer a diversified product portfolio, maintain consistent quality, support innovation in fabric development and provide our customers with reliable, cost-efficient and timely solutions, thereby positioning us as a preferred partner for brands seeking consistency, innovation and faster delivery timelines. We specialize in the manufacturing of 100% cotton fabric, cotton lycra (stretch) fabric, cotton blends, polyester blends, and in the processing of fabric including 100% cotton, cotton blends, polyester-viscose (P/V) and polyester fabric.

The Indian textile and apparel industry is set to grow from USD 174 Billion in FY24 to USD 350 Billion in FY30, with a 12.4% CAGR driven by rising domestic and export demand. Domestically, rising disposable incomes, and rapid urbanization have led to increased consumption of fashion and home textiles. The boom in online retail and e-commerce platforms has also expanded market access and visibility, particularly for small and medium textile enterprises. (*Source: CareEdge Report*)

On the global front, India has benefitted from shifting supply chains as countries seek alternatives to China, positioning India as a reliable sourcing destination. Government interventions such as the Production-Linked Incentive (PLI) scheme, the establishment of PM MITRA Parks, and support for technical and man-made fibres have further strengthened infrastructure and innovation capabilities. Sustainability trends, focus on organic cotton, and the increasing popularity of Indian handlooms and heritage textiles in international markets have also boosted the sector's appeal. Together, these factors have created a solid foundation for long-term, inclusive growth in industry. The crisis in Bangladesh has inadvertently opened avenues for India to strengthen its position in the global textile market. By leveraging its infrastructure, skilled labor, and favorable trade agreements, India can attract displaced investments and expand its share in global textile exports. (*Source: CareEdge Report*)

Incorporated in 2022, our Company commenced its operations with a strategic acquisition of an established textile processing unit. Pursuant to a business transfer agreement dated June 17, 2022, we acquired a fully operational processing unit, along with all associated assets and liabilities, on a slump sale basis for a consideration of ₹162.10 million. For further details on this acquisition, see "*Our History and Certain Corporate Matters – Details Regarding Material Acquisitions or Disinvestments of Business/Undertakings, Mergers, Amalgamation, Etc. in The Last 10 Years*" on page 308. Following the acquisition, our Company initially operated as a processing unit undertaking job-work activities for products such as 100% cotton fabric, cotton blends, polyester-viscose (P/V), and polyester fabric. Thereafter, as part of our strategic initiative to transition from a job-work based model to a manufacturing model, we undertook an expansion of our production capabilities by setting up a cotton fabric processing plant which became operational in July 2024.

Our Company's manufacturing facility is located in Bhilwara, Rajasthan, which is widely known as the "Vastranagari" or the "Manchester of Rajasthan" (*Source: CareEdge Report*) and is spread across an aggregate land area of approximately 49,540 Sq. Mtr. Our manufacturing facility has an installed processing capacity of 82.44 million meters per annum.

Our manufacturing process commences with (i) procurement of greige fabric from third-party suppliers; or (ii) procurement of yarn, which is subsequently converted into greige fabric through outsourced job-work arrangements undertaken in accordance with our technical specifications. Upon receipt of the greige fabric, all subsequent processing operations, including bleaching, dyeing and finishing, are carried out in-house at our manufacturing facility. Through these processes, we convert greige fabric into finished fabric of the requisite quality, specifications and end-use requirements.

In addition to manufacturing our own fabric, we also undertake the processing of greige fabric on a job-work basis for third-party customers. Under this vertical, customers supply greige fabric to us, and we provide processing services in line with their specific requirements relating to quality parameters, colour shades, finishes and other product attributes.

Set out in the table below are the breakdown of our revenue from operations by our business verticals for Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024, and Fiscal 2023:

(*₹ in million*)

Particulars	**Three month ended June 2025**		**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Amount	**% of revenue from Operations**	**Amount**	**% of revenue from operations**	**Amount**	**% of revenue from Operations**	**Amount**	**% of revenue from Operations**
Manufacturing	815.18	78.21%	2,207.87	69.88%	136.50	11.28%	23.73	2.53%
Job Work	227.17	21.79%	951.65	30.12%	1,073.29	88.72%	915.39	97.47%
Total	**1,042.35**	**100.00 %**	**3,159.52**	**100.00 %**	**1,209.79**	**100.00 %**	**939.12**	**100.00 %**

As certified by our Statutory auditor vide their certificate dated December 09, 2025

In addition to our core manufacturing and processing operations, we have recently expanded into the readymade garments ("**RMG**") segment through our Subsidiary incorporated on July 1, 2025. This strategic expansion is expected to strengthen the integration between our fabric manufacturing capabilities and the requirements of the RMG segment, enabling better alignment of fabric specifications with downstream garment production needs and enhancing our presence across the textile value chain. Currently, our range of garment products in the menswear segment caters to customers across all age groups.

Our Company is focused on maintaining quality, compliance, and operational efficiency. Our Company has obtained several industry certifications and accreditations, which reflect our adherence to established practices and benchmarks in the textile industry. These certifications reinforce our credibility and demonstrate our commitment to delivering reliable and consistent products.

The certifications and recognitions awarded to our Company include the following:

OEKO-TEX®
Standard 100 Certification

Global Organic Textile Standard (GOTS) – Version 7.0

Organic Content Standard (OCS) (Version 3.0)

Regenagri Chain of Custody Criteria –

Global Recycled Standard (GRS) (Version 4.0) Recycled Claim Standard (RCS) (Version 2.0)	Textiles Version 1.0

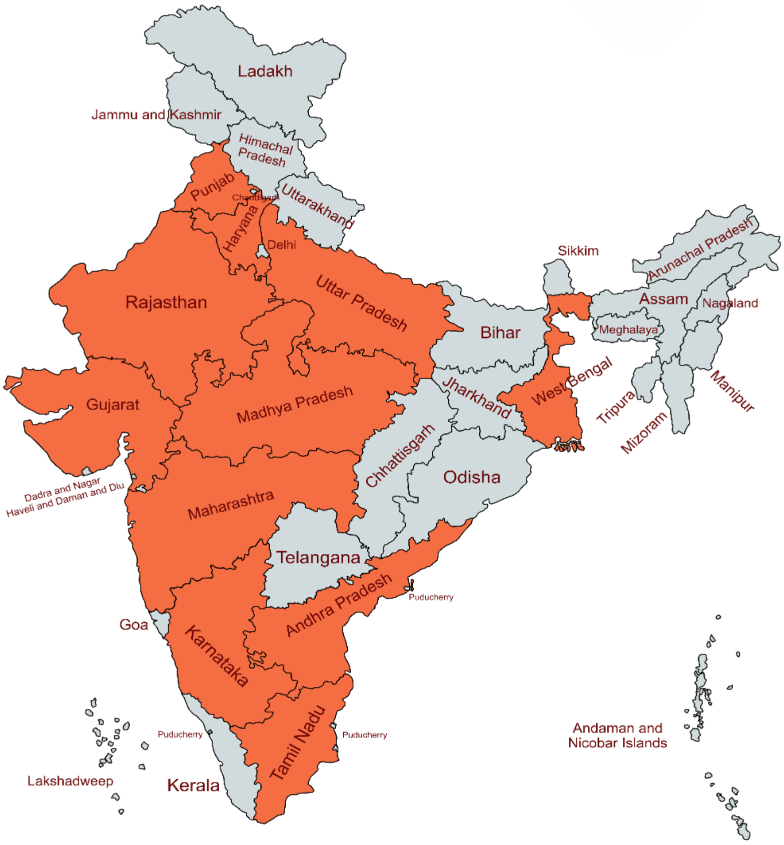
In addition to the above, with the above-mentioned certification, our Company has also received certificate of completion of HIGG FEM verification for the year 2024 and HIGG FSLM verification for the year 2025. For details, see "*Government and other Approvals – Other Certifications and Memberships*" on page 483.

Our Company's manufacturing facility is supported by an in-house quality assurance laboratory equipped with instruments such as Titans (Universal Strength Tester), Elmatear 1555 (Intelligent Digital Tear Tester) and Auto Colour Dispencer sourced from companies based out of China, Switzerland and UK. Our technological capabilities allow us to consistently refine and validate our products in accordance with international quality benchmarks, while ensuring agility in adapting to changing customer preferences and market conditions.

During the Three Months Period ended June 30, 2025, and in each of the last three Fiscals, our Company has supplied its products to customers across several states and union territories in India. Set out below is our revenue from operations, based on our Restated Financial Information, from various states in India during Three Months Period ended June 30, 2025, and Fiscal 2025, Fiscal 2024 and Fiscal 2023:

State	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Rajasthan	369.72	35.47%	1,594.57	50.47%	1,153.06	95.31%	911.10	97.02%
Delhi	316.95	30.41%	700.81	22.18%	0.15	0.01%	0.13	0.01%
Maharashtra	185.47	17.79%	488.77	15.47%	33.28	2.75%	18.86	2.01%
Karnataka	70.26	6.74%	159.81	5.06%	-	0.00%	-	0.00%
West Bengal	35.37	3.39%	50.22	1.59%	-	0.00%	-	0.00%
Gujarat	22.04	2.12%	41.47	1.31%	1.68	0.14%	2.11	0.23%
Uttar Pradesh	16.49	1.58%	66.33	2.10%	0.29	0.02%	0.17	0.02%
Tamil Nadu	9.80	0.94%	10.57	0.33%	-	0.00%	-	0.00%
Punjab	9.12	0.88%	17.33	0.55%	-	0.00%	-	0.00%
Dadra,Nagar Haveli, Daman and Diu	4.36	0.42%	2.15	0.07%	-	0.00%	-	0.00%
Madhya Pradesh	1.60	0.15%	14.99	0.47%	19.31	1.60%	0.04	0.00%
Haryana	1.17	0.11%	6.48	0.21%	2.02	0.17%	6.71	0.71%
Andhra Pradesh	-	0.00%	6.02	0.19%	-	0.00%	-	0.00%
Total	**1,042.35**	**100.00%**	**3,159.52**	**100.00%**	**1,209.79**	**100.00%**	**939.12**	**100.00%**

As certified by Statutory Auditors vide their certificate dated December 09, 2025



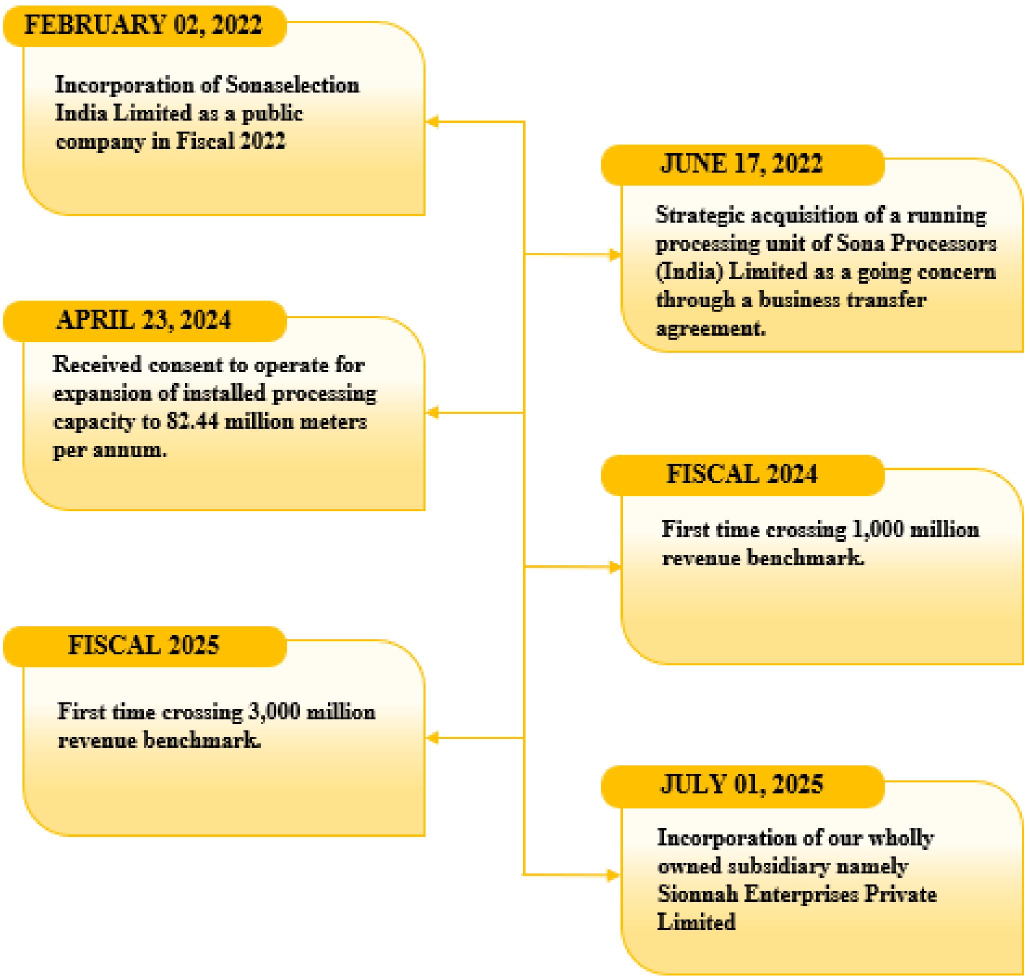
We are an environmentally conscious organisation and we encourage the use of renewable resources. As part of our sustainability efforts, our Company operates a rooftop solar plant at our manufacturing facility coupled with a back-pressure steam turbine. As of June 30, 2025, the installed capacity of this rooftop solar plant stands at 0.26 MW. This green initiative not only helps reduce operational costs but also reinforces our commitment to eco-friendly and energy-efficient manufacturing practices by lowering our overall carbon footprint. To further reduce reliance on grid electricity and enhance long-term cost efficiency, our Company is in the process of establishing another 1.10 MW rooftop solar power plant for captive consumption which is expected to considerably reduce our electricity expenses.

Further, our manufacturing facility is equipped with a “zero-liquid discharge effluent treatment plant”, integrated with ultra-filtration and a four-stage reverse osmosis (RO) system supplied by Italian company, to enable the treatment of wastewater generated during the manufacturing process. In addition to wastewater treatment, we have implemented measures to minimize air emissions. An advanced electrostatic precipitator has been installed to ensure that exhaust gas emissions remain below 100 PPM, thereby facilitating effective control of air pollutants.

Our Company is guided by the leadership of its Promoters. Our Promoter and Managing Director, Harshil Nuwal, has over 14 years of experience in the textile industry and has been instrumental in defining the strategic direction and driving the growth of our Company. His emphasis on product quality, technology integration and strengthening customer relationships has contributed to the expansion of our operations. Our Promoter and Director, Subhash Chandra Nuwal, has over 30 years of experience in the textile industry. His strategic oversight, extensive industry knowledge and business acumen have played a significant role in guiding the Company’s overall direction and ensuring operational continuity and growth. Our Promoter, Deepank Bhandari, is a graduate in Textile Engineering from the Indian Institute of Technology, Delhi, and has over 11 years of professional experience across diverse business functions. His strategic perspective, analytical approach and entrepreneurial exposure provide valuable guidance to the Company's long-term vision and overall business direction.

They are supported by an experienced team of Key Managerial Personnel and Senior Management, who have demonstrated the ability to adapt to changing market conditions, scale operations, and maintain customer relationships. For further details, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 331.

Key Phases of Growth and Expansion



Key Performance Indicators

On the basis of our Restated Financial Information: From Fiscal 2023 to Fiscal 2025, our revenue from operations and our profit after tax has increased at a CAGR of 83.42% and 172.00% respectively.

Set forth below are certain key financial and operational metrics demonstrating our strong financial performance over the last three Fiscals and Three Months Period ended June 30, 2025:

(₹ in million, unless stated otherwise)

Key Performance Indicators (KPIs)	Unit	Three Months Period ended June 30, 2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023
FINANCIAL KPIs					
Revenue from Operations(1)	₹ in million	1,042.35	3,159.52	1,209.79	939.12
EBITDA(2)	₹ in million	163.43	581.19	284.87	180.76
EBITDA Margin(3)	in %	15.68%	18.39%	23.55%	19.25%
Net Profit after tax (4)	₹ in million	47.98	185.63	130.95	25.09
Net Profit Margin(5)	in %	4.60%	5.88%	10.82%	2.67%
Return on Net Worth(6)	in %	6.62%	34.08%	40.46%	14.96%
Return on Capital Employed(7)	in %	3.79%	16.97%	16.18%	32.69%
Debt-Equity Ratio(8)	in times	2.81	2.96	3.72	1.75
OPERATIONAL KPIs					
Sale of Services(9)	in %	21.79%	30.12%	88.72%	97.47%
Sale of Goods(10)	in %	78.21%	69.88%	11.28%	2.53%
Days Working Capital(11)	in days	104	122	104	103
Inventory Days(12)	in days	165	115	127	129
Debtors Days(13)	in days	70	48	44	58
Creditors Days(14)	in days	96	57	54	50

As certified by Statutory Auditors vide their certificate dated December 11, 2025.

Notes:

(1) *Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.*

(2) *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the period/fiscal and adding back finance costs and depreciation and amortization expenses.*

(3) *EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.*

(4) *Net Profit after tax represents the restated profits of our Company after deducting all expenses.*

(5) *Net Profit margin is calculated as restated net profit after tax for the period/fiscal divided by revenue from operations.*

(6) *Return on Net Worth is calculated as Net Profit after tax as restated for the end of the period/fiscal divided by Average Net worth as at the end of the period/fiscal. Average net worth means the average of the net worth of current and previous period/fiscal. Net worth means the aggregate value of the paid-up share capital and other equity.*

(7) *Return on capital employed) is calculated as Earnings before interest and taxes divided by average capital employed (average capital employed is calculated as average of the total equity, total borrowings and deferred tax liabilities (net of deferred tax assets) of the current and previous period/fiscal.*

(8) *Debt-equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity includes the aggregate value of the paid-up share capital and other equity.*

(9) *Sale of Services is calculated as revenue from sale of services as appearing in the Restated Financial Information, divided by the total revenue from operations.*

(10) *Sale of Goods is calculated as revenue from sale of goods as appearing in the Restated Financial*

Information, divided by the total revenue from operations.

(11) *Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents and bank balances less current liabilities excluding short term borrowings) by revenue from operations multiplied by the number of days in the period/fiscal (91/365).*

(12) *Inventory Days =Number of days during the period/fiscal (91/365)/ (Cost of Goods Sold/average Inventory at the beginning and end of the Period/Fiscal).*

(13) *Debtor Days = Number of days during the period/fiscal (91/365)/ (Revenue from Operations/average Trade Receivables at the beginning and end of the Period/Fiscal).*

(14) *Creditor Days = Number of days during the period/fiscal (91/365)/ (Net Purchases /average Trade Payables at the beginning and end of the Period/Fiscal).*

MARKET OPPORTUNITIES

Set forth below are the indicative market opportunity for the industry we deal in;

- The Indian textile processing industry, valued at USD 159 billion in CY24, is projected to reach USD 241 billion by CY30, driven by growth across both natural and synthetic fibre segments. Natural textiles, which currently lead the market with USD 99 billion, are expected to grow to USD 140 billion in CY30, due to India's abundant raw material base, traditional expertise in cotton and silk, and rising global demand for breathable and eco-friendly fabrics. The sector also benefits from government support and strong consumer preference for sustainable, comfortable materials. On the other hand, synthetic fibres are the fastest-growing segment, projected to increase from USD 70 billion in CY24 to USD 101 billion by CY30, fuelled by demand for durable, affordable, and easy-care fabrics used in activewear, fast fashion, and technical applications. This growth is further supported by increased investment in recycling technologies, innovation in performance textiles, and India's rising role as a low-cost, high-capacity global manufacturing hub. Together, these factors are shaping a robust and diversified future for India's textile processing industry.
- As the world's second-largest producer of textiles and garments and the third-largest exporter, India holds a significant position in the global market. The sector contributes around 13% to industrial production, 2.3% to GDP, and 12% to national exports. The industry's scope includes not just apparel, but also home textiles and technical textiles, placing India among the top five global exporters across various textile segments.
- The Readymade Garments (RMG) industry in India is a non-capital-intensive industry and it is largely unorganised with 60-70% where the manufacturers belong to the micro, small and medium enterprises (MSME) operating in specific clusters across the country. The Indian textile and apparel industry are highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organised textile industry in India. India is the 6th largest exporter of Textiles & Apparel in the world. The Indian RMG exports currently accounts for around 41% of total textile and clothing production in India as per the Ministry of Textiles.

For details, see "*Industry Overview*" on page 172.

KEY PRODUCTS

Our Company can produce a wide variety of fabrics, depending on capabilities, technology, and customer demands, including 100% cotton fabric, cotton lycra (Stretch) fabric, cotton blends and polyester blends.

100% Cotton Fabric

Our 100% cotton fabrics are known for their breathability, softness, and durability, making them suitable for applications in fashion apparel and casual wear. With controlled processing and quality-focused manufacturing, we ensure consistent fabric strength, color fastness, and comfort-oriented performance.

Cotton Lycra (Stretch) Fabric

Our cotton Lycra (stretch) fabrics combine the natural comfort of cotton with the stretch and recovery properties of elastane, offering flexibility and enhanced fit. These fabrics are widely used in garment industry. Through our Company's precise finishing processes, we achieve uniform stretchability, shape retention, and long-lasting performance, meeting the requirements of both casual and formal segment.

Cotton Blends

We produce a variety of cotton blend fabrics that integrate cotton with fibres such as polyester, viscose, to achieve enhanced durability, drape, and ease of maintenance. These blends offer balanced characteristics including improved wrinkle resistance, and reduced shrinkage, making them suitable for a wide range of apparel.

Polyester Blends

Polyester blends are designed to create textiles that are more durable, wrinkle-resistant, and resilient than natural fibers alone, while also offering advantages like softness and breathability from the blended fibre.

OUR STRENGTHS

1. Strategically located manufacturing facility with modern technologies to support our product portfolio

We operate through our manufacturing facility located in Bhilwara, Rajasthan, a region that is recognised as the 'Textile City' or "Manchester City of Rajasthan". Bhilwara, Rajasthan hosts an integrated textile ecosystem comprising more than 400 spinning, weaving and dyeing units, offering a comprehensive fibre-to-fabric value chain *(Source: CareEdge Report)*. Our presence within this established ecosystem enables us to access a reliable network of suppliers, skilled manpower and ancillary support services, thereby strengthening our manufacturing capabilities and operational efficiency.

As per the CareEdge Report, our plant is designed to meet environmental compliance standards and is equipped to handle end-to-end processing of cotton fabrics. By centralizing operations within a single location, we minimize material handling, reduce production lead times and enhance coordination across process stages. This results in process control, increased operational efficiency, and better consistency in output quality.

As per the CareEdge Report, India's textile processing industry is experiencing a significant transformation, moving from traditional methods to modern, technology-driven solutions. Traditional processing techniques such as manual dyeing and screen printing are often labour-intensive, inconsistent, and environmentally taxing. In contrast, modern technologies emphasize efficiency, precision, and sustainability. Innovations such as automated machinery, advanced treatment processes, and eco-compliant systems improve product quality while reducing operational costs and environmental impact.

Our manufacturing facility is equipped with advanced machinery sourced from reputed manufacturers. This includes stenter, merceriser, washing range, sanforiser, singeing, microsand suiding machine, KD jaguar and cloth pressing machine model formula 1 multipla, many of which are integrated with real-time digital monitoring tools to ensure uniformity and reduce defects.

According to the CareEdge Report, despite the fast-paced production, maintaining product quality is crucial to meet consumer satisfaction and reduce return rates. Implementing rigorous quality assurance processes helps ensure that products meet established standards and customer expectations.

As part of our ongoing commitment to product innovation and quality assurance, we have in place our in-house quality assurance lab equipped with machines such as Titans (Universal Strength Tester), Elmatear 1555 (Intelligent Digital Tear Tester) and Auto Colour Dispencer sourced from companies based out of China, Switzerland and UK.

We also integrate human expertise with automation and digital process controls to drive efficiency and optimize energy use throughout our operations. We have qualified professionals with diverse backgrounds such as Bachelor of Science (Technology), Master of Science, and Diploma in Textile Engineering. The team is dedicated to developing value-added fabrics and finishes using our existing infrastructure and machinery to deliver customised, made-to-order textile solutions. This technological foundation not only refine each new product in accordance with international standards but also enables responsiveness to changing customer and market needs.

Collectively, our infrastructure at single location and modern processing technologies enable us to remain agile, scalable, and competitive.

2. Integrated business model combining manufacturing and job work activities

As on date, our Company operates an integrated business model that combines in-house manufacturing with job-work processing, enabling us to maintain operational flexibility, strengthen quality control, and optimize the utilization of our installed capacity. We commenced our operations with a strategic acquisition of an established textile processing unit. Following the acquisition, our Company initially operated as a processing unit undertaking job-work activities. For further details on this acquisition, see to "*Our History and Certain Corporate Matters – Details Regarding Material Acquisitions or Disinvestments of Business/Undertakings, Mergers, Amalgamation, Etc. in The Last 10 Years*" on page 308.

With the expansion of our customer base, we identified the need to exercise greater control over product quality, production parameters, and delivery timelines. As part of our strategic initiative to transition from a job-work–based model to a manufacturing-led business, our Company established its own cotton processing plant, which began operations in July 2024. The integration of manufacturing into our operations has enabled us to convert greige fabric into finished fabric in-house, thereby improving oversight over quality, production scheduling, cost efficiency, and product consistency, and strengthening our position within the fabric value chain.

Set out in the table below are the breakdown of our revenues from operations by our business verticals for Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024, and Fiscal 2023:

(₹ in million)

Particulars	Three month ended June 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from Operations	Amount	% of revenue from Operations
Manufacturing	815.18	78.21%	2,207.87	69.88%	136.50	11.28%	23.73	2.53%
Job Work	227.17	21.79%	951.65	30.12%	1,073.29	88.72%	915.39	97.47%
Total	**1,042.35**	**100.00%**	**3,159.52**	**100.00%**	**1,209.79**	**100.00%**	**939.12**	**100.00%**

As certified by our Statutory auditor vide their certificate dated December 09, 2025

The combination of in-house manufacturing and job-work services provides us with the ability to manage capacity effectively and operate at optimal utilization levels. During the Three Months Period ended June 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, our capacity utilization stood at 81.65%, 71.50%, 89.50% and 87.65%, respectively.

3. *Strong standing relationships with customers with high retention rate*

Our Company has built a foundation of trust and reliability among our customers across the market. Our ability to offer fabric tailored to meet specific quality, volume and delivery requirements has enabled us to cultivate strong standing partnerships and deliver consistent customer satisfaction.

During the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, we catered to 326, 417, 191 and 199 customers, respectively. There were 125 customers who contributed to our revenue who have maintained an ongoing relationship with us for at least 3 reporting periods. We derived 20.05%, 34.30%, 91.73% and 92.63% of our revenue from operations during the Three Months Period ended June 30, 2025, Fiscals 2025, 2024 and 2023, respectively, from such customers who have been associated with us for at least three reporting periods.

The table set forth below is the contribution of our top 1, top 5 and top 10 customers towards our revenue from operations:

(₹ in million except for percentages)

Particulars	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	

	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% revenue from operations
Top 1 customers	64.22	6.16%	216.59	6.86%	117.31	9.70%	55.74	5.94%
Top 5 customers	226.32	21.71%	852.40	26.98%	388.23	32.09%	239.95	25.55%
Top 10 customers	352.35	33.80%	1,199.85	37.98%	582.51	48.15%	425.77	45.34%

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The following table provides a breakdown of our top 10 customers for the Three Months Period ended June 30, 2025:

S. No.	Name of the Customer	% of revenue from operations
1	Tirumala Textiles	6.16%
2	M.R.Ramchand & Co Pvt Ltd	4.56%
3	Customer No. 3	4.52%
4	Bhagwan Enterprise Textiles Pvt. Ltd.	3.66%
5	Customer No. 5	2.81%
6	Customer No. 6	2.75%
7	Customer No. 7	2.71%
8	Customer No. 8	2.38%
9	Customer No. 9	2.22%
10	Customer No. 10	2.03%

Names of the certain customer have not been included in the above table as consents for disclosure of certain customer names were not available

As evident from the foregoing, our strong relations with our key customers offer competitive advantages such as revenue visibility, industry goodwill and quality assurance.

4. Experienced Promoters supported by a professional management team with domain knowledge.

We are led by a team of Promoters with extensive experience in the textile industry, who are actively involved in the key functions of our business, including business development, manufacturing operations, product development, marketing and finance. Our Promoter and Chairman, Subhash Chandra Nuwal, has over 30 years of experience in the textile sector. His deep industry knowledge, strategic insight and business acumen have been instrumental in guiding the Company's overall direction and supporting the continuity, stability and expansion of our operations. Harshil Nuwal, our Promoter and Managing Director, has over 14 years of experience in the textile industry. He is responsible for providing strategic direction, driving business growth and overseeing product development and innovative initiatives of our Company.

Our leadership team is further supported by our Key Managerial Personnel and Senior Management.

Rajnikant Saraswat, general manager of our Company, has over 39 years of experience in operations and financial planning. Ajay Jain, our Plant Head, has over 24 years of experience in fabric processing. Their respective industry expertise and managerial capabilities contribute to the effective functioning of our operations and the implementation of our business strategies. For further details, see "*Our Promoters and Promoter Group*" on page 335 and "*Our Management -Brief Profiles of the Directors*" on page 311.

5. *Healthy Track Record and Steady Growth*

The Company has demonstrated consistent growth in its scale of operations, revenues and profitability over the past three Fiscals and Three Months Period ended June 30, 2025. Our Company's revenue from operations has increased by a CAGR of 83.42% from Fiscal 2023 to Fiscal 2025. Similarly, our EBITDA and profitability have increased at a CAGR of 79.31% and 172.00% respectively, from Fiscal 2023 to Fiscal 2025.

A summary of the key financial performance indicators for the Three Months Period ended June 30, 2025, and Fiscals 2025, 2024, and 2023, is set out in the table below:

(₹ in million except for percentages)

Particulars	Three Months Period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Operations[(1)]	1,042.35	3,159.52	1,209.79	939.12
EBITDA[(2)]	163.43	581.19	284.87	180.76
EBITDA Margin (%)[(3)]	15.68%	18.39%	23.55%	19.25%
Profit after Tax (PAT)[(4)]	47.98	185.63	130.95	25.09
PAT Margin(%)[(5)]	4.60%	5.88%	10.82%	2.67%

As certified by Statutory Auditors of our Company vide their certificate dated December 09, 2025

Notes:

(1) Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.

(2) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the period/fiscal and adding back finance costs and depreciation and amortization expenses.

(3) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.

(4) Net Profit after tax represents the restated profits of our Company after deducting all expenses.

(5) Net Profit margin is calculated as restated net profit after tax for the period/fiscal divided by revenue from operations.

OUR STRATEGIES

1. *Forward Integration and Expansion through our Subsidiary*

Our Company is primarily engaged in the processing of fabrics for brands operating in the RMG segment. According to the CareEdge Report, RMG industry in India is a non-capital-intensive industry and it is largely unorganised with 60-70% where the manufacturers belong to the micro, small and medium enterprises (MSME) operating in specific clusters across the country. The Indian textile and apparel industry are highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organised textile industry in India.

Given the fragmented structure of the RMG market and the increasing preference for integrated textile solutions, our Company has adopted a strategy to move up the value chain and expand its presence across downstream apparel categories. In line with this objective, we incorporated a wholly owned subsidiary, Sionnah Enterprises Private Limited, on July 1, 2025, to establish our presence in the RMG segment.

This strategic expansion enables us to offer an integrated value chain from fabric manufacturing and processing to the production of finished garments, thereby broadening our product portfolio across multiple apparel categories. Through this integration, we aim to better align our fabric processing capabilities with the specific needs of garment brands, enhance operational responsiveness, and deliver greater value to our customers.

Through our Subsidiary, we intend to strengthen our positioning by offering comprehensive textile solutions with higher value addition. Our Subsidiary has established working arrangements with various garment job manufacturers, which is expected to support efficient, scalable, and timely execution in the RMG segment. By leveraging the group's experience in fabric processing, we expect to ensure consistent quality, operational efficiency, and alignment with customer requirements as we expand into garment production. Our Subsidiary has taken an office premises situated at Door No. 30, Ground Floor, Plot no. 37, 21 and 24, Doddanekundi, II Phase Industrial Area, Mahadevapura Post, Whitefield Road, Bengaluru – 560048, Karnataka on lease effective from August 29, 2025.

Through this integrated ecosystem, we are able to offer garment brands a complete, end-to-end solution under one roof, enabling tighter quality control, reduced lead times, and a more efficient and reliable supply chain.

Our group structure, combined with our expertise in the processing segment, is expected to facilitate the seamless implementation of this strategy and support the long-term growth of our integrated textile operations.

2. Strengthening Our Sustainability Framework and Expand Renewable Energy Usage

We have made significant investments in renewable energy infrastructure, enabling us to operate our processing activities with less reliance on conventional grid electricity. As part of our long-term commitment to environmental sustainability, energy self-reliance, and operational efficiency, we currently operate a 0.26 MW rooftop solar power unit coupled with a back pressure steam turbine at our manufacturing facility. To further reduce reliance on grid electricity and enhance long-term cost efficiency, our Company is in the process of establishing another 1.10 MW rooftop solar power plant for captive consumption which is expected to considerably reduce our electricity expenses. Additionally, our manufacturing facility is equipped with effluent zero-liquid discharge treatment plant which enables us to carry out complete in-house treatment of wastewater generated during the manufacturing process.

According to the CareEdge Report, emerging opportunities in the global textile industry include the efficient utilization of renewable energy sources such as wind and solar power, which can lower operational costs and enhance sustainability credentials. Coupled with the effective operation of water treatment and effluent management systems, particularly in dyeing and finishing, textile manufacturers can reduce water consumption, recycle effluents, and minimize environmental impact. This integration of energy and water efficiency not only improves cost competitiveness and operational resilience but also supports compliance with international standards like OEKO-TEX and GOTS, making Indian textile products more attractive in eco-conscious global markets. India is adopting renewable energy for textile manufacturing, supported by policies like the Perform, Achieve and Trade (PAT) scheme and state-level solar incentives. This integrated renewable energy strategy not only strengthens our energy security but also reduces our carbon footprint and contributes to long-term cost optimization.

Our transition to renewable energy is aligned with national climate action goals and reinforces our commitment to responsible resource utilization and sustainable industrial growth. This focus on green energy and sustainability-led investments enhances the resilience and sustainability of our business model, strengthens our operational reliability and environmental compliance, provides insulation against energy price volatility, and positions us to potentially benefit from future regulatory and fiscal incentives related to renewable energy adoption.

3. Focus on cost optimization

Cost optimization and operational efficiency remain key focus areas for our Company. We continue to implement measures aimed at improving productivity and reducing expenses across both our manufacturing and job-work operations, thereby strengthening overall financial efficiency. Increasing competition and a dynamic regulatory environment within the textile industry have further reinforced the need for data-driven and innovative cost management practices.

We undertake monthly reviews of our business processes, operational workflows and cost structures to identify high-cost areas, inefficiencies and opportunities for improvement. These assessments, supported by analysis of historical data, financial metrics and key performance indicators, enable us to implement targeted initiatives to enhance efficiency across our value chain.

As part of our efforts to optimize outsourcing costs and improve control over input quality, we propose to acquire advanced machinery for in-house readiness of yarn. This investment is expected to improve process reliability, reduce turnaround time and ensure greater consistency in product quality. For further details, see "*Our Objects – Proposed Schedule of Implementation and Deployment of Net Proceeds*" on page 142.

By leveraging synergies across our operations and optimizing the use of our existing infrastructure and industry expertise, we aim to improve profitability and support sustainable long-term growth.

4. Focus on deleveraging and enhancing financial flexibility

Our Company has entered into various borrowing arrangements with banks, including borrowings in the form of term loan, vehicle loan, cash credit facilities and working capital demand loan. As on October 31, 2025, our Company's aggregate outstanding borrowings from banks was ₹ 2,335.06 million. We intend to reduce our borrowings and, accordingly, propose to utilise a portion of the Net Proceeds towards repayment or pre-payment of loans amounting to ₹800.00 million. For further details, see "*Objects of the Issue*" on page 141.

The proposed repayment or pre-payment of our existing indebtedness is expected to reduce our debt servicing obligations, improve our debt-to-equity ratio and provide greater flexibility in deploying internal accruals toward business growth and expansion. The reduction in interest outflows is also expected to contribute to improved profitability and enhance our overall financial performance. A stronger capital structure will further enhance our financial resilience, support future fund-raising requirements and position us to capitalise on potential business development opportunities. As our operations scale, we intend to continue maintaining an efficient capital structure to support sustainable long-term growth.

The strategies of our Company listed above have been adopted by a resolution passed by our Board on December 11, 2025.

OUR MANUFACTURING FACILITY

The manufacturing facility of our Company is located in Bhilwara, Rajasthan at 18th K.M. Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan - 311025. This location offers us a strategic advantage in terms of proximity to high-quality raw material suppliers, skilled labour, and transportation infrastructure, including road and rail connectivity. The facility is situated on freehold industrial land and spans a built-up area 49,540 sq. mtr. Our manufacturing facility is equipped with advanced machineries sourced from internationally recognised manufacturers across various countries such as Italy, Germany, China, UK and Switzerland.

As part of our broader commitment to sustainability and energy efficiency, our manufacturing facility has a rooftop solar power plant and a zero liquid discharge effluent treatment plant which enables us to carry-out complete in-house treatment of wastewater which is generated. This renewable energy installation contributes to our electricity consumption and enables us to reduce reliance on conventional power sources, thereby lowering operating costs and reducing greenhouse gas emissions. Taken together, our facility’s modern machinery, optimised layout, in-house logistics capabilities, and sustainable energy integration position us strongly to meet the growing demand for high-quality fabrics.

The facility includes warehousing space with a total capacity of approximately five (5.00) million meters. This warehousing infrastructure is used to store our raw materials and finished fabrics. This storage infrastructure facilitates organised inventory management and smooth dispatch operations, offering us significant flexibility to manage procurement surges during festive seasons to maintain adequate inventory. It also enhances our ability to respond to seasonal demand, support bulk procurement and ensure timely deliveries to our customers.

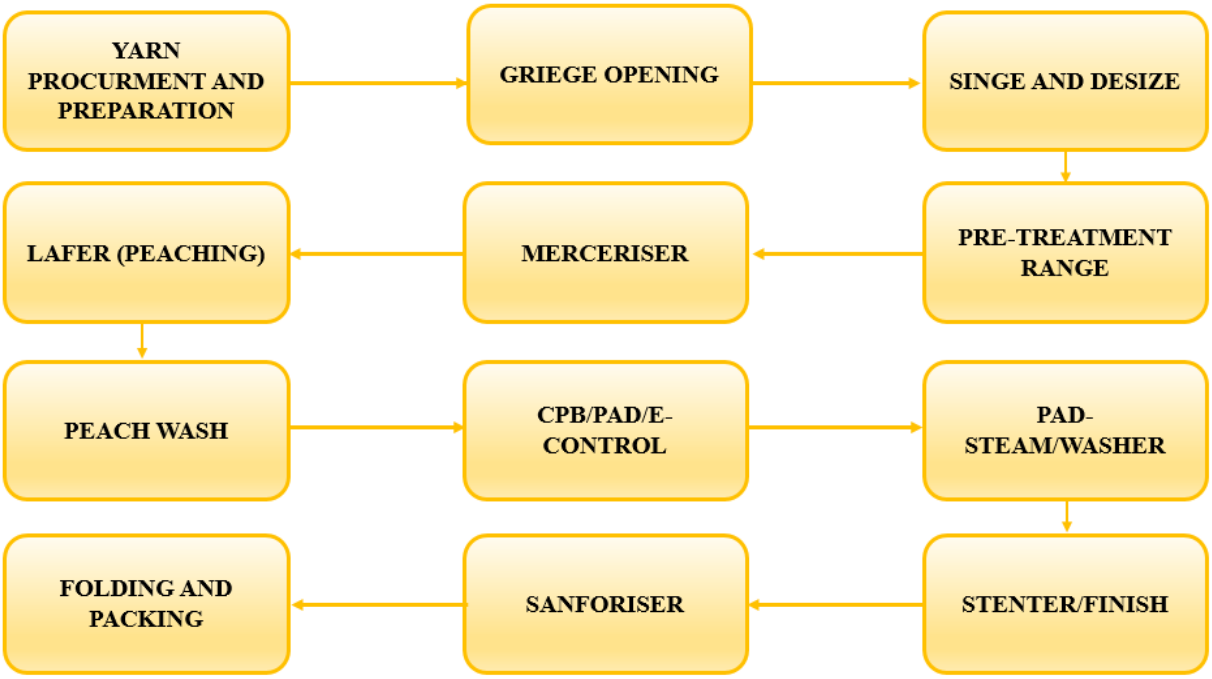
We set out below a few photographs of our manufacturing facility:

OUR MANUFACTURING PROCESS

Our Company specializes in the manufacturing of 100% cotton fabric, cotton lycra (stretch) fabric, cotton blends, polyester blends, and in the processing of fabric including 100% cotton, cotton blends, polyester-viscose (P/V) and polyester fabric.

An illustrative overview of the processes involved in our operations is set out below.

I. Greige Fabric Processing – 100% cotton fabric, cotton lycra (stretch) fabric and cotton blends



Set out below is brief description of the processes involved in our operations:

- **Yarn procurement and preparation / Greige opening:** Our manufacturing process commences with (i) the procurement of greige fabric from third-party suppliers; or (ii) the procurement of yarn, which is subsequently converted into greige fabric through outsourced job-work arrangements undertaken in accordance with our technical specifications. Upon receipt of the greige fabric, all subsequent processing operations are carried out in-house at our manufacturing facility.

- **Singeing**: Singeing removes loose or protruding fibers from the surface of the greige fabric by passing it rapidly over a gas flame or heated plate. This makes the surface smooth and prevents pilling, ensuring a cleaner appearance after dyeing and printing.

- **Desizing**: Since yarns are coated with sizing material before weaving, desizing is required to remove this layer. Enzymatic, oxidative, or acid desizing methods are used depending on the size material. Proper desizing ensures uniform dye absorption in later stages.

- **Scouring**: Scouring is a deep cleaning process that removes natural impurities such as waxes, oils, and dirt, as well as residual chemicals from the fabric. The process involves boiling the fabric in an alkaline solution. This step improves absorbency, allowing dyes and finishes to penetrate evenly.

- **Bleaching**: Bleaching eliminates the natural color of fibers to produce a uniform white base, suitable for dyeing or printing. We use hydrogen peroxide for cotton fabrics, while milder agents are applied for wool and silk to prevent damage.

- **Mercerizing**: Mercerization is a chemical treatment applied to cotton fabric using concentrated caustic soda (NaOH). It causes the fibers to swell, increasing luster, strength, and affinity for dyes. This step significantly enhances the brightness and smoothness of cotton textiles.

- **Lafer (Peaching)**: The fabric surface is gently abraded using emery rollers to impart a smooth, peach-like finish, enhancing the fabric's hand feel and aesthetic appeal.

- **Peach Wash**: The peached fabric is subsequently washed to remove loose fibers and surface residues, resulting in a cleaner appearance and smoother texture.

- **CPB / Pad Dry / E-Control**: This process involves continuous impregnation of the fabric with dyes or chemical agents through padding, followed by drying and fixation to obtain uniform results.

- **Pad Steam/ Washer**: After the fabric is impregnated with finishing agents through padding, it is subsequently washed thoroughly to remove unfixed residues, resulting in improved finish quality and durability.

- **Stenter / Finish**: In this stage, the fabric is stretched to achieve uniform width and dimensional stability while being dried under controlled temperature conditions. Desired finishes, such as softness and improved hand feel, are imparted through the application of appropriate finishing agents.

- **Sanforiser**: The fabric undergoes a mechanical pre-shrinking process to control residual shrinkage and ensure dimensional stability during subsequent garment manufacturing and usage. This treatment enhances the performance and appearance of the finished fabric.

- **Folding and packing**: The fabric is systematically folded, inspected, and packed according to customer specifications. Proper folding and packing ensure the fabric remains clean, crease-free, and presentable during storage and transportation.

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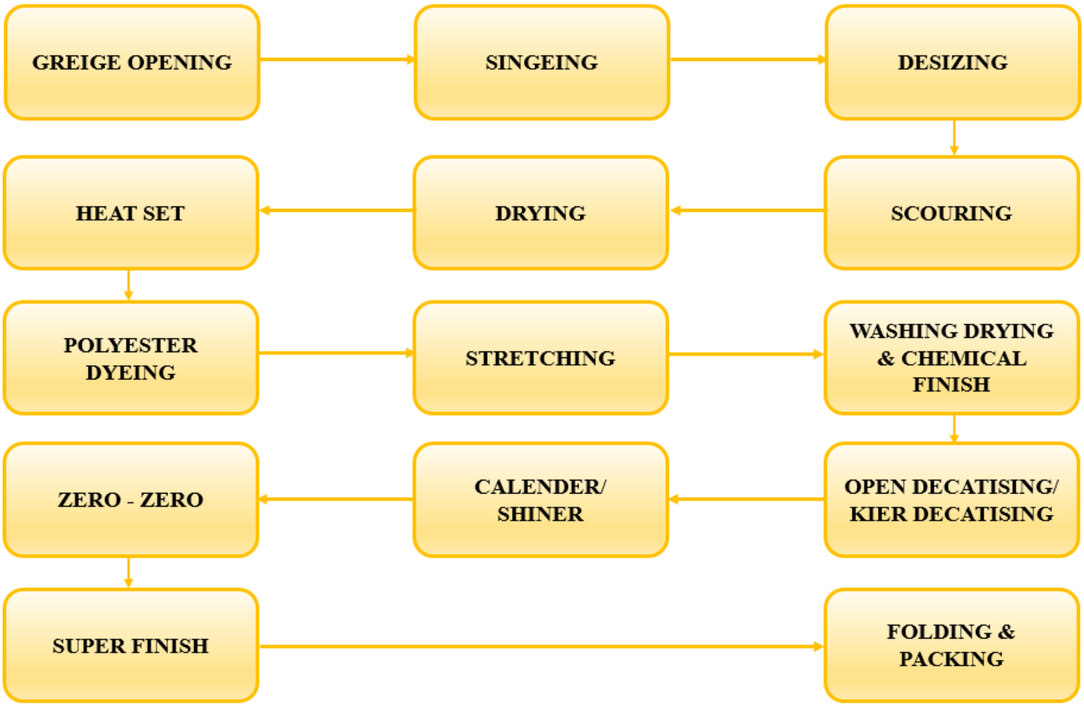
II. Greige Fabric Processing – Polyester blends



Set out below is brief description of the processes involved in our operations:

- **Greige opening:** Our manufacturing process commences with the procurement of greige fabric from third-party suppliers. Upon receipt of the greige fabric, all subsequent processing operations are carried out in-house at our manufacturing facility.

- **Singeing**: Singeing removes loose or protruding fibres from the surface of the greige fabric by passing it rapidly over a gas flame or heated plate. This makes the surface smooth and prevents pilling, ensuring a cleaner appearance after dyeing and printing.

- **Desizing**: Since yarns are coated with sizing material before weaving, desizing is required to remove this layer. Enzymatic, oxidative, or acid desizing methods are used depending on the size material. Proper desizing ensures uniform dye absorption in later stages.

- **Scouring**: Scouring is a deep cleaning process that removes natural impurities such as waxes, oils, and dirt, as well as residual chemicals from the fabric. The process involves boiling the fabric in an alkaline solution. This step improves absorbency, allowing dyes and finishes to penetrate evenly.

- **Drying**: Drying removes moisture from the fabrics. Controlled drying ensures consistent fabric properties, prevents uneven shrinkage, and prepares the material for subsequent finishing operations.

- **Heat set**: Heat setting is a thermal process mainly used for synthetic fibres like polyester. The fabric is exposed to high temperatures to stabilize its structure, reduce internal stresses, and permanently set the desired dimensions. This ensures excellent shape retention, crease resistance, and improved fabric stability during later processing.

- **Polyester dyeing**: Polyester dyeing involves coloring polyester fabric using disperse dyes under high temperature and pressure. The dye molecules penetrate the tightly packed fibre structure, resulting in bright, durable, and wash-resistant shades. The process ensures uniform color development and high fastness properties.

- **Stretching**: Stretching involves pulling the fabric widthwise or lengthwise to achieve a uniform structure, correct distortions, and maintaining the required dimensions.

- **Washing, Dry & Chemical finish**: This stage includes washing to remove unfixed dyes, chemicals, or impurities, to achieve the correct moisture content. Chemical finishes such as softness enhancers, anti-pilling agents, or crease-resistant resins are applied to improve the fabric's final handle, appearance, and performance.

- **Open Decatising/ Keir Decatising**: In open or kier decatising, steam is applied under controlled pressure to set the fabric structure, reduce crease marks, and enhance lustre. This treatment results in a smooth, dimensionally stable, and high-quality fabric surface.

- **Calendar/ shiner**: Calendering passes the fabric between heated rollers to produce a smooth, glossy, or shimmery surface. The pressure and heat compact the fibers, improving lustre, hand feel, and appearance. This process enhances fabric aesthetics, especially for fabrics requiring a shiny or polished finish.

- **Zero zero**: Zero-zero is a finishing process that relaxes the fabric mechanically to remove distortions, bowing, and skewness. The fabric is brought to a relaxed, natural state to ensure better dimensional stability, uniformity, and improved fall or drape before further finishing or garmenting.

- **Super Finish**: Super finish is a premium finishing treatment that enhances the overall feel, appearance, and performance of the fabric. It often combines softening agents, surface enhancements, and mechanical finishing to deliver a luxurious hand feel, improved drape, and superior surface smoothness.

- **Folding and packing**: The fabric is systematically folded, inspected, and packed according to customer specifications. Proper folding and packing ensure the fabric remains clean, crease-free, and presentable during storage and transportation.

CAPACITY AND CAPACITY UTILIZATION

The installed production capacity vis-a-vis actual production at the manufacturing facility of our Company as of the last three Fiscal and Three Months Period ended June 30, 2025, is set out below:

Particulars	Three Months Period ended June 30, 2025	Fiscal 2025*	Fiscal 2024	Fiscal 2023
Installed Capacity (MMPA)	82.44	82.44	54.00	54.00
Actual Production (MMPA)	16.83	58.94	48.33	47.33
Percentage of Utilisation	81.66%#	78.24%*	89.50%	87.65%

As certified by R. K. Maheshwari, Chartered Engineer vide their certificate dated December 06, 2025

**The Manufacturing facility has an installed processing capacity of 54.00 million meters per annum, which has been increased by 28.44 million meters per annum as per consent to operate letter dated April 23, 2024. Commercial production under the enhanced capacity commenced in July 2024. So, percentage of utilization has been annualised for the same.*

 # Percentage of utilization has been annualised.

RAW MATERIAL AND PROCUREMENT

The primary raw materials used in our manufacturing process are yarn and greige fabric. The Company has established long-term business relationships with several key suppliers and sourcing partners, including yarn manufacturers and fabric processors such as Fair Deal Corporation, Esspal International Private Limited, Shubham Syntex, PMS Syntex Private Limited, RKC Buildcon India Private Limited, Swadesh Suiting Private Limited, A R Overseas, Mangalam Yarn Agencies, Pradipt Colour Chem and Sanya Dye Chem Private Limited. These relationships have been built over time through consistent procurement practices, timely payments, and adherence to mutually agreed quality and delivery standards, ensuring reliability and stability in the Company's supply chain.

The break-up of the primary raw materials consumed during the Three Months Period ended June 2025, Fiscal 2025, 2024 and 2023, based on our Restated Financial Information, is as follows:

(₹ in million)

Particulars	Three Months Period ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Yarn	248.47	116.55	-	-
Greige Fabric	234.20	1,543.15	134.32	45.03

Set out below are our procurements, from various states in India during Three Months Period ended June 30, 2025, and Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(₹ in million)

Particulars	Three Months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase
Rajasthan	858.13	95.93%	2,587.97	98.36%	505.83	96.26%	457.88	83.19%
Gujarat	14.36	1.61%	21.53	0.82%	3.44	0.65%	49.57	9.01%
West Bengal	10.95	1.22%	-	0.00%	-	0.00%	-	0.00%
Madhya	5.08	0.57%	0.04	0.00%	2.84	0.54%	3.07	0.56%

Particulars	Three Months period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase	Amount	% of Purchase
Pradesh								
Uttar Pradesh	4.11	0.46%	15.81	0.60%	10.21	1.94%	39.70	7.21%
Tamil Nadu	1.08	0.12%	-	0.00%	-	0.00%	-	0.00%
Telangana	0.55	0.06%	-	0.00%	-	0.00%	-	0.00%
Maharashtra	0.16	0.02%	1.24	0.05%	0.39	0.07%	0.17	0.03%
Goa	0.07	0.01%	-	0.00%	-	0.00%	-	0.00%
Haryana	0.01	0.00%	3.51	0.13%	2.77	0.53%	-	0.00%
Punjab	-	0.00%	1.17	0.04%	-	0.00%	-	0.00%
Total	**894.50**	**100.00%**	**2,631.27**	**100.00%**	**525.48**	**100.00%**	**550.39**	**100.00%**

As certified by our Statutory Auditors vide their certificate dated December 09, 2025.

Set out below, are the details of top one (1), top five (5) and top ten (10) suppliers and their amount as a percentage (%) of total purchases for the Fiscals indicated in the table:

(₹ in million, unless stated otherwise)

Particulars	Three Months ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase	Amount	% of Total Purchase
Top 1 suppliers	111.10	12.42%	1,172.22	44.55%	103.98	19.79%	104.59	19.00%
Top 5 suppliers	421.34	47.10%	1,894.35	71.99%	307.76	58.57%	296.33	53.84%
Top 10 suppliers	616.49	68.92%	2,124.48	80.74%	407.37	77.52%	409.08	74.33%

As certified by our Statutory Auditors vide their certificate dated December 09, 2025.

UTILITIES

Power

Our manufacturing facility has access to adequate power supply to ensure uninterrupted operations. Our power requirements are met through an external supply from the state electricity grid, Ajmer Vidyut Vitran Nigam Limited (AVVNL), and combination of our captive roof top solar installation and in-house turbine power plant. In addition to this, we have also installed DG sets in our manufacturing facility for contingencies occurring due to power outage.

Water/Waste Management

Water required for processing is sourced from our in-house underground water supply and reused through ETP and RO water treatment plant to ensure purity and compliance with quality standards.

Our Company has installed a zero liquid discharge effluent treatment plant, integrated with ultra-filtration and a four-stage reverse osmosis (RO) system supplied by Italian company, at our manufacturing facility for the treatment of wastewater generated during the manufacturing process. This system enables us to carry out complete in-house treatment of wastewater which is generated during our manufacturing process. Our Company has also availed the requisite consents and environmental approvals from the regulatory authorities for operating our manufacturing units. For further details, see '*Government and Other Approvals'* beginning on page 479.

Set out below are the images of our machines installed for effluent treatment plants for treatment of wastewater:


SALES, MARKETING AND DISTRIBUTION

Our Company has a dedicated sales team that manages the relationship with our customers. The team actively tracks new leads while maintaining consistent engagement with existing customers to facilitate order procurement, execution, and after-sales support.

The Company periodically undertake structured exercises to identify potential and existing clients with purchasing capabilities and long-term business potential. The Company undertake various sales and marketing activities and generate new leads and strengthen our long-term market presence through active participation in trade exhibition such as Bharat Tex. At such events, our team showcase our product range to potential customers.

QUALITY AND LABORATORY EXCELLENCE

Our Company's manufacturing facility is supported by an in-house quality assurance laboratory equipped with instruments sourced from companies based out of China, Switzerland and UK.

We are committed to maintaining quality standards at all steps of the manufacturing process of our products, from procurement of the raw materials to supply of our products. We have personnel who ensure compliance with our quality management systems and statutory and regulatory compliances. Quality has always been a focus area for management and is part of our organizational corporate goals. Our Company view quality not merely as a standard, but as an ongoing process that builds and sustains customer trust. Guided by a skilled and experienced team, all raw material procurement and production processes are executed in strict compliance with customer specifications and evolving market requirements. Our manufacturing facility is equipped with an in-house quality control laboratory that oversees inspections at every stage, from raw material intake to final product dispatch. All products are tested by our quality control laboratory to ensure they meet defined specifications.

This screening allows us to maintain consistency in production, minimize processing losses, and ensure that our products meet the quality expectations of our clients. By aligning our quality practices with global standards, Our Company has created a reliable and efficient manufacturing process that drives customer satisfaction and supports our long-term growth.

Set out below are a few photographs of our quality assurance laboratory:

ENVIRONMENTAL, HEALTH AND SAFETY

Our manufacturing processes and activities are subject to the environmental laws and regulations of India, which govern, among other things, air emissions, wastewater discharges, disposal of hazardous substances and wastes, the remediation of contaminated sites, natural resource damages and employee health and employee safety. We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an occupational health and safety policy that is aimed at, inter alia, complying with applicable environmental laws and regulations and voluntary commitments, providing a healthy and safe work environment, effectively communicating with facility employees. For information regarding applicable health, safety and environmental laws and regulations, see "*Key Industry Regulations and Policies*" on page 291.

GOVERNMENT INCENTIVES

Our Company has availed certain government incentives under central and state-level schemes that support textile manufacturing and industrial development by reducing financing and utility costs:

Rajasthan Investment Promotion Scheme (RIPS):

S. No.	Certificate No.	Type of Subsidy	Issued under	Date of Issue
1.	RIPS2022/2023/ 5008125	100% exemption from electricity duty	RIPS 2022	August 12, 2024
2.	RIPS2022/2023/ 5008129	Employment generation subsidy	RIPS 2022	August 12, 2024
3.	RIPS2022/2023/ 5008126	Interest subsidy	RIPS 2022	August 12, 2024
4.	RIPS2022/2023/ 5008130	Expansion based investment subsidy	RIPS 2022	August 12, 2024
5.	RIPS2024/2025/ 3816	Existing Project capital subsidy	RIPS 2024	August 27, 2025

6.	RIPS2024/2025/3817	Interest Subvention	RIPS 2024	August 27, 2025
7.	RIPS2024/2025/3818	Electricity Duty Exemption	RIPS 2024	August 27, 2025
8.	RIPS2024/2025/3819	Add On Green Incentive on Environmental Projects	RIPS 2024	October 29, 2025

Our Company received ₹1.17 million and ₹3.14 million as interest subsidy during the Three Months Period ended June 30, 2025, and Fiscal 2025, respectively.

INTELLECTUAL PROPERTY

As on the date of this Draft Red Herring Prospectus, our Company does not have any registered intellectual property. However, our Company has made applications for registration of 20 trademarks in respect of the name and logo of our Company under the Trademarks Act, 1999. For further details, see "*Government and Other Approvals – Intellectual Property Related Approvals*" on page 483.

For risk associated with intellectual property, see "*Risk Factor – Our Company does not own any registered intellectual property rights, and any inability to protect our brand, business processes or proprietary information may adversely affect our business, financial condition and results of operations*" on page 64.

HUMAN RESOURCES

We are dedicated to the development of the expertise, skill sets and know-how of our employees and labourers. As on October 31, 2025, we had 844 employees.

Set forth below are the details of the employees of the Company, as on October 31, 2025:

Function	Employees
Managing Director	1
Director	1
Production	435
Plant Maintenance	134
Dispatch & Supply Chain	71
Quality Assurance & Control	53
Human Resources	10
Facility Department	39
Safety & Security	41
Support Function	13
Accounts & Finance	19
Sales & Marketing	14
Purchase	13
Total	**844**

Further, to efficiently manage our production processes and meet the demands of our growing business, our company engages contract workers on a job work basis who operate within our manufacturing facility. By employing a flexible workforce model, we optimize our manufacturing efficiency, scale production based on demand fluctuations, and maintain cost-effectiveness without compromising on quality and delivery timelines.

These contract workers are engaged through third-party contractors, who ensure that the required workforce is available based on our production schedules. They are deployed across various stages of the manufacturing process. Since these workers operate within our manufacturing facility, they are integrated into our quality control and process management systems, ensuring that all products meet our stringent quality standards.

Set forth below are the details of the contractual labour of the Company, as on October 31, 2025.

Function	Employees
Production	108
Dispatch and Supply Chain	6
Support Functions	6
Total	**120**

COMPETITION

We face competition from the domestic players in the industry segment in which we operate. We try to remain competitive by seeking to understand the markets in which we operate and identify emerging opportunities. Our consistent tracking of markets, increasing capacities and our consistent interaction with our customers is a key to our competitiveness and these factors inter alia enable us to anticipate the needs of our customers. Our competitors vary in size and may have greater financial, manufacturing, marketing, personnel and other resources than us and certain of our competitors have a longer history of established businesses and reputations in the industry in which we operate. Competitive conditions in some of our product segments may cause us to realise lower net selling prices and reduced gross margins and net earnings. Changes in the identity, ownership structure and strategic goals of our competitors and the emergence of new competitors in our industry may impact our financial performance. For further details on our competition, see "*Industry Overview*" on page 172.

INFORMATION TECHNOLOGY

We rely on information technology infrastructure in order to maintain consistency in production chain and safeguard our operations. We have implemented SAP across our operations to streamline our record keeping and track our business operations on real-time basis pursuant to which various financial, analytical and MIS reports are generated. Further, this system also enables us to track timely procurement of raw materials, payment to vendors and contract suppliers and receivables from customers.

INSURANCE

Under the restrictive covenants imposed by the banks and also as a good business practice we maintain insurance covering hazards, like vehicle insurance policy and industrial all risks policy.

CORPORATE SOCIAL RESPONSIBILITY

We have constituted a CSR committee of our Board of Directors and have adopted and also formulated a CSR policy. As a part of the CSR initiatives, our company has undertaken several activities including promoting health care including preventive healthcare and promoting education, cultural, moral development activities and preservation of traditional art and culture. As per our Restated Financial Information, our CSR expenditure during the Fiscals 2025 and 2024 was ₹1.96 million and ₹1.25 million.

PROPERTIES

As on the date of this Draft Red Herring Prospectus, our Company has not taken any immovable property on lease. The following table sets forth the location and other details of the properties owned by our Company:

S. No.	Purpose	Purchased / Leased	Address of the Premises	Total Land Area	Date of Purchase
1.	Registered Office and Manufacturing Facility	Purchased	18th K.M. Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan - 311025.	34,899 sq. mtr.	June 17, 2022
				14,641 sq. mtr.	August 24, 2023
2.	Vacant Land	Purchased	Araji No. 1590, Hamirgarh, Bhilwara, Rajasthan - 311025	3,351 sq. mtr.	October 19, 2022
			Araji No. 1604, Hamirgarh, Bhilwara, Rajasthan – 311025	253 sq. mtr.	
			Araji No. 1,588 Hamirgarh, Bhilwara, Rajasthan – 311025	5,564 sq. mtr.	December 20, 2024

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled "Government and other Approvals" on page 479.

INDUSTRY/BUSINESS/TRADE RELATED LAWS

The Textiles Committee Act, 1963

The Textile Committee Act, 1963 ("**Textile 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 Textile Act prescribes for establishment of a textile committee ("**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 object 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 standardised 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 5 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.

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. NTP 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.

Export Promotion Capital Goods Scheme

The objective of the Export Promotion Capital Goods Scheme ("**EPCG Scheme**") is to facilitate import of capital goods for producing quality goods and services and enhance manufacturing competitiveness. EPCG Scheme allows import of capital goods that are used in pre-production, production and post-production without the payment of customs duty. Capital goods imported under the benefit under the scheme is subject to an export value equivalent to 6 times of duty saved on the importation of such capital goods within 6 years from the date of issuance of the authorisation. EPCG Scheme covers manufacturer exporters with or without supporting manufacturers, merchant exporters tied to supporting manufacturers and service providers.

Rajasthan Investment Promotion Scheme ("RIPS")

The objective of RIPS is to encourage new investments and promote expansion of existing enterprises in the State, thereby enhancing industrial competitiveness, employment generation and sustainable economic development. RIPS provides eligible enterprises with a bouquet of incentives including investment subsidy, interest subsidy, employment generation subsidy and other fiscal benefits as notified under the scheme. As per the latest policy, RIPS will be operative till March 31, 2029 or until a new policy notification is issued by Government of Rajasthan.

The benefits under RIPS are admissible for a prescribed period and are subject to fulfilment of conditions such as commencement of commercial production within the stipulated timeline, maintenance of investment and employment levels, and adherence to reporting and compliance requirements under the scheme. RIPS covers a broad spectrum of investors including manufacturing units, service sector enterprises, thrust sector projects and MSMEs, with the extent and quantum of subsidy linked to the amount of investment made and the category of enterprise, as specified in the relevant notifications issued by the Government of Rajasthan.

LEGISLATIONS RELATING TO LABOUR, EMPLOYMENT AND INDUSTRY

Code on Wages, 2019

This Code received the assent of the President of India on August 8, 2019, and subsumes four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government vide notification dated December 18, 2020, notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board. The remaining provisions of this Code have been brought into force with effect from November 21, 2025. The Central government and State government are yet to notify the rules under this Code.

Industrial Relations Code, 2020

This Code received the assent of the President of India on September 28, 2020, and it subsumes three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this Code have been brought into force with effect from November 21, 2025. The Central government and State government are yet to notify the rules under this Code.

Occupational Safety, Health and Working Conditions Code, 2020

The Code received the assent of the President of India on September 28, 2020, and it subsumes 12 existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Code provides for, *inter alia*, standards for health, safety and working conditions for employees of the establishments. The provisions of this Code have been brought into force with effect from November 21, 2025. The Central government and State government are yet to notify the rules under this Code.

Code on Social Security, 2020

This Code received the assent of the President of India on September 28, 2020 and it subsumes 9 existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996, and the Unorganised Workers' Social Security Act, 2008. This Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. The provisions of this Code were partially brought into force by the Central Government *vide* notification dated May 3, 2023 and *vide* notification dated November 21, 2025. The remaining provisions of this Code will be brought into force on a date to be notified by the Central Government. As per the notification dated November 21, 2025, Employees Provident Fund and Miscellaneous Provisions Act, 1952 has not been repealed by the Government and continues to be in force. The Central government and State government are yet to notify the rules under this Code.

Employees Provident Fund and Miscellaneous Provisions Act, 1952, and the schemes formulated there under ("EPF Act")

As per the notification dated November 21, 2025 under the Code on Social Security, 2020, EPF Act has not been repealed by the Government and continues to be in force. The EPF Act provides for the institution of provident funds, family pension funds, and deposit-linked insurance funds for the employees in factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

(i) **The Employees Provident Fund Scheme, 1952**: As per this scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.

(ii) **The Employees' Pension Scheme, 1995**: The employees' pension scheme is a pension scheme for survivors, old aged and disabled persons. This scheme derives its financial resources by partial diversion from the provident fund contribution, the rate is 8.33%. Thus, a part of the contribution representing 8.33% of the employee's pay shall be remitted by the employer to the employee's pension fund within fifteen (15) days of the close of every month by a separate bank draft or cheque on account of the employees' pension fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the EPF Act.

(iii) **The Employees Deposit Linked Insurance Scheme, 1976**: As per this scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the EPF Act, to the insurance fund within fifteen (15) days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the EPF Act.

The Boilers Act, 2025 ("Boilers Act")

The Boilers Act provides for *inter alia* the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during manufacture, erection and use of boilers in India and for matters connected therewith. It replaces the Indian Boilers Act, 1923.

Information Technology Act, 2000

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

Digital Personal Data Protection Act, 2023 ("DPDP Act") and the Digital Personal Data Protection Rules, 2025

This act was first introduced as a bill in 2019 as the Personal Data Protection Bill, 2019. The bill was introduced in Lok Sabha by the Minister of Electronics and Information Technology, Ravi Shankar Prasad, on December 11, 2019. The DPDP Act received the assent of the President of India on August 11, 2023, and the provisions of the DPDP Act shall come into effect on such date as the Central Government may notify in the official gazette. The DPDP Act provides for collection and processing of digital personal data by persons, including companies. Further, companies collecting and dealing in high volumes of personal data are defined as significant data fiduciaries. These significant data fiduciaries will be required to fulfil certain additional obligations under the DPDP Act including appointment of a data protection officer who will be the point of contact between such fiduciaries and individuals for grievance redressal. Further such significant data fiduciaries will also be required to appoint an independent data auditor who will evaluate their compliance with the DPDP Act. The Central Government will also establish the Data Protection Board of India (the "**DPB**"), whose key functions 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 data principals.

The Indian Ministry of Electronics and Information Technology has notified the Digital Personal Data Protection Rules, 2025 ("**DPDP Rules**") on November 13, 2025. The DPDP Rules, regulate the processing of personal data in India, ensuring individuals privacy rights are protected. The DPDP Rules apply to all entities that process digital personal data, both within India and abroad. It mandates the conduct of data protection impact assessments for high-risk processing activities and requires the notification of data breaches within a stipulated timeframe.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")

The SHWW Act provides for the protection of women at the workplace and the prevention of sexual harassment at the workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviours namely, physical contact and advances a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of a sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an internal complaints committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the internal complaints committee i.e., a written complaint is to be made within a period of three (3) months from the date of the last incident. If the establishment has less than ten (10) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the local complaints committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

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.

The Electricity Act, 2003 ("Electricity Act") and The Electricity Rules, 2005 ("Electricity Rules") and the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010

The Electricity Act consolidates the laws relating to generation, transmission, distribution, trading and use of electricity. It lays down provisions in relation to transmission and distribution of electricity. It states that the Central Electricity Authority may in consultation with the State Government specify suitable measures for specifying action to be taken in relation to any electric line or electrical plant, or any electrical appliance under the control of a consumer for the purpose of eliminating or reducing the risk of personal injury or damage to property or interference with its use.

Electricity Rules define the requirements for captive generating plants, mandating not less than twenty-six percent ownership and fifty-one percent annual consumption by captive users. They also describe the distribution system and require Transmission Licensees to comply with directions from Load Despatch Centres for system availability. Furthermore, distribution licensees are obligated to establish a Consumer Redressal Forum and cooperate with an Ombudsman appointed by the State Commission. The Electricity Rules address tariffs, permit inter-State trading license holders to trade intra-State, and specify procedures for appeals and cognizance of offences under the Electricity Act.

ENVIRONMENTAL LAWS

Environment Protection Act, 1986, ("Environment Protection Act") and Environment Protection Rules, 1986 ("EP Rules")

The purpose of the Environment Protection Act is to act as an umbrella legislation providing a framework for Central Government to co-ordinate of environment protection activities of various central and state authorities. The said Environment Protection Act prohibits a person carrying on business, operations, process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed by the Government in this regard. Further, the EP Rules specify, inter alia, the standards for the emission or discharge of environmental pollutants, restrictions on the location of industries, and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the Environment Protection Act or the EP Rules framed thereunder, the punishment includes either imprisonment or fine, or both.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act, 1974 provides for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water, for the establishment, with a view to carrying out the purposes aforesaid, of pollution control boards for the prevention and control of water pollution, for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith. Under the provisions of Water Act, an entrepreneur running or establishing any industry or process, and discharging effluent/emitting pollutants into any water resources or on land/air and polluting thereby the environmental water/air is required to obtain consent.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act provides for the prevention, control, and abatement of air pollution, for the establishment, with a view to carrying out the aforesaid purposes, of Boards, for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith. Under the provisions of the Air Act, an entrepreneur running or establishing any industry or process, and discharging effluent/emitting pollutants into the air and polluting the environmental air is required to obtain consent.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The objective of the Hazardous Waste Rules is to control the collection, reception, treatment and storage of hazardous waste. The Hazardous Waste Rules prescribes for every person who is engaged in generation, treatment, processing, packaging, storage, transportation, use, collection, destruction, conversion, recycling, offering for sale, transfer or the like of hazardous and other wastes to obtain an authorisation from the relevant state pollution control board.

The Public Liability Insurance Act, 1991 ("PLI Act")

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability under the legislation. The rules made under the PLI Act mandate that the owner has to contribute towards the environmental relief fund a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

Fire Prevention Laws

State governments have enacted laws that provide fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to fire prevention and life safety measures and imposing penalties for non-compliance.

STATUTORY AND COMMERCIAL LAWS

The Companies Act, 2013 & Companies Act, 1956

The Companies Act, 2013, has replaced the Companies Act, 1956, in a phased manner. The Companies Act, 2013 received the assent of the President of India on August 29, 2013. At present, almost all the provisions of this law have been made effective except a few to which extent the Companies Act, 1956, is still applicable. The Ministry of Corporate Affairs has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act, 2013 prescribes regulatory mechanisms regarding all relevant aspects including organizational, financial and managerial aspects of companies.

Indian Contract Act, 1872 ("Contract Act")

The Contract Act codifies the way in which a contract is entered, executed, and implemented and the implications of a breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced, as amended from time to time. It determines the circumstances in which a promise made by the parties to a contract shall be legally binding on them. Each contract creates some rights and duties upon the contracting parties. The Contract Act deals with the enforcement of these rights and duties upon the parties. The Contract Act also lays down provisions of indemnity, guarantee, bailment, and agency. Provisions relating to the sale of goods and partnerships which were originally in the Act are now the subject matter of separate enactments viz., the Sale of Goods Act, 1930 and the Indian Partnership Act 1932. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

Specific Relief Act, 1963 ("Specific Relief Act")

The Specific Relief Act is complimentary to the provisions of the Contract Act, as the Specific Relief Act applies to movable property also. The Specific Relief 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 Negotiable Instruments Act, 1881 ("NI Act")

In India, the laws governing monetary instruments such as cheques are contained in the NI Act. The NI Act provides effective legal provision to restrain persons from issuing cheques without having sufficient funds in their account and 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 NI 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.

The Sale of Goods Act, 1930 ("Sale of Goods Act")

The Sale of Goods Act governs contracts relating to the sale of goods. The contracts for the sale of goods are subject to the general principles of the law relating to contracts i.e. the Contract Act. A contract for the sale of goods has, however, certain peculiar features such as transfer of ownership of the goods, delivery of goods, rights, and duties of the buyer and seller, remedies for breach of contract, conditions, and warranties implied under a contract for sale of goods, etc. which are the subject matter of the provision of the Sale of Goods Act.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the said CIRP, a resolution to be sought for the company within a time bound time period of 180 days.

The Arbitration & Conciliation Act, 1996 ("A&C Act")

The A&C Act provides a framework for the resolution of disputes through arbitration and conciliation. The main aim of A&C Act is to promote alternative dispute resolution mechanisms and offer cost-effective, and private alternative to court litigation. Arbitration or conciliation is initiated based on an agreement between the parties or by a court order. In arbitration proceedings the tribunal conducts hearings, gathers evidence, and issues an award based on the proceedings. In conciliation proceedings, the conciliator engages with the parties to help them reach a mutually acceptable resolution. The arbitral award is the final decision of the arbitrator(s), which is binding on the parties. The arbitral award has the same force of decree as that the court decree.

Competition Act, 2002

The Competition Act, 2002 aims to anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The act deals with the prohibition of agreements and anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the act. The prima facie duty of the Competition Commission established under the act is to eliminate practices having adverse effects on competition, promote and sustain competition, protect the interests of the consumer, and ensure freedom of trade.

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by operation of law, is governed by the Transfer of Property Act, 1882. This Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")

The MSME Act was enacted in order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise. As per the notification no. F. No. P-11/3/2023-POLICY-DCMSME dated March 21, 2025, the Central Government notified the following criteria for the classification of MSME with effect from April 01, 2025: as a micro-enterprise, where the investment in plant and machinery or equipment does not exceed Tand turnover does not exceed Ten Crore Rupees; a 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; and a medium enterprise, where the investment in plant and machinery or equipment does not exceed One Hundred and Twenty-Five Crore Rupees and turnover does not exceed Five Hundred Crore Rupees.

Indian Stamp Act, 1899 ("Stamp Act")

Under the Stamp Act and other State specific stamp legislations stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property and other instruments specified therein. 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.

The Negotiable Instruments Act, 1881 ("NI Act")

In India, the laws governing monetary instruments such as cheques are contained in the NI Act. The NI Act provides effective legal provision to restrain persons from issuing cheques without having sufficient funds in their account and 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 NI 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.

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.

Legal Metrology Act, 2009 ("LM Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 ("Packaged Commodities Rules")

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods that are sold or distributed by weight, measure, or number. The LM Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offenses under it. The Controller of the Legal Metrology Department is the competent authority to grant the license under the LM Act. Any manufacturer dealing with instruments for weights and measuring of goods must procure a license from the state department under the LM Act.

The Packaged Commodities Rules were framed under Section 52(2) (j) and (q) of the LM Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A "pre –packaged commodity" means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules provide that it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed. Further, all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the LM Act and no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers. Some recent additions include increased visibility of retail price, removal of dual maximum retail price and bringing e-commerce within the ambit of these rules.

Consumer Protection Act, 2019 ("Consumer Act")

The Consumer Act has repealed Consumer Protection Act, 1986 and provides for the protection of the interest of the consumers and the settlement of disputes raised by the consumers. The provisions of the Consumer Act have been made effective vide notification no. F. No. J-9/1/2020-CPU dated July 23, 2020, and notification no. F. No. J-9/1/2020-CPU dated July 15, 2020, as issued by the Central Government. The Consumer Act sets out a mechanism for consumers to file complaints against, inter alia, service providers in cases of deficiencies in services, unfair or restrictive trade practices, and excessive pricing. A three-tier consumer grievance redressal mechanism has been implemented pursuant to the Consumer Act, at the national, state, and district levels. Further, the Consumer Act established a Central Consumer Protection Authority to promote, enforce, and protect the rights of consumers. If the allegations specified in a complaint about the services provided are proved, the service provider can be directed to inter alia remove the deficiencies in the services in question, return to the complainant the charges paid by the complainant, and pay compensation, including punitive damages, for any loss or injury suffered by the consumer. Non-compliance with the orders of the authorities may attract criminal penalties in the form of fines and/or imprisonment.

INTELLECTUAL PROPERTY LAWS

Trademarks Act, 1999 ("Trademarks Act") and the Trademark Rules, 2017 (Trademark Rules)

The Trademarks Act provides for the registration and better protection of trademarks for goods and services and for the prevention of the use of fraudulent marks. The registration of a trademark under the Trademarks Act confers on the proprietor the exclusive right to the use of the trademark, and the right to obtain relief in respect of infringement of the trademark. The registration of a trademark shall be for a period of ten years but may be renewed from time to time as prescribed under the Trademarks Act. The Trademarks Act also prescribes penalties for the falsification or false application of trademarks.

In March 2017, the Trademark Rules were notified, in supersession of the Trademarks Rules, 2002. The Trademark Rules brought about changes in the application process, in terms of an increase in application fees and common formats for several kinds of applications. However, the e-filing process has been incentivised by providing for lower application fees. With the Trademark Rules, the definition of "Opposition" also saw a change to encompass a greater. Further, the Trademark Rules also allow for video conferencing for conducting hearings.

TAXATION LAWS

The Income Tax Act, 1961 ("Tax Act")

The Tax Act deals with the taxation of individuals, corporate, partnership firms, etc. As per the provisions of the Tax Act, the rates at which they are required to pay tax are calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of books of accounts and relevant supporting documents and registers are mandatory under the Tax Act. Filing of returns of income is compulsory for all assesses. The maintenance of books of accounts and relevant supporting documents and registers are mandatory under the Tax Act.

Goods and Services Tax ("GST")

GST is levied on 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 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.

The Customs Act, 1962, and Customs Tariff Act, 1975.

The stipulations prescribed by the Customs Act of 1962 and its corresponding regulations are enforceable during the importation of goods into India from foreign territories, as well as during the exportation of goods from India to foreign destinations. Additionally, the Customs Tariff Act of 1975 establishes the applicable rates for the imposition of customs duties as per the provisions outlined in the Customs Act of 1962.

FOREIGN INVESTMENT REGULATIONS

Foreign Trade (Development and Regulation) Act, 1992 ("FTA") and the Foreign Trade Policy of India, 2023 ("Policy, 2023")

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. It authorizes the Government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The Foreign Trade Policy of India, 2023 is notified by Central Government, in the exercise of powers conferred under Section 5 of the FTA, as amended. In accordance with Policy 2023, an entity is required to mandatorily apply for the Importer-Exporter Code for undertaking import/export activities.

Foreign Exchange Management Act, 1999, and rules and regulations framed thereunder ("FEMA")

Foreign investment in India is governed primarily by the provisions of 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 Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations (as defined hereunder), 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 FIPB and/or the RBI. The RBI, in the exercise of its power under the FEMA, has notified the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 vide notification F.No. 1/14/EM/2015 dated October 17, 2019 ("**FEMA Regulations**") which governs transfer by or issue security to a person resident outside India. FEMA Regulations repealed the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, and Foreign Exchange Management (Acquisition and Transfer of Immovable Property in India) Regulations, 2018.

Foreign Direct Investment Policy, 2020

With the intent and objective of the Government of India to attract and promote foreign direct investment in order to supplement domestic capital, technology, and skills, for accelerated economic growth. The Government of India has put in place a policy framework on Foreign Direct Investment, which is transparent, predictable, and easily comprehensible. This framework is embodied in the Circular on Consolidated FDI Policy, which may be updated every year, to capture and keep pace with the regulatory changes, effected in the interregnum. The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes/press releases which are notified by the RBI as amendments to the Foreign Exchange Management (Transfer or Issue of Security by Persons Resident Outside India) Regulations, 2000. These notifications take effect from the date of issue of press notes/ press releases unless specified otherwise therein. In case of any conflict, the relevant FEMA Notification will prevail. The procedural instructions are issued by the RBI vide A.P. (DIR Series) Circulars. The regulatory framework, over a period, thus, consists of Acts, Regulations, Press Notes, Press Releases, Clarifications, etc.

HISTORY AND CERTAIN CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was incorporated as an unlisted public limited company under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated February 11, 2022, issued by the RoC, Central Registration Centre at Manesar, Haryana, bearing Corporate Identity Number "U17299RJ2022PLC079631". Thereafter, our Company filed a declaration of commencement of business in form INC 20A with the RoC on February 24, 2022, and commenced its business operations.

CHANGES IN THE REGISTERED OFFICE

Except as disclosed below, there has been no change in the registered office of our Company since its incorporation.

Effective Date of Change	Details of Change in the Registered Office	Reason(s) for Change
May 12, 2025	The registered office of our Company was changed from 1 Sangam Tower Old RTO Road, Gandhi Nagar, Bhilwara-311001, Rajasthan, India, to 18th KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara-311025, Rajasthan, India	Operational convenience

MAIN OBJECT OF OUR COMPANY

The main objects contained in the Memorandum of Association of our Company are as follows:

To carry on the business of buyers, sellers, exporters, importers, merchandisers, traders, coordinators, distributors, agents, brokers, stockists, commission agents, auctioneers, trustees, forwarders, dealers, concessionaries, processors, reprocesses, tanners, dressers, weavers, dyers, jobbers, contractors, spinners, knitters, combers, manufacturers, producers, assemblers, finishers, packers, processors, texturisers, retailers, wholesalers, suppliers, representatives, sub agents, inquiry agents, publicity and advertising agents in India and abroad of all kinds of apparels, dresses, clothes, outfits, garments, textiles, fabrics, yarns, fibbers, silk, cotton, hemp, jute, linen, fibbers, woollens, acrylic, viscose, waste, silks, hemp, linen, suiting, shirting dress materials corduroy, carpet, blankets, curtains, ribbons, towels, handkerchiefs, scarves, tapestry, shawls, ready-made garments, leather wears, leather goods, shoes, wearing apparels, neck-ties, gloves, overcoats, rain coats, rugs, cosmetics, wigs, sweaters, knitters, hosiery goods, under garments, dresses, embroideries, plastics, rubbers, canvas goods, village industries, cottage industries, home industries, handicrafts, brasswares, handlooms, antiques, decorators, knitwears, hosiery, shoes, wearing apparels, dress materials, umbrellas, mufflers, chesters, nets, socks, hats, belts, caps, bags, purses, sports goods, varity bags, buttons, zips, fasteners, buckles, cuff-links, pipings, borders, linings, supports, attachments, pads, hooks, accessories and tools, trims, synthetic polyester, polyethylene, polypropylene, silk, artificial silk, wool silk and other material and all fibres, synthetic artificial & natural fibbers, nylon, rayon, jute and any other fibbers or fibrous materials textiles substance allied product, by-products and substitutes for all or any of them and to treat and utilize any waste arising from any such manufacture production or process and blends and mix thereof.

The main objects and matters necessary for furtherance of the main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out by us and the activities which have been carried by our Company since incorporation are valid in terms of the objects clause of the Memorandum of Association.

AMENDMENTS TO OUR MEMORANDUM OF ASSOCIATION

Set out below are the amendments to our Memorandum of Association since the date of incorporation of our Company:

Sr. No.	Date of Shareholders' Resolution	Particulars of Change
1.	February 28, 2022	Clause 5 of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹1,00,000/- divided into 10,000 Equity Shares of Rs.10/- each to ₹3,25,00,000/- divided into 32,50,000 Equity Shares of ₹10/- each.
2.	August 21, 2024	Clause 5 of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹3,25,00,000/- divided into 32,50,000 Equity Shares of ₹10/- each to ₹22,00,00,000/- divided in 2,20,00,000 Equity Shares of ₹10/- each.
3.	November 04, 2025	Clause 5 of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹22,00,00,000/- divided in 2,20,00,000 Equity Shares of ₹10/- to ₹60,00,00,000/- divided into 6,00,00,000 Equity Shares of ₹10/- each.

MAJOR EVENTS AND MILESTONES OF OUR COMPANY

The table below sets forth some of the key events and milestones in the history of our Company:

Calendar Year	MILESTONES
2022	Our Company was incorporated as a public limited company.
2022	Strategic acquisition of a running processing unit of Sona Processors (India) Limited as a going concern on a slump sale basis.
2024	Received CTO for increase in our production capacity from 54 million meter per annum to 82.44 million meter per annum.
2024	Our Company crossed ₹1,000.00 million revenue mark.
2025	Our Company crossed ₹3,000.00 million revenue mark.
2025	Incorporation of our Subsidiary namely Sionnah Enterprises Private Limited

KEY AWARDS, ACCREDITIONS OR RECOGNITION

The table below sets forth some of the key awards, accreditations and recognition received by our Company:

Calendar Year	Awards, Accreditations and Recognition
2024	Scope Certificate issued by Control Union Certifications certifying that Undyed Fabrics, Dyed Fabrics, Greige Fabrics are in conformity with Global Organic Textile Standard (GOTS) Version 7.0*
2024	Scope Certificate issued by Control Union Certifications certifying that product categories: Undyed Fabrics, Dyed Fabrics, Greige Fabrics are in conformity with Control Union Certificate on conformity of Organic Content Standard (OCS) (Version 3.0) Global Recycled Standard (GRS) (Version 4.0) Recycled Claim Standard (RCS) (Version 2.0),
2024	Scope Certificate issued by Control Union Certifications certifying that Dyed Fabrics confirms with the Regenagri Chain of Custody Criteria- Textiles (Version 1.0) Standard*
2024	Certificate for completion of HIGG FEM verification
2025	Certificates of OEKO-TEX Standard 100, issued by Hohenstein Laboratories GmbH & Co. KG, Germany certifying sustainable processing of woven fabrics from greige to fully finished, across cotton, viscose, polyester and blended elastane compositions.
2025	Certificate for completion of HIGG FSLM Verification by Cascale.

**Our Company has applied for the renewal of these certificates.*

OUR HOLDING COMPANY

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

OUR SUBSIDIARY COMPANY

As on the date of this Draft Red Herring Prospectus, our Company has one (1) Subsidiary and the details of which are as follows:

1. Sionnah Enterprises Private Limited

Corporate Information:

Sionnah Enterprises Private Limited was incorporated as a private limited company pursuant to a certificate of incorporation dated July 01, 2025, issued by the RoC, Central Registration Centre at Manesar, Haryana bearing Corporate Identity Number U14101RJ2025PTC104079. The registered office of our Subsidiary is situated at 18th KM Stone, Chittorgarh Road, Hamirgarh, Bhilwara-311025, Rajasthan, India.

Nature of Business:

The main objects of Subsidiary, as contained in our Memorandum of Association, are as set forth below:

To carry on in India or elsewhere the business of manufacturing, stitching, processing, dyeing, designing, finishing, branding, exporting, importing, trading, buying, selling, and otherwise dealing in all types of finished garments and apparel for men, women, and children including but not limited to woven, knitted, and non-woven garments, fashion wear, uniforms, ethnic wear, sportswear, outerwear, and other ready-to-wear clothing made from cotton, wool, silk, synthetic fibres, blends, and other materials; and to engage in all activities relating to garment manufacturing including cutting, tailoring, printing, embroidery, washing, packaging, and distribution.

Capital Structure:

The authorised share capital of Sionnah is ₹ 1,00,000/- divided into 10,000 equity shares of ₹ 10/- each. The issued, subscribed and paid-up equity share capital of Sionnah is ₹ 1,00,000/- divided into 10,000 equity shares of ₹ 10/- each.

Shareholding Pattern:

S. No.	Name of the Shareholders	No. of the Equity Shares	% of total equity share capital
1.	Sonaselection India Limited	9999	99.99
2.	Harshil Nuwal*	1	0.01
TOTAL		**10000**	**100.00**

**Nominee shareholder holding 1 equity share of Sionnah on behalf of our Company.*

Amount of Accumulated Profits or Losses of the Subsidiary Not Accounted for by the Issuer:

The profits or losses of our Subsidiary have not been consolidated in the Restated Financial Information of our Company as our Subsidiary was incorporated on July 01, 2025.

Common pursuit between our Subsidiary and our Company

Our Subsidiary in accordance with its constitutional documents, is authorised to engage in certain similar line of business activities that are similar and/or synergistic to our Company. However, there is no conflict of interest between our Subsidiary and our Company. Our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations if they arise.

There is no conflict of interest between us and lessors of immovable properties of our Company and/or our Subsidiary or Subsidiary's directors which are crucial for the operations of our Company, as our Company does not hold any leasehold rights in respect of any immovable properties for the purpose pf its operations.

There is no conflict of interest between us and suppliers of the raw materials or third-party service providers of our Company and/or our Subsidiary or Subsidiary's directors which are crucial for the operations of our Company.

OUR ASSOCIATE COMPANIES AND JOINT VENTURES

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate or joint venture company.

SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partners.

DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY PROMOTERS OFFERING EQUITY SHARESS IN THE PROPOSED OFFER FOR SALE

Considering that this Issue consists of a fresh issue of Equity Shares only, there are no selling shareholders. Further, see "*Financial Indebtedness*" beginning on page 421 for details regarding guarantees given by our Promoters to third parties.

DEFAULTS OR RESCHEDULING/RESTRUCTURING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

As on the date of this Draft Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company. For further details about our financial arrangements, see "*Financial Indebtedness*" on page 421.

TIME/COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Draft Red Herring Prospectus, there has been no time or cost over-run in respect of our business operations.

LAUNCH OF KEY PRODUCTS OR SERVICES, CAPACITY/FACILITY CREATION, LOCATION OF PLANTS, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details regarding launch of key products or services, entry into new geographies or exit from existing markets, location of projects, see "*Our Business – Key Products*" beginning on page 268.

REVALUATION OF ASSETS

Our Company has neither revalued its assets nor has issued any Equity Shares by capitalizing any revaluation reserves since its incorporation.

DETAILS REGARDING MATERIAL ACQUISITIONS OR DISINVESTMENTS OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, ETC. IN THE LAST 10 YEARS

Except as disclosed below, our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years.

Business Transfer Agreement dated June 17, 2022, by and between Sona Processors (India) Limited ("Seller") and our Company ("BTA")

Our Company entered into a BTA with Sona Processors (India) Limited to purchase and acquire a running manufacturing facility situated at 18th KM Stone Chittor Road, Hamirgarh, Bhilwara – 311025, Rajasthan ("**Purchased Unit**"), as a going concern on a slump sale "as is where is" basis, for the purpose of manufacturing and processing of fabrics. The lump sum purchase consideration to purchase and acquire the Purchased Unit, was valued at ₹162.10 million on net basis without assigning individual value to any specific assets and/or liabilities, based on mutual understanding between the parties to the BTA. In terms of the BTA, our Company has acquired all the assets of Purchased Unit including but not limited to immovable properties, movable properties and other current assets and liabilities including but not limited to financial, operational, long-term liabilities and other current liabilities. Further, the Company agreed to retain the Employee on the same terms and conditions of service as those provided by the Seller.

The Agreement has been included in "*Material Contracts and Documents for Inspection – Material Documents*" on page 567.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMEMENT OR DIRECTORS OR PROMOTERS OR ANY OTHER EMPLOYEE

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel, Senior Management or Directors or Promoters of our 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 our Company.

AGREEMENTS REQUIRED UNDER CLAUSE 5A OF PARAGRAPH A OF PART A OF SCHEDULE III OF THE SEBI LISTING REGULATION

As on the date of this Draft Red Herring Prospectus, there are no agreements to be disclosed under Clause 5A of paragraph A of part A of Schedule III of the SEBI Listing Regulations.

INTER-SE AGREEMENTS BETWEEN SHAREHOLDERS

As on the date of this Draft Red Herring Prospectus, there are no inter- se agreements/arrangements or any deeds of assignment, acquisition agreements, shareholders agreement, financing agreements, agreements of like nature with respect to our Company that our Company is a party to and there are no other agreements/arrangement and clauses/covenants with respect to our Company that our Company is a party to, or of which it is aware, which are material and which need to be disclosed or non-disclosure of which may have a bearing on the investment decision in the Issue. Further, there are no clauses/covenants which are adverse/pre- judicial to the interest of the minority/public shareholders of our Company.

OTHER MATERIAL AGREEMENTS

As on the date of this Draft Red Herring Prospectus, except as disclosed in "*Details regarding material acquisitions or disinvestments of business/undertakings, mergers, amalgamation, etc. in the last 10* *years*" on page 308, our Company has not entered into any subsisting material agreement, other than in the ordinary course of business. Further, there are no agreements, arrangements and clauses or covenants which are material, and which need to be disclosed or the non-disclosure of which may have bearing on the investment decision in the Issue.

OUR MANAGEMENT

BOARD OF DIRECTORS

In terms of the Companies Act and our Articles of Association, our Board shall comprise of not less than 3 (three) Directors and not more than 15 (fifteen) Directors, provided that our Shareholders may appoint more than 15 (fifteen) directors after passing a special resolution in a general meeting to that effect. As on the date of this Draft Red Herring Prospectus, our Board comprises of 6 (Six) Directors of which 1 (one) is Managing Director, 1 (one) is Whole-time Director, 1 (one) is Chairman, Non-Executive & Non-Independent Director and 3 (Three) are Non-Executive Independent Directors (of which 1 (one) is woman Director). The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

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

Sr. No.	Name, Designation, Date of Birth, Age, Address, Occupation, Period of Directorship, Term, DIN and Nationality	Other Directorships
1.	**Harshil Nuwal** **Designation:** Managing Director **Date of birth:** September 3, 1988 **Age:** 37 years **Address:** B-377, Kanchan Bhawan, ITO Road, Shastri Nagar, Bhilwara – 311001, Rajasthan, India. **Occupation:** Business **Period of directorship:** Director since incorporation **Term:** For a period of five years with effect from February 3, 2025 till February 2, 2030 and shall not be liable to retire by rotation. **DIN:** 01474313 **Nationality:** Indian	**Indian companies:** 1. Sionnah Enterprises Private Limited 2. Sona Texfab Private Limited 3. Sona Styles Limited 4. Brijeshwari Marketing Private Limited 5. Infini Securities Private Limited 6. Starnet Business Limited 7. Sona Polyspin Private Limited 8. Sona Processors (India) Limited 9. Starnet Real Estate And Projects Limited **Foreign companies:** Nil

Sr. No.	Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Term, DIN and Nationality	Other Directorships
2.	**Uma Nuwal** **Designation:** Whole-time Director **Date of birth:** August 11, 1966 **Age:** 59 years **Address:** B-377, Shastri Nagar, Bhilwara–311001, Rajasthan, India. **Occupation:** Business **Period of directorship:** Director since incorporation. **Term**: For a period of five years with effect from February 3, 2025 till February 2, 2030 and shall be liable to retire by rotation. **DIN:** 00104156 **Nationality:** Indian	**Indian companies:** 1. Sona Styles Limited 2. Infini Securities Private Limited 3. Sona Texfab Private Limited 4. Brijeshwari Marketing Private Limited **Foreign companies:** Nil
3.	**Subhash Chandra Nuwal** **Designation:** Non-executive Director and Chairman **Date of birth:** October 26, 1966 **Age:** 59 years **Address:** B-377, Shastri Nagar, Bhilwara–311001, Rajasthan, India. **Occupation:** Business **Period of directorship:** Director since incorporation. **Term:** Term is not applicable since he is a non-executive director, however, he is liable to retire by rotation.	**Indian companies:** 1. Sona Texfab Private Limited 2. Sona Polyspin Private Limited 3. Starnet Business Limited 4. Starnet Real Estate And Projects Limited 5. Sona Processors (India) Limited 6. Sona Styles Limited **Foreign companies:** Nil

Sr. No.	Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Term, DIN and Nationality	Other Directorships
	DIN: 00104154 **Nationality:** Indian	
4.	**Aditi Kakhani** **Designation:** Non-executive & Independent Director **Date of birth:** September 7, 1995 **Age:** 30 years **Address:**10-M-30, RC Vyas Colony, Bhilwara-311001, Rajasthan India. **Occupation:** Professional **Period of directorship:** Director since January 18, 2025 **Term**: For a period of five years with effect from January 18, 2025 till January 17, 2030 and shall not be liable to retire by rotation. **DIN:** 08921365 **Nationality:** Indian	**Indian companies:** 1. Janki Corp Limited 2. Aman Shree Trading and Real Estate Private Limited **Foreign companies:** Nil
5.	**Kanhaiya Lal Acharya** **Designation:** Non-executive & Independent Director **Date of birth:** January 25, 1991 **Age:** 34 years **Address:** Near Pawar House, Bajrangpura, Pur, Bhilwara– 311802, Rajasthan, India. **Occupation:** Professional **Period of directorship:** Director since	**Indian companies:** 1. Janki Corp Limited **Foreign companies:** Nil

Sr. No.	Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Term, DIN and Nationality	Other Directorships
	January 18, 2025 **Term**: For a period of five years with effect from January 18, 2025 till January 18, 2030 and shall not be liable to retire by rotation. **DIN:** 10048774 **Nationality:** Indian	
6.	**Kamlesh Kumar Choudhary** **Designation:** Non-executive & Independent Director **Date of birth:** November 04, 1964 **Age:** 61 years **Address:** House No. 123, Main Sector, Shastri Nagar, Bhilwara– 311001, Rajasthan, India. **Occupation:** Professional **Period of directorship:** Director since September 30, 2025 **Term**: For a period of five years with effect from September 30, 2025 till September 29, 2030 and shall not be liable to retire by rotation. **DIN:** 09291860 **Nationality:** Indian	**Indian Companies:** Nil **Foreign Companies:** Nil

BRIEF PROFILES OF OUR DIRECTORS

Harshil Nuwal is the Managing Director of our Company. He holds a bachelor's degree in commerce from the University of Mumbai. He is also a director in our Subsidiary and has an experience of over

14 years in the textile industry. He has been associated with our Company since its incorporation and has played a key role in formulating our business strategy, operational framework, and long-term vision. He is responsible for the overall management of the Company, including strategic planning, business development, procurement and operations.

Uma Nuwal is the Whole-time Director of our Company. She has passed the examination for a bachelor's degree in commerce from the University of Rajasthan. She has been associated with our Company since incorporation and is responsible for oversight of administrative decisions pertaining to affairs of our Company, including supervision over our Company's functions and corporate social responsibility related matters. She has over 26 years of experience in administrative functions.

Subhash Chandra Nuwal is our Chairman, Non-Executive & Non-independent director of our Company. He holds a bachelor's degree in commerce from the University of Rajasthan. He has been associated with our Company since incorporation. He possesses over 32 years of experience in the textile industry in which our Company operates. With over three decades of industry experience, his strategic oversight, deep industry knowledge, and business acumen have played a significant role in guiding the Company's direction and supporting the continuity and growth of our operations.

Kamlesh Kumar Choudhary is a Non-Executive & Independent Director of our Company. He holds a bachelor's degree in commerce from University of Rajasthan and master's degree in commerce from University of Rajasthan. Additionally, he is an associate of the Indian Institute of Bankers. He has been previously associated with Bank of Baroda and retired as General Manager. He has over 39 years of experience in banking and finance sector.

Aditi Kakhani is a Non-Executive & Independent Director of our Company. She holds a bachelor's degree in commerce from Maharshi Dayanand Saraswati University, Ajmer, and a master's degree in commerce from Maharshi Dayanand Saraswati University, Ajmer. Additionally, she is an associate member of the Institute of Company Secretaries of India. She has an experience of over 5 years in corporate governance and compliance.

Kanhaiya Lal Acharya is a Non-Executive & Independent Director of our Company. He holds a bachelor's degree in commerce from Maharshi Dayanand Saraswati University Ajmer, and bachelor's degree in law from Maharshi Dayanand Saraswati University, Ajmer. He has over 7 years of experience in the field of law, commerce and corporate governance.

DETAILS OF DIRECTORSHIP IN COMPANIES SUSPENDED OR DELISTED

None of our Directors is, or has been, a director of any listed company whose shares have been suspended from trading on any stock exchange during the term of their directorship in the last five years preceding the date of this Draft Red Herring Prospectus.

Further, except as disclosed below, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

S. No.	Name of our Director involved	Name of the Company	Name of the Stock Exchange on which the Company was listed	Date of delisting on stock exchange	Whether the delisting was compulsory or voluntary delisting	Reasons for Delisting	Whether the Company has been relisted	Term of directorship in the Company
1.	Subhash Chandra Nuwal	Sona Processors (India) Limited	Delhi Stock Exchange Limited and Jaipur Stock Exchange Limited	January 27, 2021	Voluntary	Voluntary delisting for removal of Sona Processors (India) Limited as Exclusively Listed Company (ELC) from the Dissemination Board of BSE pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016	No	Director Since 1993
2.	Harshil Nuwal	Sona Processors (India) Limited	Delhi Stock Exchange Limited and Jaipur Stock Exchange Limited	January 27, 2021	Voluntary	Voluntary delisting for removal of Sona Processors (India) Limited as Exclusively Listed Company (ELC) from the Dissemination Board of BSE pursuant to SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016	No	Director Since 2011

RELATIONSHIP BETWEEN OUR DIRECTORS OR ANY OF THE DIRECTORS AND KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT

Except as mentioned below none of our Directors are related to each other or to any of the Key Managerial Personnel and Senior Management.

Name of the Director/KMP/Senior Management	Nature of Relationship
Subhash Chandra Nuwal	Spouse of Uma Nuwal
	Father of Harshil Nuwal
Uma Nuwal	Spouse of Subhash Chandra Nuwal
	Mother of Harshil Nuwal
Harshil Nuwal	Son of Subhash Chandra Nuwal and Uma Nuwal

ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

As on the date of this Draft Red Herring Prospectus, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a director or member of the senior management.

SERVICE CONTRACTS WITH DIRECTORS

Our Company has issued appointment letters each dated January 10, 2025 to Harshil Nuwal, Managing Director, and Uma Nuwal, Whole-time Director respectively. Pursuant to the terms of the said appointments as stated in the aforesaid appointment letters, it has been agreed that Harshil Nuwal and Uma Nuwal shall be entitled to one-time periodic retirement benefits as may be decided by the Board at the time of their retirement, as per Companies Act, 2013.

OTHER CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

1. None of our Directors have been declared as Wilful Defaulters nor as Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or a Fraudulent Borrower issued by the RBI.
2. None of our Directors are Fugitive Economic Offender.
3. None of our Directors are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.
4. 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 such Director to become or to help such Director to qualify as a Director, or otherwise for services

rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

BORROWING POWER

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a resolution passed by our Shareholders at their extra ordinary general meeting held on September 02, 2024, our Board is authorised to borrow any sum or sums of money from time to time at their discretion for the purpose of the business of the Company, from any one or more banks, financial institutions, mutual funds and other persons, firms, bodies corporate or by way of loans or credit facilities (fund based or non-fund based) or by issue of bonds, or debentures on such terms and conditions and with or without security as the board may think fit, which together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) and being borrowed by the Board at any time shall not exceed a sum of ₹5,000.00 million.

TERMS OF EMPLOYMENT OF OUR DIRECTORS

Terms of employment of our Managing Director

Harshil Nuwal

Harshil Nuwal is the Managing Director on the Board of our Company. He was appointed as the Managing Director of our Company for a consecutive period of 5 years with effect from February 03, 2025, up to February 2, 2030, pursuant to the resolutions passed by our Board and Shareholders on February 03, 2025 and September 30, 2025, respectively. The details of remuneration of Harshil Nuwal, as approved by our Board and our Shareholders, in their meetings held on February 3, 2025 and September 30, 2025 respectively, are as follows:

Remuneration	₹15.00 million per annum Salary may be revised periodically based on the recommendation of the Board of Directors or Nomination and Remuneration Committee, if any.
Term of Appointment	5 Years (from February 03, 2025 to February 02, 2030)
Perquisites	*I. Provident fund and superannuation:* 1. Gratuity will be payable on basic salary in compliance with The Payment of Gratuity Act, 1972 and rules made thereunder. 2. Encashment of leave at the end of tenure, if any, as per the policy of the Company. *II. Other perquisites as provided below*: 1. The Company has provided a chauffeur-driven car for official use.; 2. Club membership, and other benefits as per Company policies/rules applicable to the senior executives.

	3. One-time periodic retirement benefit as may be decided by the Board at the time of retirement.

Terms of employment of our Whole Time Director

Uma Nuwal

Uma Nuwal is the Whole-time Director on the Board of Company. She was appointed as the Whole-time Director of our Company for a consecutive period of 5 years with effect from February 03, 2025, up to February 2, 2030, pursuant to the resolutions passed by our Board and Shareholders on February 03, 2025 and September 30, 2025, respectively. The details of remuneration of Uma Nuwal, as approved by our Board and our Shareholders, in their meetings held on February 3, 2025 and September 30, 2025 respectively, are as follows:

Remuneration	₹6.00 million per annum Salary may be revised periodically based on the recommendation of the Board of Directors or Nomination and Remuneration Committee, if any.
Term of Appointment	5 Years (from February 03, 2025 to February 02, 2030)
Perquisites	*I. Provident fund and superannuation:* 1. Gratuity will be payable on basic salary in compliance with The Payment of Gratuity Act, 1972 and rules made thereunder. 2. Encashment of leave at the end of tenure, if any, as per the policy of the Company. *II. Other perquisites as provided below*: 1. Company provided vehicle with driver for official; and 2. Club membership, and other benefits as per Company policies/rules applicable to the senior executives. 3. One-time periodic retirement benefit as may be decided by the Board at the time of retirement.

Terms of employment of our Non-executive Directors (including Independent Directors)

Subhash Chandra Nuwal

As on the date of this Draft Red Herring Prospectus, our Chairman, Non-Executive & Non-Independent Director, Subhash Chandra Nuwal, is neither entitled to any sitting fees for attending meetings of the Board or any of its committees, nor entitled to any commission or remuneration from our Company. Accordingly, our Chairman, Non-Executive & Non-Independent Director, Subhash Chandra Nuwal, did not receive any compensation from our Company during Fiscal 2025.

Aditi Kakhani

Pursuant to the resolution passed by the Board dated January 18, 2025, Aditi Kakhani has been appointed as Non-executive & Independent Director of our Company with effect from January 18, 2025. She is entitled for sitting fees of ₹0.004 million per meeting and may be paid commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations.

Kanhaiya Lal Acharya

Pursuant to the resolution passed by the Board dated January 18, 2025, Kanhaiya Lal Acharya has been designated as Non-executive & Independent Director of our Company with effect from January 18, 2025. He is entitled for sitting fees of ₹0.004 million per meeting and may be paid commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations.

Kamlesh Kumar Choudhary

Pursuant to the resolution passed by the shareholders dated September 30, 2025, Kamlesh Kumar Choudhary has been appointed as Non-executive & Independent Director of our Company with effect from September 30, 2025. He is entitled for sitting fees of ₹0.004 million and may be paid commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations.

Compensation of Whole-Time Director/ Managing Director

The details of the Remuneration paid to our Whole-time Director/ Managing Directors in Fiscal 2025 is set out as below:

(₹ in million)

Name of Director	Designation	Fiscal 2025
Harshil Nuwal	Managing Director	12.00
Uma Nuwal	Whole-time Director	6.00

The figures disclosed above are based on Restated Financial Information

Remuneration Paid to our Directors by our Subsidiary

As on the date of this Draft Red Herring Prospectus, no remuneration has been paid to our Directors by our Subsidiary.

Contingent and deferred compensation payable to the Directors

There is no contingent or deferred compensation accrued for Fiscal 2025 and payable to any of our Directors by our Company.

Bonus or profit-sharing plan for the Directors

Our Company does not have any performance-linked bonus or profit-sharing arrangements for our Directors.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Except as disclosed in "*Capital Structure – Shareholding of our Directors, Key Managerial Personnel and Senior Management*" on page 135, as on the date of this Draft Red Herring Prospectus, none of our Directors hold any Equity Shares in our Company.

The Articles of Association do not require our Directors to hold any qualification shares.

SHAREHOLDING OF DIRECTORS IN OUR SUBSIDIARY COMPANY

For the details of shareholding of our Directors in our Subsidiary, see "*History and Certain Corporate Matters – Our Subsidiary Company*" on page 306.

INTEREST OF DIRECTORS

All our Directors may be deemed to be interested to the extent of remuneration (including sitting fees, as applicable) and reimbursement of expenses, payable to them by our Company under our Articles of Association and their terms of appointment, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. For details, see section "*Our Management – Terms of Employment of Our Directors*" on page 318.

Our Directors may also be interested to the extent of the Equity Shares held by them, or by entities in which they are associated as promoters, directors, partners, proprietors or trustees, or held by their relatives. They may further be interested to the extent of any dividends, bonuses, employee stock options or other distributions payable on such Equity Shares, and to the extent of any Equity Shares subscribed or allotted pursuant to the Issue to companies, firms, ventures or trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees. For further details, see *"Restated Financial Information"* and *"Our Promoters and Promoter Group"* beginning on page 351 and 335, respectively.

Further, our Directors may also be directors on the board, or are shareholders, kartas, trustees, proprietors, members or partners, of entities with which our Company has had transactions and may be deemed to be interested to the extent of the payments made by our Company, or services provided by our Company, if any, to these entities.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, 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.

Interest in the Promotion of our Company

Except Subhash Chandra Nuwal, Uma Nuwal and Harshil Nuwal who are the promoters of our Company, none of our Directors have any interest in the promotion or formation of our Company as on the date of this Draft Red Herring Prospectus.

Interest in the property of our Company

Except as disclosed in *"Our Promoters and Promoter Group – Interest of Promoters and Common Pursuits"* on page 339 and *"Our History and Certain Corporate Matters – Details Regarding Material Acquisitions Or Disinvestments Of Business/Undertakings, Mergers, Amalgamation, Etc. In The Last 10 Years"* on page 308, none of our Directors have any interest in any property acquired or proposed to be acquired by our Company or by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Loans to directors

As on the date of this Draft Red Herring Prospectus, our Company has not granted any loans to its Directors.

Interest as a creditor of our Company

Except as stated in "*Restated Financial Information – Note 34 – Related Party Disclosures*" on page 398, our Directors do not have any other interest as creditor of our Company.

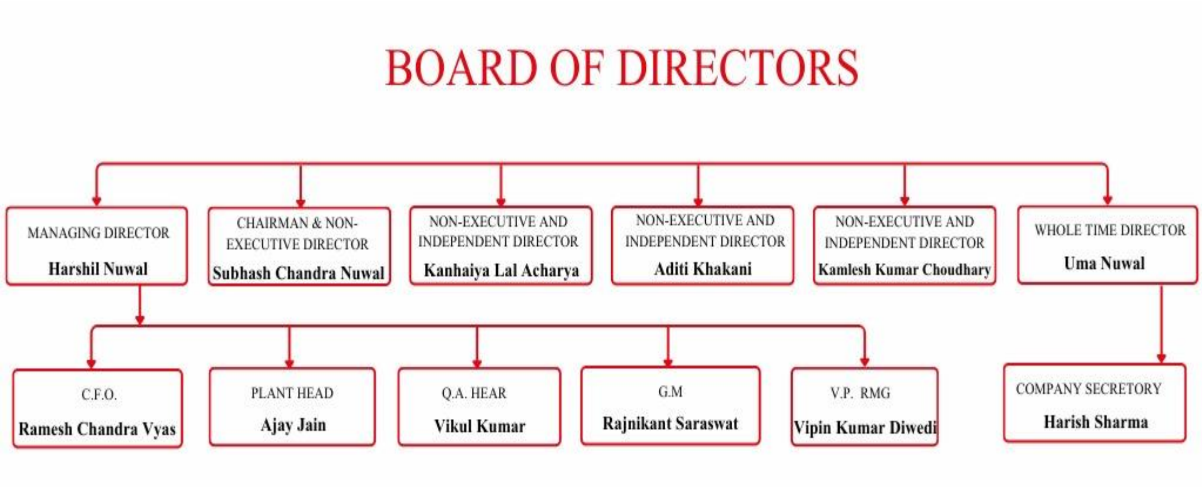
CHANGES IN THE BOARD IN THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Draft Red Herring Prospectus:

Name	Date of Appointment/Change in Designation	Reason
Uma Nuwal	February 11, 2022 February 03,2025	Appointed as Director Re-appointed as Whole-time Director
Harshil Nuwal	February 11, 2022 February 03,2025	Appointed as Director Re-appointed as Managing Director
Subhash Chandra Nuwal	February 11, 2022 November 10, 2025	Appointed as Director Re-appointed as Chairman, Non-executive & Non-Independent Director
Aditi Kakhani	January 18, 2025 September 30, 2025	Appointed as an additional Non-executive & Independent Director Regularised as Non-executive & Independent Director
Kanhaiya Lal Acharya	January 18, 2025 September 30, 2025	Appointed as an additional Non-executive & Independent Director Regularised as Non-executive & Independent Director

Kamlesh Kumar Choudhary	September 30, 2025	Appointed as Non-executive & Independent Director

MANAGEMENT ORGANISATION CHART



CORPORATE GOVERNANCE

The provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including composition of our Board and constitution of the committees of our Board including the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and IPO Committee by our Company and formulation and adoption of policies, as prescribed under the SEBI Listing Regulations. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013, the SEBI Listing Regulations. Our Board functions either as a full board, or through various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, our Board comprises of 6 (Six) Directors of which 1 (one) is Managing Director, 1 (one) is Whole-time Director, 1 (one) is Chairman, Non-Executive & Non-Independent Director and 3 (three) are Non-Executive Independent Directors (of which 1 (one) is woman Director). The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

COMMITTEES OF THE BOARD

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act:

a) Audit Committee;
b) Nomination and Remuneration Committee;
c) Stakeholders' Relationship Committee; and
d) Corporate Social Responsibility Committee.

Audit Committee
Initially, the Audit Committee was constituted by a resolution passed by our Board dated January 18, 2025. The Audit Committee was re-constituted by a resolution passed by our Board dated October 28, 2024. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

Sr. No.	Name of Director	Designation on the Board	Designation in the Committee
1.	Kanhaiya Lal Acharya	Non-Executive & Independent Director	Chairperson
2.	Aditi Kakhani	Non-Executive & Independent Director	Member
3.	Kamlesh Kumar Choudhary	Non-Executive & Independent Director	Member
4.	Harshil Nuwal	Managing Director	Member

Mr. Harish Sharma, our Company Secretary and Compliance Officer shall act as the secretary of the Audit Committee.

Terms of Reference:

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchange(s) from time to time, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;

(2) to seek information from any employee;

(3) to obtain outside legal or other professional advice; and

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary.

(5) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) examining and 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.

(5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(6) 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 or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

   Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of the Company, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, 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) discussion with internal auditors of 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) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) reviewing the functioning of the whistle blower mechanism;

(19) monitoring the end use of funds through public offers and related matters;

(20) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(21) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(22) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and

(23) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

(24) approving the key performance indicators for disclosure in the issue documents; and

(25) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations;
b. Management letters / letters of internal control weaknesses issued by the statutory auditors;
c. Statement of significant related party transactions (as defined by the audit committee), submitted by management
d. Internal audit reports relating to internal control weaknesses;
e. The appointment, removal and terms of remuneration of the chief internal auditor;
f. Statement of deviations in terms of the SEBI Listing Regulations:
    - quarterly 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 the SEBI Listing Regulations;
    - annual statement of funds utilised for purposes other than those stated in the issue document/ prospectus/ notice in terms of the SEBI Listing Regulations.
g. the financial statements, in particular, the investments made by any unlisted subsidiary; and
h. such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a resolution passed by our Board dated January 18, 2025. The Nomination and Remuneration Committee was re-constituted by a resolution passed by our Board dated October 28, 2025. The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with Section 178 and other applicable provisions of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

S. No.	Name of Director	Designation on the Board	Designation in the Committee
1.	Aditi Kakhani	Non-Executive & Independent Director	Chairperson
2.	Kanahiya Lal Acharya	Non-Executive Independent Director	Member
3.	Subhash Chandra Nuwal	Non-Executive Director & Non- Independent Director	Member

Terms of Reference

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”);

(2) For appointment of an independent directors, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of 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:

a. use the services of an external agencies, if required;
b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
c. consider the time commitments of the candidates.

(3) Formulation of criteria for evaluation of independent directors and the Board;

(4) Devising a policy on Board diversity;

(5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

(6) 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;

(7) Recommend to the board, all remuneration, in whatever form, payable to senior management;

(8) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that-

a. 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;

b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c. 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.

(9) perform 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, as amended, including the following:

a. administering the employee stock option plans of the Company, as may be required;
b. determining the eligibility of employees to participate under the employee stock option plans of the Company;
c. granting options to eligible employees and determining the date of grant;
d. determining the number of options to be granted to an employee;
e. determining the exercise price under the employee stock option plans of the Company; and
f. construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees

under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.

(10) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(11) carrying out any other activities as may be delegated by the Board and other functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated October 28, 2025. The composition and terms of reference of Stakeholders' Relationship Committee are in compliance with Section 178 and any other applicable law of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises:

Sr. No.	Name of Director	Designation on the Board	Designation in the Committee
1.	Kamlesh Kumar Choudhary	Non-Executive & Independent Director	Chairperson
2.	Aditi Kakhani	Non-Executive & Independent Director	Member
3.	Subhash Chandra Nuwal	Non-Executive Director & Non- Independent Director	Member
4.	Harshil Nuwal	Managing Director	Member

Terms of Reference

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

(1) considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;

(2) resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

(3) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(4) giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

(5) issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

(6) review of measures taken for effective exercise of voting rights by shareholders;

(7) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar & share transfer agent;

(8) to dematerialize or rematerialize the issued shares;

(9) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

(10) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution passed by our Board dated October 28, 2025. The composition and terms of reference are in compliance with Section 135 and other applicable provisions of the Companies Act 2013. The CSR Committee currently comprises of:

S. No.	Name of Director	Designation on the Board	Designation in the Committee
1.	Uma Nuwal	Whole-time Director	Chairperson
2.	Harshil Nuwal	Managing Director	Member
3.	Aditi Kakhani	Non-Executive & Independent Director	Member

Terms of Reference

The Corporate Social Responsibility Committee be and is hereby authorised to perform the following functions:

(1) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act;

(2) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) and amount to be incurred for such expenditure shall be as per the applicable law;

(3) review and monitor the corporate social responsibility policy of the Company and its implementation from time to time and timely completion of corporate social responsibility programmes; and

(4) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Key Managerial Personnel

In addition to Harshil Nuwal who is the Managing Director of our Company and Uma Nuwal, who is the Whole-time Director of our Company, the details of the Key Managerial Personnel, as on the date of this Draft Red Herring Prospectus are set forth below:

Ramesh Chandra Vyas

Ramesh Chandra Vyas is the Chief Financial Officer of our Company. He has been associated with our Company since September 01, 2022 as accounts manager and was thereafter re-designated as Chief Financial Officer on February 03, 2025. He holds a master's degree in commerce from Maharshi Dayanand Saraswati University, Ajmer. Additionally, he is an associate member of Institute of Chartered Accountants of India. He has 7 years of experience in the finance sector. He was previously associated with Manomy Tex India Limited, as the Head of Accounts department. He is responsible for accounting, taxation and auditing. In Fiscal 2025, he received a remuneration of ₹0.48 million.

Harish Sharma

Harish Sharma is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since October 20, 2024. He holds a bachelor's degree in business administration from Maharshi Dayanand Saraswati University, Ajmer and a master's degree in commerce from Maharshi Dayanand Saraswati University, Ajmer. Additionally, he is an associate member of the Institute of Company Secretaries of India. He has approximately 3 years of experience in compliance and secretarial matters. He was previously associated as Company Secretary with Sudiva Spinners Private Limited, Bhilwara. He is responsible for secretarial compliance, corporate compliance, planning and handling of regulatory matters. In Fiscal 2025, he received a remuneration of ₹0.29 million.

Senior Management

The details of our Senior Management Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Rajnikant Saraswat

Rajnikant Saraswat is the general manager of manufacturing facility of our Company. He has been associated with our Company since August 01, 2022. He is responsible for providing operational oversight, purchase management, process management, and ensuring smooth functioning of the processing facility. He holds a master's degree in commerce from University of Rajasthan. He has over 39 years of experience in textile industry and was previously associated with Sona Styles Limited, Sona Processors (India) Limited, Sharda Syntex and Gentleman Suitings Private Limited as well. In Fiscal 2025, he received a remuneration of ₹ 0.74 million.

Ajay Jain

Ajay Jain is the plant head of our Company. He has been associated with our Company since January 20, 2024. He is responsible for overseeing and managing the production operations of the Company's cotton division. He holds a post graduate diploma in management (Dual) from the Indian Institute of Modern Management, Pune and bachelor's degree of technology in textile chemistry from Manikya Lal Verma Textile and Engineering College. He has over 24 years of experience in textile industry and was previously associated with Nahar Industrial Enterprises, Chiripal Industries Ltd and Welspun India Ltd as well. In Fiscal 2025, he received a remuneration of ₹ 1.67 million.

Vikul Kumar

Vikul Kumar is the general manager (Technical & QA) of our Company. He has been associated with our Company since April 09, 2024. He is responsible for overseeing the quality assurance of the Company's manufactured products, ensuring consistent product quality and regulatory compliance. He holds a diploma in textile engineering from Neptune Institute of Management and Technology, Delhi and bachelor's degree in chemistry from Mahatma Jyotiba Phule Rohilkhand University, Uttar Pradesh. He has approximately 18 years of experience. He was previously associated with Nahar Industrial Enterprises Ltd. as a Quality Leader, Silver Composite Textile Mills Ltd, Bangladesh as Head of QA (Textile Division). In Fiscal 2025, he received a remuneration of ₹ 0.98 million.

Vipin Kumar Dwivedi

Vipin Kumar Dwivedi is the general manager – marketing of our Company. He is responsible for overseeing the overall marketing and sales of cotton fabrics and for managing the procurement of greige fabric in accordance with customer requirements. He has been associated with our Company since June 01, 2024. He holds a master's degree in business administration from Veer Bahadur Singh Purvanchal University, Jaunpur, master's degree of science in chemistry from Veer Bahadur Singh Purvanchal University, Jaunpur and bachelor's degree in science from Veer Bahadur Singh Purvanchal University, Jaunpur. He has approximately 18 years of experience and was previously associated with Nitin Spinners Ltd. as an Assistant General Manager, and M/s Nahar Industrial Enterprises Focal Point, Ludhiana as an Assistant Vice President. In Fiscal 2025, he received a remuneration of ₹ 2.47 million.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of the Key Managerial Personnel and Senior Management of our Company are related to each other.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS

None of our Key Managerial Personnel and Senior Management have been selected pursuant to any arrangement or understanding with any major shareholders, customers or suppliers of our Company, or others.

BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

As on the date of this Draft Red Herring Prospectus, none of the Key Managerial Personnel and Senior Management are part of any bonus or profit-sharing plan of our Company. The management may from time to time decide to give performance bonus to its employees.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel and Senior Management has received or is entitled to any contingent or deferred compensation.

STATUS OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel and Senior Management are permanent employees of our Company.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except as disclosed in "*Our Management – Shareholding of directors in our Company*" on 321, and "*Capital Structure – Paid-up Share Capital history of our Company*" on page 114, none of our Key Managerial Personnel and Senior Management hold any Equity Shares in our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS

In addition to the changes in Managing and Whole-time Directors, which are disclosed in "*Our Management – Changes in the Board in the last three years*" on page 322, set out below are details of the changes in our Key Managerial Personnel and Senior Management in the last three years:

Name	Date of Change	Reason for change in Key Managerial Personnel and Senior Management
Ramesh Chandra Vyas	September 01, 2022 February 03, 2025	Appointed as the Accounts Manager Designated as the Chief Financial Officer
Harish Sharma	October 25, 2024	Appointed as the Company Secretary and Compliance Officer
Rajnikant Saraswat	August 01, 2022	Appointed as the General Manager – Plant
Ajay Jain	January 20, 2024	Appointed as the Plant Head
Vikul Kumar	April 09, 2024	Appointed as the General Manager – (Technical & QA)

Vipin Kumar Dewivedi	June 01, 2024	Appointed as the General Manager – Marketing

ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

As on the date of this Draft Red Herring Prospectus, we have not experienced any attrition for Key Managerial Personnel and Senior Management since incorporation.

INTERESTS OF KEY MANAGERIAL PERSONNEL (OTHER THAN MD & WTD) AND SENIOR MANAGEMENT

Our Key Managerial Personnel (other than MD and WTD) and Senior Management may be deemed to be interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

PAYMENT OR BENEFIT TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF OUR COMPANY (NON-SALARY RELATED)

No non-salary amount or benefit has been paid or agreed to be paid or given to any officer of our Company including Key Managerial Personnel or Senior Management Personnel, within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment for services rendered as officers of our Company.

EMPLOYEE STOCK OPTIONS AND STOCK PURCHASE SCHEMES

As on date of this Draft Red Herring Prospectus, our Company does not have any Employee Stock Options, Stock Purchase Schemes and other Equity-Based Employee Benefit Schemes.

OTHER CONFIRMATIONS

There are no conflicts of interest between suppliers of raw materials and third-party service providers crucial for the operations of our Company, and Promoter Group, Key Managerial Personnel, Directors, Subsidiary or the Group Companies and its directors.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company as on the date of this Draft Red Herring Prospectus comprises of the following:

1. Harshil Nuwal;
2. Subhash Chandra Nuwal;
3. Uma Nuwal;
4. Deepank Bhandari; and
5. Sona Polyspin Private Limited.

As on the date of this Draft Red Herring Prospectus, our Promoters, collectively, hold together 40,299,948 Equity Shares of face value of ₹10/- each in our Company, representing 94.76% of the issued, subscribed and paid-up equity share capital of our Company, on a fully diluted basis. For further details of the build-up of our Promoters' shareholding in the Company, see "*Capital Structure – Build-up of the Equity Shareholding of our Promoters in our Company*", on page 131. Further, for details on shareholding of the members of our Promoter Group in our Company, see "*Capital Structure – Equity Shareholding of our Promoters and Promoter Group*" on page 134.

DETAILS OF OUR PROMOTERS

Our Individual Promoters:

	**Harshil Nuwal (DIN:01474313)** aged 37 years is one of our individual Promoters and the Managing Director of our Company. For the complete profile of Harshil Nuwal, along with the details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held and business and financial activities, other directorships and special achievements and relationship with other Promoters of our Company, see "*Our Management – Board of Directors" and "Our Management – Brief profiles of our Directors" on page 311.* The permanent account number of Harshil Nuwal is AFMPN7273B. **Other Ventures:** Apart from Sky World Builders Private Limited, he is not involved in any other venture.
	Subhash Chandra Nuwal (DIN:00104154), aged 59 years is one of our individual Promoters and the Chairman, Non-Executive & Non-Independent Director of our Company. For the complete profile of Subhash Chandra Nuwal, along with the

	details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held and business and financial activities, other directorships and special achievements and relationship with other Promoters of our Company, see "*Our Management – Board of Directors*" and "*Our Management – Brief profiles of our Directors*" *on page 311.* The permanent account number of Subhash Chandra Nuwal is AAHPN1295R. **Other Ventures:** He is a shareholder in his following ventures: 1. Sky World Builders Private Limited 2. Starnet Breeding and Research Farms Private Limited 3. Selection Synthetics Limited
	**Uma Nuwal (DIN:00104156)**, aged 59 years is one of our individual Promoters and the Whole Time Director of our Company. For the complete profile of Uma Nuwal, along with the details of her date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held and business and financial activities, other directorships and special achievements and relationship with other Promoters of our Company, see "*Our Management – Board of Directors*" and "*Our Management – Brief profiles of our Directors*" *on page 311.* The permanent account number of Uma Nuwal is AAOPN2793F. **Other Ventures:** She is a shareholder in his following ventures: 1. Starnet Breeding and Research Farms Private Limited 2. Starnet Real Estate and Projects Limited 3. Starnet Business Limited 4. Selection Synthetics Limited

Name: Deepank Bhandari

Date of Birth: June 11, 1985

Age: 40 years

Personal Address: B-68, First Floor, Gulmohar Park, Delhi – 110049, India

PAN: AKAPB4650M

Education Qualification: Bachelor of Technology in Textile Technology from Indian Institute of Technology, Delhi and master's degree form ESCP Business School.

Experience: Deepank Bhandari is one of the individual Promoters of our Company. He holds ESCP Europe Grande Ecole Program Master's degree. He has over 11 years of experience in financial services and fintech ecosystem and quick commerce technology ecosystem. Currently, he is a promoter director of Dexif Fintech Private Limited and Dexif Security Broking Private Limited.

Other Ventures: He is a shareholder and/or holds directorship in his following ventures:

1. Dexif Security Broking Private Limited
2. Dexif Fintech Private Limited
3. Letsgrow Marketing Private Limited
4. Sona Styles Limited

Special Achievements: Nil

Business and Financial Activities: Nil

DECLARATION

Our Company confirms that the permanent account number(s), bank account number(s), passport number(s), aadhar card number(s) (to the extent applicable) and driving license numbers of our individual Promoters (except Uma Nuwal, who does not have a driving license) will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Our Corporate Promoter:

Our corporate Promoter, Sona Polyspin Private Limited is a private limited company incorporated under the provisions of the Companies Act, 1956, on April 05, 2004 and validly existing under the Companies Act, 2013, having its registered office at 21/157, Saidham Co Operative Housing Society, MG Road, Motilal Nagar No. 3, Near Jain, Hospital, Mumbai City, Goregaon West- 400104, Maharashtra, India and having Corporate Identity Number 'U17120MH2004PTC145514'.

Changes in the Activities

There has been no change in activities of our corporate Promoter since the date of its incorporation.

Sona Polyspin Private Limited, carries on the business as Manufacturers, traders, Exporters, Importers, Distributors, Dealers, Commission Agents of knitting, weaving, combing, texturing, twisting, doubling, blending, spinning of cotton, art silk, viscose polyester, nylon, yarn, fabric, bleaching processing and dying of cotton, silk, wool, synthetic yarn or any other type of natural fibres, polyester rayon, art, silk or any other type of natural fibres and to carry on the Business of Manufactures, Dealers, Importers, Exporters of all kinds of Hosiery cloth, ready-made Garments, Carpets, Blankets, Rugs, Loincloth and Fabrics whether Textile, felted woven, Netred, Knitted or looped made out or Raw Cotton, Jute, Silk. Wool, Rayon, Polyester Velvet or any other type of man-Made Fabrics. Sona Polyspin Private Limited has not changed its principal activities since the date of its incorporation.

The Board of Directors of Sona Polyspin Private Limited as on the date of this Draft Red Herring Prospectus comprises of the following directors:

S. No.	Name of the Director	Designation
1.	Subhash Chandra Nuwal	Director
2.	Harshil Nuwal	Director

The authorised share capital of Sona Polyspin Private Limited is 3,75,00,000 divided into 37,50,000 equity shares of ₹10/- each. The paid-up share capital of Sona Polyspin Private Limited is ₹70,35,000/- divided into 7,03,500 shares of ₹10/- each.

Shareholding pattern of our Corporate Promoter as of the date of this Draft Red Herring Prospectus is as under:

S. No.	Name of Shareholder	Number of Shares	Percentage of shareholding
1.	Harshil Nuwal	7,03,400	99.98%
2.	Uma Nuwal	100	0.02%
	Total	**7,03,500**	**100.00%**

DETAILS OF CHANGE IN CONTROL OF OUR CORPORATE PROMOTER

Except as stated below, there has been no change in the ownership of the equity shares of our corporate Promoter in the three years immediately preceding the date of this Draft Red Herring Prospectus:

a. A share transmission of 28,000 equity shares of the Corporate Promoter was undertaken from Late Ram Rich Pal Nuwal to Mr. Harshil Nuwal by way of WILL dated January 1, 2022. The said share transmission was registered by company on October 30, 2025.
b. A share transmission of 1,96,000 equity shares of the Corporate Promoter was undertaken from Late Kanchan Devi Nuwal to Mr. Harshil Nuwal by way of WILL dated October 1, 2022. The said share transmission was registered by company on October 30, 2025.
c. Mr. Subhash Chandra Nuwal has transferred 1,15,000 equity shares to Mr. Harish Nuwal by way of gift deed dated July 9, 2025. The said share transfer was registered by company on October

30, 2025.

d. Mrs. Uma Nuwal has transferred 1,34,400 equity shares to Mr. Harish Nuwal by way of gift deed dated October 10, 2025. The said share transfer was registered by company on October 30, 2025.

PROMOTERS OF OUR CORPORATE PROMOTER

The promoters of Sona Polyspin Private Limited are Subhash Chandra Nuwal and Harshil Nuwal.

DECLARATION

Our Company confirms that the permanent account number, bank account number, company identity number of our corporate Promoter along with the address of the RoC where our corporate Promoter is registered will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus with them.

CHANGE IN THE CONTROL OF OUR COMPANY

Our individual Promoters, namely Harshil Nuwal, Subhash Chandra Nuwal and Uma Nuwal are the original promoters of our Company since inception. Thereafter, the Company had allotted equity shares to Deepank Bhandari and Sona Polyspin Private Limited on March 31, 2022 and May 31, 2022, respectively. Accordingly, as on the date of this Draft Red Herring Prospectus, our Company has five (5) Promoters. For further details, see "*Capital Structure – Build-up of the Equity Shareholding of our Promoters in the Company*" on page 131.

Except as disclosed above, there has been no change in the control of our Company till the date of filing of this Draft Red Herring Prospectus.

INTEREST OF PROMOTERS AND COMMON PURSUITS

Our Promoters are interested in our Company to the extent; (i) that they are the promoters of our Company; (ii) of their respective direct and indirect shareholding in our Company; including the dividend payable and other distributions, if any; and (iii) of their directorship in our Company and the remuneration, benefits and reimbursements of expenses, payable to them as per the terms of their employment by our Company. For details of the shareholding of our Promoters and the Promoter Group in our Company, see "*Capital Structure – Equity Shareholding of our Promoters and Promoter Group", "Shareholding of our Directors, Key Managerial Personnel and Senior Management*", and "*Our Management – Interest of Directors*" on pages 134, 135 and 321, respectively.

Our Promoters are also directors on the boards, or are shareholders, kartas, members or partners of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these parties. For further details of interest of our Promoters in our Company, refer "*Restated Financial Information – Related Party Disclosures*" on page 398.

Further, Deepank Bhandari, one of our individual Promoters may be deemed to be interested to the extent of professional fee payable to him in relation to the consultancy services rendered by him from time to time to our Company. For further details, see "*Restated Financial Information – Related Party Disclosures*" on page 398.

Our corporate Promoter, in accordance with its constitutional documents, is authorised to undertake certain business activities that are similar to and/or synergistic with those of our Company. However, our corporate Promoter is presently engaged in the business of trading and does not compete with our Company. Accordingly, there is no conflict of interest as on the date of this Draft Red Herring Prospectus. Our Company will adopt appropriate procedures and practices, in compliance with applicable laws and regulatory guidelines, to address any potential conflict of interest situations if and when they arise.

Except as disclosed above and under "*Our Group Companies – Common Pursuits Between Our Group Companies and Our Company*" on page 348, our individual Promoters do not have any interest in any venture that is authorised to carry on business activities which are similar to, or synergistic with, the business of our Company.

Except as disclosed in "*Our Management*" and "*Restated Financial Information – Related Party Disclosures*" beginning on pages 311 and 398, respectively, there have been no payment or benefits made by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus. Further, there is no intention to pay or provide any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce him to become or to qualify them, as a director or promoter or otherwise for services rendered by such Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Our Company has not entered into any contract, agreements or arrangements during the two years immediately preceding the date of this Draft Red Herring Prospectus and does not propose to enter into any such contract in which our Promoters are directly or indirectly interested and no payment have been made to them in respect of any contracts, agreements or arrangements which are proposed to be made.

Except as disclosed in "*Our History and Certain Corporate Matters- Details regarding material acquisitions or disinvestments of business/undertakings, mergers, amalgamation, etc. in the last 10 years*" on page 308 and "*Restated Financial Information – Related Party Disclosures*" on page 398. Our Promoters have no interest in any property acquired by our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, nor in any transaction relating to the acquisition of land, construction of buildings, supply of machinery or any similar arrangement by our Company.

MATERIAL GUARANTEES GIVEN BY OUR PROMOTERS TO THIRD PARTIES WITH RESPECT TO SPECIFIED SECURITIES OF OUR COMPANY

Our Promoters have not given any material guarantee to any third party with respect to the specified securities of our Company as on the date of this Draft Red Herring Prospectus. For further details regarding guarantees given by our Promoters to third parties, see "*Financial Indebtedness*" on page 421.

COMPANIES AND FIRMS WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Save and except as set out below, none of our Promoters have disassociated themselves from any company, firm, trust or any other entity in the last 3 years preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Promoter	Name of the Company or firm from which the Promoter has disassociated	Reasons for and circumstances leading to disassociation	Date of Disassociation
1.	Harshil Nuwal	Sky World Builders Private Limited	Resignation from the position of director	August 10, 2024
2.	Deepank Bhandari	Next2new Vehicles Private Limited	Resignation from the position of director and transfer of shareholding	November 06, 2023
		West World Mobility LLP	Voluntary strike-off of the LLP	July 13, 2023
		Trustnride Vehicles Private Limited	Resignation from the position of director and transfer of shareholding	November 06, 2023
		S45 Tech Wealth Private Limited	Resignation from the position of director	September 08, 2025
		Shisho Fintech Ventures LLP	Strike-off of the LLP	November 29, 2025

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

Except our Promoter Deepank Bhandari, our individual Promoters have adequate experience in the line of business of our Company. For details in relation to experience of our Promoters in the business of our Company, refer to the section titled "*Our Management – Brief Profiles of our Directors*" on page 311.

LITIGATION INVOLVING OUR PROMOTERS

For details in relation to legal and regulatory proceedings, by any regulatory authority in India or overseas, involving our Promoters and Directors as on the date of this Draft Red Herring Prospectus, see "*Outstanding Litigations and Material Developments – Litigation Involving our Promoters*" on page 474.

OTHER CONFIRMATIONS

Our Promoters and members of our Promoter Group have not been declared willful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.

Our Promoters and members of our Promoter Group have not been prohibited or debarred from accessing the capital markets or from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or any other authority, court or tribunal inside or outside India.

Our Promoters are not and have not been promoters or directors of any other company which is debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters have not been declared as Fugitive Economic Offenders.

There has been no disciplinary action, penalty/ies (including any outstanding actions), against our Promoters imposed by the SEBI or the Stock Exchanges in the past three years from the date of filing of this Draft Red Herring Prospectus.

For other relevant confirmations in relation to our Promoter and members of our Promoter Group, see "*Other Regulatory and Statutory Disclosures*" on page 487.

PROMOTER GROUP

The following individuals and entities constitute our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

Natural persons forming part of our Promoter Group (other than our Individual Promoters)***

<table>
<tr><th>Name of the Promoter</th><th>Name</th><th>Relationship</th></tr>
<tr><td rowspan="9">Harshil Nuwal</td><td>Subhash Chandra Nuwal</td><td>Father</td></tr>
<tr><td>Uma Nuwal</td><td>Mother</td></tr>
<tr><td>Palkesh Nuwal</td><td>Brother</td></tr>
<tr><td>Shikha Nuwal</td><td>Spouse</td></tr>
<tr><td>Saveer Nuwal</td><td>Son</td></tr>
<tr><td>Kailash Bhandari</td><td>Spouse's Father</td></tr>
<tr><td>Anita Bhandari</td><td>Spouse's Mother</td></tr>
<tr><td>Deepank Bhandari</td><td>Spouse's Brother</td></tr>
<tr><td>Arpita Singh</td><td>Spouse's Sister</td></tr>
<tr><td rowspan="7">Uma Nuwal</td><td>Shanti Devi Biyani</td><td>Mother</td></tr>
<tr><td>Subhash Chandra Nuwal</td><td>Spouse</td></tr>
<tr><td>Rajendra Kumar Biyani</td><td rowspan="3">Brothers</td></tr>
<tr><td>Sushil Kumar Biyani</td></tr>
<tr><td>Madhu Sudan Biyani</td></tr>
<tr><td>Harshil Nuwal</td><td rowspan="2">Sons</td></tr>
<tr><td>Palkesh Nuwal</td></tr>
</table>

Name of the Promoter	Name	Relationship
	Kamlesh Jagetiya	Spouse's Sister
	Hemant Mundra	
	Sushma Devi Rathi	
Subhash Nuwal	Uma Nuwal	Spouse
	Kamlesh Jagetiya	Sisters
	Hemant Mundra	
	Sushma Devi Rathi	
	Harshil Nuwal	Sons
	Palkesh Nuwal	
	Shanti Devi Biyani	Spouse's Mother
	Rajendra Kumar Biyani	Spouse's Brothers
	Sushil Kumar Biyani	
	Madhu Sudan Biyani	
Deepank Bhandari	Kailash Bhandari	Father
	Anita Bhandari	Mother
	Shikha Nuwal	Sister
	Sonam Singh	Spouse
	Shivaansh Bhandari	Son
	Rajinder Singh Grover*	Spouse's Father
	Anju Singh*	Spouse's Mother
	Arjun Singh Grover*	Spouse's Brother
	Arpita Singh	Spouse's Sister

* *See "SEBI exemption sought by our Company in relation to the Promoter Group" below on page 344.*

Entities forming part of our Promoter Group

Sr. No.	Name of the Entity
1.	Starnet Breeding and Research Farms Private Limited
2.	Starnet Real Estate and Projects Limited
3.	Starnet Business Limited
4.	Infini Securities Private Limited
5.	Sky World Builders Private Limited
6.	Selection Synthetics Limited
7.	Sona Processors (India) Limited
8.	Sona Styles Limited
9.	Sona Texfab Private Limited
10.	Dexif Fintech Private Limited
11.	Letsgrow Marketing Private Limited
12.	S45 Tech Wealth Private Limited
13.	Premshree Syncotex Private Limited
14.	Shubham Mines and Minerals Private Limited
15.	Dexif Security Broking Private Limited
16.	Pooja Sarees
17.	Hotel Ganga Jamuna
18.	Rupee Dyanamic Asset Management LLP

19.	Biyani & Sons (HUF)
20.	Subhash Chandra Harshil Nuwal HUF
21.	Ram Richpal Subhash Chandra Nuwal HUF
22.	Harshil Nuwal HUF
23.	Palkesh Nuwal HUF
24.	Natwar Lal Madhusudan
25.	Natwar Lal Sushil Kumar
26.	Rajendra Kumar & Sons HUF
27.	Rajendra Kumar Madhu Sudan
28.	Rajendra Kumar Natwar Lal HUF
29.	Rajendra Kumar Sushil Kumar
30.	Shyam Sunder Mundra HUF
31.	Sushil Kumar and Sons HUF
32.	Sushil Kumar Madhusudan HUF
33.	Tejpal Natwar Lal
34.	Madhu Sudan Biyani & Sons HUF
35.	Kailash Bhandari HUF

SEBI EXEMPTION SOUGHT BY OUR COMPANY IN RELATION TO PROMOTER GROUP

Pursuant to a letter dated July 10, 2025, our Company had sought an exemption from SEBI under Regulation 300(1)(c) of the SEBI ICDR Regulations for relaxation of the strict enforcement of Regulation 2(1)(pp) of the SEBI ICDR Regulations with regard to identification as members of the Promoter Group of our Company in this Draft Red Herring Prospectus and their related disclosures for the following:

a) Rajinder Singh Grover;
b) Anju Singh;
c) Arjun Singh Grover.

(collectively referred to as the "**Concerned Relatives**").

The said exemption was sought on the grounds that there has been no contact between our Promoter, Deepank Bhandari, and the Concerned Relatives due to estrangement. Pursuant to letter dated September 5, 2025, the SEBI has stated that our Company's request for exemption cannot be acceded to and has directed our Company to *inter alia* disclose the Concerned Relatives and their related entities as a part of the Promoter Group of our Company and include applicable disclosures relating to them based on information available in the public domain.

In order to comply with the provisions of the SEBI ICDR Regulations and the SEBI letter dated September 5, 2025, the disclosures in relation to the Concerned Relatives in this Draft Red Herring Prospectus have been included to the best of our Company's knowledge and to the extent the information was available and accessible in the public domain published on the websites of (i) Watchout Investors (accessible at www.watchoutinvestors.com); (ii) TransUnion CIBIL Limited (CIBIL) (accessible at suit.cibil.com), (iii) BSE Limited (list of debarred entities accessible at www.bseindia.com/investors/debent.aspx); and (iv) National Stock Exchange of India Limited (accessible at www.nseindia.com/regulations/member-sebi-debarred-entities), on a 'name search' basis. While we have disclosed their names on the 'name basis' search in the public domain, we cannot ascertain and ensure that they are the same persons. Given that the information related to the Concerned Relatives included in this Draft Red Herring Prospectus is solely based on the information which was available and accessible in the public domain, our Company has not ascertained the veracity or completeness of the information or if such information is updated.

For further details, see "*Risk Factor- Some of the members of our Promoter Group have not consented to the inclusion of, nor have they provided, information or any confirmations or undertakings pertaining to themselves or the entities in which they hold interest, which are required to be disclosed in relation to Promoter Group under the SEBI ICDR Regulations in this Draft Red Herring Prospectus. The disclosures relating to these members of the Promoter Group have been included in this Draft Red Herring Prospectus based on information available in public domain. Accordingly, we cannot assure you that the disclosures relating to such members of our Promoter Group are accurate, complete, or updated. Further, details in relation to Connected Entities which may qualify as a member of our Promoter Group have not been disclosed in this Draft Red Herring Prospectus*" on page 56. Accordingly, we cannot assure you that the disclosures relating to such members of our Promoter Group are accurate, complete, or updated.

OUR GROUP COMPANIES

In terms of SEBI ICDR Regulations, the definition of 'group companies' includes: (i) such companies (other than our Promoter(s) and Subsidiary(ies)) with which there were related party transactions, during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) also such other companies as are considered material by the Board of our Company.

Accordingly, for (i) above, all such companies (other than our Corporate Promoter and Subsidiary) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), during the period disclosed in Restated Financial Information, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

In relation to point (ii) above (in addition to the companies identified as "group company" under point (i) above), our Board, through its resolution dated October 28, 2025, has also considered those companies disclosed as having related party transactions in accordance with Indian Accounting Standard ("**Ind AS 24**") issued by the Institute of Chartered Accountants of India, in the Restated Financial Information of the Company and such companies with which our Company has entered into one or more transactions during the most recent financial year and/or relevant stub period if any, the monetary value of which individually or cumulatively exceeds 10% of the total revenue of our Company, as per the Restated Financial Information shall also be considered as group companies of the Company.

All such companies which the Board has deemed to be material has been considered as Group Companies.

Accordingly, based on the parameters outlined above, our Company has identified group companies namely:

DETAILS OF THE GROUP COMPANIES

Sona Processors (India) Limited

Registered Office

The registered office of Sona Processors (India) Limited is situated at Shop No.2, Sangam Tower near Old RTO Office Gandhi Nagar, Pur Road, Bhilwara– 311001, Rajasthan, India.

Financial Information

Certain financial information derived from the audited financial statements of Sona Processors (India) Limited for Fiscals 2025, 2024 and 2023, as required by the SEBI ICDR Regulations, are available on the website of our Company at www.sonaselection.com.

Sona Texfab Private Limited

Registered Office

The registered office of Sona Texfab Private Limited is situated at Shop No.2, Sangam Tower Near Old RTO Office Gandhi Nagar, Pur Road, Bhilwara– 311001, Rajasthan, India.

Financial Information

Certain financial information derived from the audited financial statements of Sona Texfab Private Limited for Fiscals 2025, 2024 and 2023, as required by the SEBI ICDR Regulations, are available on the website of our Company at www.sonaselection.com.

Sona Styles Limited

Registered Office

The registered office of Sona Styles Limited is situated at Plot No 1/270/1 and 270/2 Chittor Road, Village Guwardi, Bhilwara– 311025, Rajasthan, India.

Financial Information

Certain financial information derived from the audited financial statements of Sona Styles Limited for Fiscals 2025, 2024 and 2023, as required by the SEBI ICDR Regulations, are ava0ilable on the website of our Company at www.sonaselection.com.

Starnet Real Estate and Projects Limited

Registered Office

The registered office of Starnet Real Estate and Projects Limited is situated at Kanchan, B-377, Shastri Nagar, Bhilwara– 311001, Rajasthan, India.

Financial Information

Certain financial information derived from the audited financial statements of Starnet Real Estate and Projects Limited for Fiscals 2025, 2024 and 2023, as required by the SEBI ICDR Regulations, are available on the website of our Company at www.sonaselection.com.

NATURE AND EXTENT OF INTEREST OF OUR GROUP COMPANIES

In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing the Draft Red Herring Prospectus or proposed to be acquired by our Company

Except as disclosed under the section titled "*Restated Financial Information – Related Party Disclosures*" on page 398, there are no interest of our Group Companies in any transactions for the acquisition of land, construction of building or supply of machinery. For further details of acquisition of property by us from our Group Company, see "*Our History and Certain Corporate Matters – Details*

Regarding Material Acquisitions Or Disinvestments Of Business/Undertakings, Mergers, Amalgamation, Etc. In The Last 10 Years" on page 308.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

Except as disclosed under the section titled "*Restated Financial Information – Related Party Disclosures*" on page 398**,** Our Group Companies have no interest, directly or indirectly, in any transaction for the acquisition of land, construction of building or supply of machinery etc. by our Company.

LITIGATION

Except as stated in the chapter titled, *"Outstanding Litigations and Material Developments - Litigation Involving our Group Companies Which May Have a Material Impact on our Company"* beginning on page 478, there are no pending litigations involving our Group Companies which may have a material impact on our Company.

COMMON PURSUITS BETWEEN OUR GROUP COMPANIES AND OUR COMPANY

Except as disclosed below, there are no common pursuits amongst our Group Companies and our Company.

Sona Processors (India) Limited is also engaged in business activities similar to those undertaken by our Company. As a result, there may be conflict of interests in allocating business opportunities between us and our Group Company, Sona Processors (India) Limited. Our Company and our Group Company, Sona Processors (India) Limited have entered into a non-compete agreement dated November 03, 2025 ("**Non-Compete Agreement**") for the period of 5 years from the execution date. For further details, see "*Risk Factors – Our Company's Promoters and Directors and some of our Group Companies are at present involved and may enter into ventures that may lead to real or potential conflicts of interest with our business*" on page 66.

Except Starnet Real Estate and Projects Limited, our Group Companies, in accordance with their constitutional documents, are authorised to engage in certain similar line of business activities that are similar and/or synergistic to our Company. Our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations if and when they arise.

Furthermore, some of our Directors and Promoters are currently on the Board and/or hold equity shares in our Group Companies. Our Company and such Group Companies shall ensure adoption of necessary procedures and practices, as permitted by law, to address any instances of conflict of interest, as and when they may arise. Our Company has not encountered any instances of conflict in the past.

RELATED BUSINESS TRANSACTIONS WITHIN OUR GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Except as disclosed in *"Summary of Issue Document – Summary of Related Party Transactions" on page* 35 and *"Restated Financial Information – Related Party Disclosures"* on page 398, there are no other related business transactions between our Group Companies and our Company.

BUSINESS INTERESTS

Except in the ordinary course of business and as stated in *"Restated Financial Information - Related Parties Disclosures"* on page 398, our Group Companies have no business interest in our Company.

UTILISATION OF ISSUE PROCEEDS

There are no material existing or anticipated transactions with our Group Companies in relation to utilisation of the Issue Proceeds.

CONFIRMATIONS

As on the date of this DRHP, the securities of our Group Companies are not listed on any stock exchange in India or abroad.

One of our Group Company, Sona Processors (India) Limited was delisted from Delhi Stock Exchange and Jaipur Stock Exchange. For further details regarding the delisting, please see "*Our Management – Details of Directorship in Companies Suspended or Delisted*" and "*Risk Factors – Except two of our Director, namely Harshil Nuwal and Subhash Chandra Nuwal, none of the Directors of the Company have experience of being a director of a public listed company.*" on pages 315 and 71 respectively.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of the Company) and any of the Group Company and its directors.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board to the Shareholders for their approval, at their discretion, subject to compliance with the provisions of our Articles of Association and the Companies Act, including the rules made thereunder and the relevant regulations, if any, and other applicable laws. Further, the Board shall have absolute power to declare interim dividend in compliance with the Companies Act.

Any future determination as to the declaration and payment of dividends will depend on factors that our Board deems relevant, including among others, profits earned and available for distribution of dividend during the fiscal, accumulated reserves, including retained earnings, earning stability, mandatory transfer of profits earned to specific reserves, crystallization of contingent liabilities of 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 documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" beginning on page 421. We may retain our earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run.

Further, our Board 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 operations, ongoing or planned business expansion or other factors. As a result, we may not declare dividend in the foreseeable future. For details in relation to the risks involved in this regard, see "*Risk Factor – Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements*" on page 80.

Our Company has not declared any dividends on the Equity Shares during the last three Fiscal until the date of this Draft Red Herring Prospectus.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

Independent Auditors' Examination Report on the Restated Statement of Assets and Liabilities as at June 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and Restated Statement of Cash Flows for the three months period ended June 30, 2025 and year ended March 31, 2025 ,March 31, 2024 and March 31, 2023 and the summary of material accounting policies and explanatory notes (collectively, "the Restated Financial Information").

To,
The Board of Directors
Sonaselection India Limited
18th K M Stone, Chittorgarh Road,
Hamirgarh, Bhilwara,
Rajasthan, India, 311025

Dear Sirs,

1. We, **Pokharna Somani & Associates**, Chartered Accountants ('**we** 'or '**us**') have examined the attached Restated Financial Information of Sonaselection India Limited (the "**Company**" or the "**Issuer**"), as approved by the Board of Directors of the Company at their meeting held on December 05, 2025, for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**"), Red Herring Prospectus ("**RHP**") and Prospectus (collectively, the "Issue Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**") prepared in terms of the requirements of:

a) Section 26 and 32 of Part I of Chapter III of the Companies Act, 2013 the ("Act") as amended from time to time;
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations");
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");
d) Email dated 28 October 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India, instructing lead managers to ensure that companies provide financial statements prepared in accordance with Indian Accounting Standards (Ind-AS).

Management's Responsibility for the Restated Financial Statements

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information which has been approved by the Board for the purpose of inclusion in the Issue documents to be filed with Securities and Exchange Board of India (the "**SEBI**"), Bombay Stock Exchange (BSE) Limited, National Stock Exchange of India ("**NSE**") and Registrar of Companies, Rajasthan, situated at Jaipur ("**ROC**") in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the

basis of preparation stated in Note 1.2 of the Restated Financial Information. The responsibility of the Board of Directors of the company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

Auditor's Responsibilities

3. We have examined the Restated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 08, 2025, requesting us to carry out the assignment, in connection with the proposed IPO of equity shares of the company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, the Guidance Note, in connection with the proposed IPO of equity shares of the Company.

Restated Financial Information

4. The Restated Financial Information have been compiled by the management of the Company from:

The audited special purpose Ind AS financial statements of the company as at and for the three months period ended **June 30, 2025** and each of the years ended **March 31, 2025**, **March 31, 2024** and **March 31, 2023** (together hereinafter referred as the "Special Purpose Ind AS Financial Statements") each prepared in accordance with the Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 27, 2025. The Special Purpose Ind AS Financial Statements for year ended **March 31, 2025** and **March 31, 2024** had been prepared by making adjustments required under Ind AS to the audited IGAAP financial statements of the Company as at and for each of the years ended **March 31, 2025** and **March 31 2024** (the "Statutory Indian GAAP Financial Statements") prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India, which were approved by the Board of directors at their meeting held on May 19, 2025 and September 02, 2024, respectively.

5. For the purpose of our examination, we have relied on:

Auditors' reports issued by us dated November 27, 2025 on the Special Purpose Ind AS Financial Statements of the Company as at and for the three months period ended **June 30, 2025** and each of the years ended **March 31, 2025**, **March 31, 2024** and **March 31, 2023** as referred in paragraph 4(a) above.

Opinion

6. Based on our examination and according to the information and explanations given to us as at and for the three months period / fiscals ended June 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, we report that the Restated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatments as per the accounting policies and grouping/classifications followed as at and for the three months period ended June 30, 2025.

b) Audit report issued by us referred to in Paragraph 5 does not contain any qualifications requiring adjustments, and,

c) Have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note, as applicable.

7. 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, Issued by ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. Reconciliation of differences in the Equity and Profit/(Loss) as per the Special Purpose Ind AS Financial Statements and the Restated Financial Information is furnished as **Note No. – 49** to the Restated Financial Statements.

9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Ind AS Financial Statements mentioned in paragraph 4 above except for the effect of bonus shares approved by the shareholders on November 04, 2025.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the Special Purpose Ind AS Financial Statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. 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 Historic Financial Information, and Other Assurance and Related Services Engagements, Issued by ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India.

13. Our report is intended solely for use of the Board of Directors for inclusion in the Issue Documents to be filed with RoC, SEBI and Stock Exchanges 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 Pokharna Somani & Associates,
Chartered Accountants
ICAI Firm Registration No. 011535C

Sumit Bumb
Partner
Membership no.: 429413
UDIN: 25429413BMIXYB9231

Place: Bhilwara
Date: December 05, 2025

SONASELECTION INDIA LIMITED
(CIN : U17299RJ2022PLC079631)
Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - I : Restated Statement of Assets And Liabilities
(All amounts in ₹ Million, except as stated otherwise)

Particulars	Note No.	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
I. ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	2	1,648.11	1,699.83	750.37	491.12
(b) Capital work-in-progress	3	101.74	95.56	725.72	-
(c) Other Intangible Assets	4	6.18	-	-	-
(d) Intangible Assets under development	5	-	6.40	-	-
(e) Financial Assets					
(i) Others financial Assets	6	7.57	7.57	10.12	5.26
Total Non Current Assets		**1,763.60**	**1,809.36**	**1,486.21**	**496.38**
Current Assets					
(a) Inventories	7	1,254.66	970.76	190.69	146.16
(b) Financial Assets					
(i) Trade receivables	8	914.11	696.87	139.87	148.64
(ii) Cash and Cash equivalents	9	2.33	2.15	41.40	0.02
(iii) Bank balance other than (ii) above	10	42.17	53.40	44.76	14.70
(c) Other current assets	11	212.52	184.56	128.40	74.71
(d) Income Tax Assets (Net)	29	15.81	30.57	3.62	-
Total Current Assets		**2,441.60**	**1,938.31**	**548.74**	**384.23**
TOTAL ASSETS		**4,205.20**	**3,747.67**	**2,034.95**	**880.61**
II. EQUITY AND LIABILITIES					
Equity					
(a) Share capital	12	158.74	158.74	31.00	31.00
(b) Other Equity	13	590.45	541.97	357.81	227.43
Total Equity		**749.19**	**700.71**	**388.81**	**258.43**
LIABILITIES					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	14	1,257.24	1,307.72	1,117.60	261.11
(b) Provisions	15	15.92	14.76	8.30	3.09
(c) Deferred tax liabilities (net)	16	127.37	127.31	72.92	63.13
Total Non-Current Liabilities		**1,400.53**	**1,449.79**	**1,198.82**	**327.33**

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Annexure - I : Restated Statement of Assets And Liabilities
(All amounts in ₹ Million, except as stated otherwise)

Particulars	Note No.	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Current liabilities					
(a) Financial Liabilities					
(i) Borrowings	17	844.78	766.25	328.42	190.96
(ii) Trade payables					
(a) Total outstanding dues of micro enterprises and small enterprises	18	21.94	7.66	8.17	8.03
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	1,123.10	734.76	69.96	68.09
(iii) Other Financial Liabilities	19A	58.92	80.35	36.52	21.32
(b) Other Current Liabilities	19B	6.38	7.82	4.03	2.37
(c) Provisions	15	0.36	0.33	0.22	0.10
(d) Current Tax Liabilities (Net)	29	-	-	-	3.98
Total Current Liabilities		**2,055.48**	**1,597.17**	**447.32**	**294.85**
Total Liabilities		**3,456.01**	**3,046.96**	**1,646.14**	**622.18**
TOTAL EQUITY & LIABILITIES		**4,205.20**	**3,747.67**	**2,034.95**	**880.61**
		-	-	-	-

Summary of Material Accounting Policies Note No. - 1.6
The notes referred to above form an integral part of the financials Statements

As per our report of even date attached.

For Pokharna Somani & Associates
Chartered Accountants

For and on behalf of Board of Directors
Sonaselection India Limited

Sumit Bumb
Partner
(Firm Regn No.011535C/Membership No. 429413)
Place: Bhilwara
Date : 05.12.2025
UDIN : 25429413BMIXYB9231

Harshil Nuwal
Managing Director
DIN: 01474313

Subhash Chandra Nuwal
Director
DIN: 00104154

Ramesh Chandra Vyas
Chief Financial Officer
PAN : AGPPV5302B

Harish Sharma
Company Secretary
PAN : DLYPS9815R

SONASELECTION INDIA LIMITED
(CIN : U17299RJ2022PLC079631)
Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - II : Restated Statement of Profit And Loss (Including Other Comprehensive Income)
(All amounts in ₹ Million, except as stated otherwise)

Particulars	Note No.	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
I. Revenue from Operations	20	1,042.35	3,159.52	1,209.79	939.12
II. Other Income	21	1.54	5.14	3.31	1.99
III. Total Income (I+II)		**1,043.89**	**3,164.66**	**1,213.10**	**941.11**
IV. EXPENSES					
Cost of Materials Consumed	22	648.86	2,177.82	529.43	461.47
Purchase of Stock-in-Trade	23	59.53	14.60	5.36	27.21
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(96.22)	(345.46)	(52.03)	(76.16)
Employee Benefit Expenses	25	106.88	356.30	203.45	144.16
Finance Costs	26	43.96	147.25	47.45	24.44
Depreciation and Amortization Expenses	27	51.94	173.14	67.97	35.90
Other Expenses	28	161.41	380.21	242.02	203.67
Total Expenses		**976.36**	**2,903.86**	**1,043.65**	**820.69**
V. Restated Profit / (Loss) Before Exceptional and Extraordinary items and Tax (III-IV)		**67.53**	**260.80**	**169.45**	**120.42**
VI. Exceptional Items		-	-	-	-
VII. Restated Profit / (Loss) Before Extraordinary items and Tax (V-VI)		**67.53**	**260.80**	**169.45**	**120.42**
VIII. Extraordinary items		-	-	-	-
IX. Restated Profit / (Loss) Before Tax (VII-VIII)		**67.53**	**260.80**	**169.45**	**120.42**
X. Tax Expenses					
Current Tax	29	11.80	45.74	29.90	32.20
Less : MAT Credit (Entitlement) / utilised	29	7.90	(24.85)	(1.43)	-
Deferred Tax Expenses	16	(0.15)	54.28	10.03	63.13
Total Tax Expenses (X)		**19.55**	**75.17**	**38.50**	**95.33**
XI. Profit for the period / year (IX-X)		**47.98**	**185.63**	**130.95**	**25.09**

SONASELECTION INDIA LIMITED
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Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - II : Restated Statement of Profit And Loss (Including Other Comprehensive Income)
(All amounts in ₹ Million, except as stated otherwise)

Particulars	Note No.	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
XII. Other Comprehensive Income [OCI]					
(i) Items that will not be reclassified to profit or loss	29				
Adjustment due to Actuarial Gain / (Loss) recognised in OCI		0.71	0.37	(0.81)	-
Income tax relating to items that will not be reclassified to profit or loss		(0.21)	(0.11)	0.24	-
(ii) Items that will be reclassified to profit or loss					
Adjustment due to items that will be reclassified to profit or loss		-	-	-	-
Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
Other Comprehensive Income [OCI] (XII)		**0.50**	**0.26**	**(0.57)**	**-**
XIII. Total Comprehensive Income for the period / year (XI+XII)		**48.48**	**185.89**	**130.38**	**25.09**
Earning per equity share of face value of Rs. 10 Each	31				
Basic		**1.16**	**4.57**	**3.25**	**0.68**
Diluted		**1.13**	**4.49**	**3.25**	**0.68**

Summary of Material Accounting Policies Note No. - 1.6
The notes referred to above form an integral part of the financials Statements

As per our report of even date attached.

For Pokharna Somani & Associates
Chartered Accountants

For and on behalf of Board of Directors
Sonaselection India Limited

Sumit Bumb
Partner
(Firm Regn No.011535C/Membership No. 429413)
Place: Bhilwara
Date : 05.12.2025
UDIN : 25429413BMIXYB9231

Harshil Nuwal
Managing Director
DIN: 01474313

Subhash Chandra Nuwal
Director
DIN: 00104154

Ramesh Chandra Vyas
Chief Financial Officer
PAN : AGPPV5302B

Harish Sharma
Company Secretary
PAN : DLYPS9815R

SONASELECTION INDIA LIMITED
(CIN : U17299RJ2022PLC079631)
Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - III : Restated Statement of Cash Flows
(All amounts in ₹ Million, except as stated otherwise)

Particulars	For the Period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
A. Cash flow from operating activities				
Net Profit before Taxation and Extra-ordinary items	67.53	260.80	169.45	120.42
Adjustments for:				
Depreciation and Amortisation	51.94	173.14	67.97	35.90
Loss on sale of Property, Plant and Equipment	-	-	-	1.11
Employee Retirement Benefits	1.89	6.94	4.52	3.19
Finance Cost	43.96	147.25	47.45	24.44
Interest income	(0.65)	(3.30)	(1.80)	(0.08)
Operating profit / (loss) before working capital changes	**164.67**	**584.83**	**287.59**	**184.98**
Changes in working capital:				
(Increase)/Decrease in Others financial Assets	-	2.55	(4.86)	106.74
(Increase)/Decrease in Inventories	(283.90)	(780.07)	(44.53)	(146.16)
(Increase)/Decrease in Trade receivables	(217.24)	(557.00)	8.77	(148.64)
(Increase)/Decrease in Other Current Assets	(27.96)	(56.16)	(53.69)	(74.23)
Increase/(Decrease) in Trade payables	402.62	664.29	2.01	76.12
Increase/(Decrease) in Other Financial Liabilities	(21.43)	43.83	15.20	21.32
Increase/(Decrease) in Other Current Liabilities	(1.44)	3.79	1.66	2.37
Employee Retirement Benefits (Gratuity) Paid	-	-	-	-
Cash generated from operations	**15.32**	**(93.94)**	**212.15**	**22.50**
Net income tax (paid) / refund	(4.93)	(47.83)	(36.07)	(28.22)
Net cash flow from / (used in) operating activities (A)	**10.39**	**(141.77)**	**176.08**	**(5.72)**
B. Cash flow from investing activities				
Capital expenditure on Tangible fixed assets including capital work in progress	(6.18)	(492.44)	(1,052.94)	(450.03)
Capital expenditure on Intangible fixed assets including intangible assets under development	-	(6.41)	-	-
Sale / Transfer of fixed assets	-	-	-	0.64
Redemption/(Investment) in Fixed Deposits	11.23	(8.64)	(30.06)	(14.70)
Interest received	0.65	3.30	1.80	0.08
Net cash flow from / (used in) investing activities (B)	**5.70**	**(504.19)**	**(1,081.20)**	**(464.01)**
C. Cash flow from financing activities				
Proceeds/(Repayment) from Short-term borrowings	70.60	353.52	910.35	120.32
Proceeds/(Repayment) from Long-term borrowings (including current maturities)	(42.55)	274.43	83.60	296.25
Proceeds/(Repayment) from Compulsorily Convertible Debentures	-	71.01	-	-
Equity Shares issued (including Security Premium)	-	55.00	-	77.50
Finance cost	(43.96)	(147.25)	(47.45)	(24.44)
Net cash flow from / (used in) financing activities (C)	**(15.91)**	**606.71**	**946.50**	**469.63**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**0.18**	**(39.25)**	**41.38**	**(0.10)**
Cash and cash equivalents at the beginning of the period / year	2.15	41.40	0.02	0.12
Cash and cash equivalents at the end of the period / year	2.33	2.15	41.40	0.02

Note:1 The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".
Note-2: Previous Year's figures have been recasted/regrouped, wherever necessary, to conform to the current year's figures.

SONASELECTION INDIA LIMITED
(CIN : U17299RJ2022PLC079631)
Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - III : Restated Statement of Cash Flows
(All amounts in ₹ Million, except as stated otherwise)

Components of Cash & Cash Equivalents

Particulars	For the Period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Cash on Hand	0.19	0.02	0.30	0.02
Balance with Banks in Current Accounts	2.14	2.13	41.10	-
Total	**2.33**	**2.15**	**41.40**	**0.02**

Reconciliation of Liabilities arising from Financing Activities - For period April 2025- June 2025

Particulars	Opening Balance	Non-Cash Flows	Cash Flows	Closing Balance
Long-term Borrowings - secured (including current maturities)	1,303.63	-	(36.66)	1,266.97
Short-term Borrowings - secured	592.94	-	70.60	663.54
Long-term Borrowings - unsecured	177.40	-	(5.89)	171.51
Compulsorily Convertible Debentures	71.01	-	-	71.01
Total financial liabilities	**2,144.98**	**-**	**28.05**	**2,173.03**

Reconciliation of Liabilities arising from Financing Activities - For the year April 2024- March 2025

Particulars	Opening Balance	Non-Cash Flows	Cash Flows	Closing Balance
Long-term Borrowings - secured (including current maturities)	1,008.50	-	295.13	1,303.63
Short-term Borrowings - secured	239.42	-	353.52	592.94
Long-term Borrowings - unsecured	198.10	-	(20.70)	177.40
Compulsorily Convertible Debentures	-	-	71.01	71.01
Total financial liabilities	**1,446.02**	**-**	**698.96**	**2,144.98**

Reconciliation of Liabilities arising from Financing Activities - For the year April 2023- March 2024

Particulars	Opening Balance	Non-Cash Flows	Cash Flows	Closing Balance
Long-term Borrowings - secured (including current maturities)	296.25	-	712.25	1,008.50
Short-term Borrowings - secured	155.82	-	83.60	239.42
Long-term Borrowings - unsecured	-	-	198.10	198.10
Total financial liabilities	**452.07**	**-**	**993.95**	**1,446.02**

Reconciliation of Liabilities arising from Financing Activities - For the year April 2022- March 2023

Particulars	Opening Balance	Non-Cash Flows	Cash Flows	Closing Balance
Long-term Borrowings - secured (including current maturities)	-	-	296.25	296.25
Short-term Borrowings - secured	-	-	155.82	155.82
Short-term Borrowings - unsecured	35.50	-	(35.50)	-
Total financial liabilities	**35.50**	**-**	**416.57**	**452.07**

As per our report of even date attached.

For Pokharna Somani & Associates
Chartered Accountants

For and on behalf of Board of Directors
Sonaselection India Limited

Sumit Bumb
Partner
(Firm Regn No.011535C/Membership No. 429413)
Place: Bhilwara
Date : 05.12.2025
UDIN : 25429413BMIXYB9231

Harshil Nuwal
Managing Director
DIN: 01474313

Subhash Chandra Nuwal
Director
DIN: 00104154

Ramesh Chandra Vyas
Chief Financial Officer
PAN : AGPPV5302B

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Company Secretary
PAN : DLYPS9815R

SONASELECTION INDIA LIMITED
(CIN : U17299RJ2022PLC079631)
Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - IV : Restated Statement of Changes in Equity
(All amounts in ₹ Million, except as stated otherwise)

(A) Equity share capital	For the Period ended 30th June 2025		For the year ended 31st March 2025		For the year ended 31st March 2024		For the year ended 31st March 2023	
	No. of shares*	Amount	No. of shares*	Amount	No. of shares*	Amount	No. of shares*	Amount
Balance at the beginning of the period / year	15,874,145	158.74	3,100,000	31.00	3,100,000	31.00	1,550,000	15.50
Changes in Equity share capital during the period / year	-	-	12,774,145	127.74	-	-	1,550,000	15.50
Balance at the end of the period / year	**15,874,145**	**158.74**	**15,874,145**	**158.74**	**3,100,000**	**31.00**	**3,100,000**	**31.00**

**** In absolute numbers***

(B) Other Equity
1. Period ending on 30th June, 2025

Particulars	Reserves and Surplus			Equity component of CCDs	Total Equity
	Securities Premium	Retained Earnings	Capital Reserve		
Balance at the beginning of the period	51.26	340.96	78.74	71.01	541.97
Add : Profit / (Loss) for the period as per Statement of profit and Loss	-	47.98	-	-	47.98
Add : Other comprehensive income for the period as per Statement of profit and Loss	-	0.50	-	-	0.50
Less : Utilised against issue of bonus shares	-	-	-	-	-
Add: Issue of Compulsorily Convertible Debenture	-	-	-	-	-
Balance at the end of the period	**51.26**	**389.44**	**78.74**	**71.01**	**590.45**

2. Year ending on 31st March 2025

Particulars	Reserves and Surplus			Equity component of CCDs	Total Equity
	Securities Premium	Retained Earnings	Capital Reserve		
Balance at the beginning of the year	123.60	155.47	78.74	-	357.81
Add : Profit / (Loss) for the year as per Statement of profit and Loss	51.26	185.63	-		236.89
Add : Other comprehensive income for the year as per Statement of profit and Loss	-	0.26	-		0.26
Less : Utilised against issue of bonus shares	(123.60)	(0.40)	-		(124.00)
Add: Issue of Compulsorily Convertible Debenture	-	-	-	71.01	71.01
Balance at the end of the year	**51.26**	**340.96**	**78.74**	**71.01**	**541.97**

SONASELECTION INDIA LIMITED
(CIN : U17299RJ2022PLC079631)
Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - IV : Restated Statement of Changes in Equity
(All amounts in ₹ Million, except as stated otherwise)

3. Year ending on 31st March 2024

Particulars	Reserves and Surplus			Equity component of CCDs	Total Equity
	Securities Premium	Retained Earnings	Capital Reserve		
Balance at the beginning of the year	123.60	25.09	78.74	-	227.43
Add : Profit / (Loss) for the year as per Statement of profit and Loss	-	130.95	-	-	130.95
Add : Other comprehensive income for the year as per Statement of profit and Loss	-	(0.57)	-	-	(0.57)
Less : Utilised against issue of bonus shares	-	-	-	-	-
Add: Issue of Compulsorily Convertible Debenture	-	-	-	-	-
Balance at the end of the year	**123.60**	**155.47**	**78.74**	**-**	**357.81**

4. Period ending on 31st March 2023

Particulars	Reserves and Surplus			Equity component of CCDs	Total Equity
	Securities Premium	Retained Earnings	Capital Reserve		
Balance at the beginning of the year	61.60	-	-	-	61.60
Add : Profit / (Loss) for the year as per Statement of profit and Loss	62.00	25.09	78.74	-	165.83
Add : Other comprehensive income for the year as per Statement of profit and Loss	-	-	-	-	-
Less : Utilised against issue of bonus shares	-	-	-	-	-
Add: Issue of Compulsorily Convertible Debenture	-	-	-	-	-
Balance at the end of the year	**123.60**	**25.09**	**78.74**	**-**	**227.43**

As per our report of even date attached.

For Pokharna Somani & Associates
Chartered Accountants

For and on behalf of Board of Directors
Sonaselection India Limited

Sumit Bumb
Partner
(Firm Regn No.011535C/Membership No. 429413)
Place: Bhilwara
Date : 05.12.2025
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SONASELECTION INDIA LIMITED
(CIN : U17299RJ2022PLC079631)
Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - V : Summary of Material Accounting Policies and Explanatory Notes forming part of Restated Financial Information

1. Corporate Overview

Sonaselection India Limited (the "Company"), incorporated on 11th February, 2022, is a Company domiciled in India and limited by shares (CIN: U17299RJ2022PLC079631). The address of the Company's Registered Office and Plant location situated at 18th K.M. Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025. The company is engaged in manufacturing and processing of all type of textile fabrics.

1.2. Basis of Preparation of Restated Financial Information

The Restated Financial Information comprises of:
Restated Statement of Assets and Liabilities of the Company as at 30th June, 2025, 31st March, 2025, 31st March, 2024 and 31st March 2023, the Restated Statement of Profit and Loss (including Other Comprehensive Income/Loss), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the period ended 30th June, 2025 and year ended 31st March, 2025, 31st March, 2024 and 31st March 2023, and the summary of material accounting policies and explanatory notes (collectively 'the Restated Financial Information);

These Restated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') in connection with the proposed initial public offering of equity shares of face value of Rs. 10 each of the Company (the "Issue"), in terms of the requirements of
1.Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
2.The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2018 as amended;
3.The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Instituteof Chartered Accountants of India (ICAI) (the "Guidance Note").

The Restated Financial Statements have been extracted by the Management from:
The audited special purpose Ind AS financial statements of the company as at and for the three months period ended June 30, 2025 and each of the years ended March 31, 2025, March 31, 2024 and March 31, 2023 (together hereinafter referred as the "Special Purpose Ind AS Financial Statements") each prepared in accordance with the Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 27, 2025. The Special Purpose Ind AS Financial Statements for year ended March 31, 2025 and March 31, 2024 had been prepared by making adjustments required under Ind AS to the audited IGAAP financial statements of the Company as at and for each of the years ended March 31, 2025 and March 31 2024 (the "Statutory Indian GAAP Financial Statements") prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India, which were approved by the Board of directors at their meeting held on May 19, 2025 and September 02, 2024, respectively.

1.3. Basis of Measurement/Use of Estimates and judgements
(a) The Financial Statements are prepared on going concern basis under the historical cost convention and on accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.
(b) The statement of cash flows has been prepared under indirect method, whereby profit or loss 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 items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.
(c) The preparation of Financial Statements requires judgments, estimates and assumptions that affect the reported amount of Assets and Liabilities, disclosure of Contingent Liabilities on the date of the Financial Statements and the reported amount of Revenues and Expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

1.4. Functional and Presentation Currency
These Financial Statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Million (up to two decimals), except as stated otherwise

1.5. Current and Non-Current classification
All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets
An Asset is Current when it is:
(a) Expected to be realised or intended to be sold or consumed in normal operating cycle;
(b) Held primarily for the purpose of trading;
(c) Expected to be realised within twelve months after the reporting period; or
(d) Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Annexure - V : Summary of Material Accounting Policies and Explanatory Notes forming part of Restated Financial Information

Liabilities
(a) It is expected to be settled in normal operating cycle;
(b) It is held primarily for the purpose of trading;
(c) It is due to be settled within twelve months after the reporting period; or
(d) There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred Tax Assets/Liabilities are classified as Non-Current.

Operating cycle
Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

1.6. Material Accounting Policies

A summary of the material Accounting Policies applied in the preparation of the Financial Statements are as given below. These Accounting Policies have been applied consistently to all periods presented in the Financial Statements.

a) Property, Plant & Equipment

(i) Definition
Property, plant and equipment are tangible items that:
(A) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
(B) are expected to be used during more than one period.

(ii) Initial Recognition and Measurement
An item of Property, Plant and Equipment is recognized as an Asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.
Items of Property, Plant and Equipment are measured at Cost less Accumulated Depreciation and Accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.
When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.
Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized.

(iii) Subsequent Costs
Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in Statement of Profit or

(iv) Derecognition
Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and Losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment, and are recognized in the Statement of Profit and Loss.

(v) Depreciation
Assets are depreciated using straight line method over the estimated useful life of the asset as specified in Part "C" of Schedule II of Companies Act, 2013 after retaining residual life of 5% of original cost. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets.

Depreciation on additions to/deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.
Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

b) Capital Work-in-Progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.
Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

c) Intangible Assets and Intangible Assets under Development

(i) Initial recognition and measurement
An Intangible Asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

(ii) Subsequent Costs
Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

(iii) Derecognition
An Intangible Asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and Losses on disposal of an item of Intangible Assets are determined by comparing the proceeds from disposal with the carrying amount of Intangible Assets and are recognized in the Statement of Profit and Loss.

(iv) Amortization
Intangible Assets having definite life is amortized on straight line method in their useful lives. Useful life of Computer Software is estimated at five years.

d) Borrowing Cost
Borrowing costs that are directly attributable to the acquisition, construction, exploration, development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of:

(i) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments',
(ii) finance charges in respect of finance leases recognized in accordance with Ind AS 116 – 'Leases'
(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and,
(iv) other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to revenue as and when incurred.

e) Inventories
Finished Goods are valued at the lower of cost and net realisable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts.
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
Raw materials, components, stores and spares and work-in progress are valued at cost. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Inventories being stock-in-trade are valued at the lower of cost and net realisable value.
Spare parts other than those capitalized as Property, Plant and Equipment are carried as inventory.
The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

f) Cash and Cash Equivalent
Cash and cash equivalent in the Balance Sheet comprises Cash at Banks, Cash on Hand and ShortTerm Deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, cash in hand, and short-term deposits, as defined above.

g) Government Grants
Government grants are recognized where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. When the government grant relates to an asset, the asset is disclosed by deducting that grant in arriving at the carrying amount of that asset. Government grants that compensate the Company for expenses incurred are recognized in the statement of profit and loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognized.

h) Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

(ii) Contingent Liabilities

Contingent Liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a Contingent Liability, unless the probability of outflow of economic benefits is remote. Contingent Liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

(iii) Contingent Assets

Contingent Assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent Assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

i) Foreign Currency Transactions and Translation

Transactions in foreign currencies are initially recorded at the functional currency rates at the date the transaction first qualifies for recognition. Monetary Assets and Liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss in the year in which it arises

j) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration the company is entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of discounts, rebates, credits, price incentives or similar terms.

(i) Sale of goods

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

(ii) Rendering of services

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

(iii) Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

k) Other Income

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

Dividend income is accounted in the period in which the right to receive the same is established.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably

l) Employee Benefits

(i) Defined Benefit Obligations

(a) Post-employment benefits (Gratuity):

The liability recognised in balance sheet in respect of gratuity (unfunded) is the present value of defined benefit obligation at the end of reporting period less fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using projected unit credit method.

Remeasurement actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement if changes in equity and in the balance sheet

(b) Other employee benefits:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

(ii) Defined Contribution Plan:

Company pays contributions to provident fund, employee pension scheme and employee state insurance as per statutes/ amounts as advised by the Authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plan and the contributions are recognised as employee benefit expense when they are due

(iii) Short-Term Benefits:

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of reporting period in which the employees rendered the related services are recognised in respect of employee's service up to the end of reporting period and are measured at the amount expected to be paid when the liabilities are settled. These liabilities are presented as current employee benefit obligations in the balance sheet

m) Income Taxes

Income Tax Expense comprises Current and Deferred Tax. Current Tax Expense is recognized in Statement of Profit and Loss A/c except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which it is recognized in OCI or Equity.

(i) Current Tax

Current Tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current Income Taxes are recognized under 'Income Tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

(ii) Deferred Tax

Deferred Tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred Tax Assets and Liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle Current Tax Liabilities and Assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred Tax is recognized in Statement of Profit and Loss except to the extent that it relates to items recognized directly in OCI or Equity, in which case it is recognized in OCI or Equity.

A Deferred Tax Asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

n) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

(i) Financial Assets

(a) Initial recognition and measuremen

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

(b) Subsequent measurement

Subsequent measurement of financial assets is described below -

Financial Assets (Debt instruments) at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

(c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(d) Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, the credit quality of the instrument improves then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

In respect of Trade receivables or any financial asset that result from transactions that are within the scope of Ind AS 115, company follows 'simplified approach' for recognition of impairment loss allowance within the scope of Ind AS 115, if they do not contain a significant financing component. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

(ii) Financial Liabilities

(a) Initial recognition and measurement

All Financial Liabilities are recognized at fair value and in case of loans, net of directly attributable transaction cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

(b) Subsequent Measurement

Financial Liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value of the instrument.

(c) Derecognition

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(iii) Derivative Financial Instrument

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value on the reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to cash flow hedge reserve through Statement of Other Comprehensive Income.

These are accounted for as follows:

a) Cash flow hedge

When derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

b) Fair Value Hedge

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to Statement of Profit and Loss over the period of maturity.

o) CSR Expenditure

The Company undertakes Corporate Social Responsibility (CSR) activities as per Section 135 of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014. CSR expenditure includes amounts incurred on activities that are approved as ongoing projects by the Board in line with the CSR policy and applicable law.

CSR expenditure is recognized in the Statement of Profit and Loss in the period in which it is incurred. For ongoing projects, any unspent amount at the end of the financial year is transferred to a separate "Unspent CSR Account" with a scheduled bank within 30 days from the end of the financial year, in accordance with Section 135(6) of the Act. Such amounts are spent within the timelines prescribed under Rule 4(6) of the CSR Rules.

The Company does not capitalize any CSR expenditure unless it results in the creation of an asset controlled by a qualifying entity as specified under Rule 7(4) of the CSR Rules.

p) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Company's Board has identified the CODM who is responsible for financial decision making and assessing performance. The Company has a single operating segment as the operating results of the Company are reviewed on an overall basis by the CODM.

q) Lease

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset.

(i) Initial Measurement

Lease Liability: At the commencement date, a Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate. Right-of-use assets: initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

(ii) Subsequent Measurement

Lease Liability: Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications. Right-of-use assets: subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

(iii) Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

(iv) Short Term Lease Or Low Value Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease.

Low value lease is for which the underlying asset is of low value. If the company elected to apply short term lease/Low Value Lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

Annexure - V : Summary of Material Accounting Policies and Explanatory Notes forming part of Restated Financial Information

r) Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the 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

s) Prior Period Items

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

t) Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

u) Events after reporting period

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date arerecognized in the financial statements. Non-adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represent material change and commitment affecting the financial position are disclosed in the reports of

SONASELECTION INDIA LIMITED
(CIN : U17299RJ2022PLC079631)
Registered Office: 18Th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025

Annexure - VI : Notes to the Restated Financial Statements
(All amounts in ₹ Million, except as stated otherwise)

Note 2 : Property, Plant and Equipment

For the Period from 1st April, 2025 to 30th June, 2025

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2025	Additions	Disposals	Closing as on 30th June, 2025	Opening as on 1st April, 2025	Additions	Disposals	Closing as on 30th June, 2025	As on 30th June, 2025	As on 31st Mar, 2025
Land	39.19	-	-	39.19	-	-	-	-	39.19	39.19
Buildings	434.35	-	-	434.35	17.02	3.44	-	20.46	413.89	417.33
Plant and Equipment	1,466.91	-	-	1,466.91	247.20	46.45	-	293.65	1,173.26	1,219.71
Furniture and Fixtures	4.36	-	-	4.36	0.35	0.21	-	0.56	3.80	4.01
Vehicles	27.89	-	-	27.89	10.83	1.33	-	12.16	15.73	17.06
Office equipment	2.35	-	-	2.35	1.03	0.18	-	1.21	1.14	1.32
Computer	1.51	-	-	1.51	0.30	0.11	-	0.41	1.10	1.21
Total	**1,976.56**	**-**	**-**	**1,976.56**	**276.73**	**51.72**	**-**	**328.45**	**1,648.11**	**1,699.83**

For the Period from 1st April, 2024 to 31st March, 2025

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2024	Additions	Disposals	Closing as on 31st Mar, 2025	Opening as on 1st April, 2024	Additions	Disposals	Closing as on 31st Mar, 2025	As on 31st Mar, 2025	As on 31st Mar, 2024
Land	38.34	0.85	-	39.19	-	-	-	-	39.19	38.34
Buildings	93.00	341.35	-	434.35	5.66	11.36	-	17.02	417.33	87.34
Plant and Equipment	698.85	768.06	-	1,466.91	93.77	153.43	-	247.20	1,219.71	605.08
Furniture and Fixtures	0.14	4.22	-	4.36	0.02	0.33	-	0.35	4.01	0.12
Vehicles	22.19	5.70	-	27.89	3.74	7.09	-	10.83	17.06	18.45
Office equipment	1.33	1.02	-	2.35	0.32	0.71	-	1.03	1.32	1.01
Computer	0.11	1.40	-	1.51	0.08	0.22	-	0.30	1.21	0.03
Total	**853.96**	**1,122.60**	**-**	**1,976.56**	**103.59**	**173.14**	**-**	**276.73**	**1,699.83**	**750.37**

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For the Period from 1st April, 2023 to 31st March, 2024

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2023	Additions	Disposals	Closing as on 31st Mar, 2024	Opening as on 1st April, 2023	Additions	Disposals	Closing as on 31st Mar, 2024	As on 31st Mar, 2024	As on 31st Mar, 2023
Land	37.03	1.31	-	38.34	-	-	-	-	**38.34**	**37.03**
Buildings	92.68	0.32	-	93.00	2.09	3.57	-	5.66	**87.34**	**90.59**
Plant and Equipment	396.51	302.34	-	698.85	33.49	60.28	-	93.77	**605.08**	**363.02**
Furniture and Fixtures	0.05	0.09	-	0.14	-	0.02	-	0.02	**0.12**	**0.05**
Vehicles	0.08	22.11	-	22.19	0.01	3.73	-	3.74	**18.45**	**0.07**
Office equipment	0.31	1.02	-	1.33	0.01	0.31	-	0.32	**1.01**	**0.30**
Computer	0.08	0.03	-	0.11	0.02	0.06	-	0.08	**0.03**	**0.06**
Total	**526.74**	**327.22**	**-**	**853.96**	**35.62**	**67.97**	**-**	**103.59**	**750.37**	**491.12**

For the Period from 1st April, 2022 to 31st March, 2023

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	Opening as on 1st April, 2022	Additions	Disposals	Closing as on 31st Mar, 2023	As on 31st Mar, 2023	As on 31st Mar, 2022
Land	-	37.03	-	37.03	-	-	-	-	**37.03**	**-**
Buildings	-	92.68	-	92.68	-	2.09	-	2.09	**90.59**	**-**
Plant and Equipment	-	398.54	2.03	396.51	-	33.77	0.28	33.49	**363.02**	**-**
Furniture and Fixtures	-	0.05	-	0.05	-	-	-	-	**0.05**	**-**
Vehicles	-	0.08	-	0.08	-	0.01	-	0.01	**0.07**	**-**
Office equipment	-	0.31	-	0.31	-	0.01	-	0.01	**0.30**	**-**
Computer	-	0.08	-	0.08	-	0.02	-	0.02	**0.06**	**-**
Total	**-**	**528.77**	**2.03**	**526.74**	**-**	**35.90**	**0.28**	**35.62**	**491.12**	**-**

Note 1: Depreciation on all the Fixed Assets is charged on Straight Line Method (SLM) during the period/year as per the policy adopted by the Company.
Note 2: All fixed assets of the company has been given as security against borrowings from banks. For further details, refer Note 14 – Borrowings.
Note 3: The Company has not carried out any revaluation of property, plant and equipment for period ended June 30, 2025 and year ended March 31, 2025, March 31, 2024 and March 31, 2023.
Note 4: The title deeds, comprising all immovable properties are held in name of the company as at the balance sheet date.
Note 5: There are no exchange differences adjusted in property, plant and equipment.
Note 6: There are no impairment losses recognised during the period/year.
Note 7: Borrowing costs capitalised on property, plant and equipment in 2023-24 Rs. 203.79 lacs and for other reporting period is NII.
Note 8: Estimated useful life of Assets considered for the purpose of computing depreciation

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Particulars	Estimated useful life (In years)
Buildings	30.00
Plant and Equipment	15.00
Furniture and Fixtures	5.00
Vehicles	5.00
Office equipment	3.00
Computer	3.00

Note 3 : Capital Work in Progress

Capital Work in Progress	Tangible Assets
Balance at April 01, 2022	**-**
Additions	-
Capitalised during the Year	-
Balance at March 31, 2023	**-**
Additions	725.72
Capitalised during the Year	-
Balance at March 31, 2024	**725.72**
Additions	95.56
Capitalised during the Year	725.72
Balance at March 31, 2025	**95.56**
Additions	6.18
Capitalised during the period	-
Balance at June 30, 2025	**101.74**

Note: There are no CWIP assets which become overdue compared to their original plans or where cost is exceeded compared to original plans, therefore, disclosure relating thereto is not required.

Amount in Capital work in progress for the period / year

Projects in progress	Less than one year	1-2 Years	2-3 Years	More Than 3 Years	Total
Balance as at June 30, 2025	101.74	-	-	-	**101.74**
Balance as at March 31, 2025	95.56	-	-	-	**95.56**
Balance as at March 31, 2024	725.72	-	-	-	**725.72**
Balance as at March 31, 2023	-	-	-	-	-

Note 4 : OTHER INTANGIBLE ASSETS
For the Period from 1st April, 2025 to 30th June, 2025

Particulars	Gross Carrying Value				Accumulated Amortization				Net Carrying Value	
	Opening as on 1st April, 2025	Additions	Disposals	Closing as on 30th June, 2025	Opening as on 1st April, 2025	Additions	Disposals	Closing as on 30th June, 2025	Closing as on 30th June, 2025	As on 31st Mar, 2025
Computer Software	-	6.40	-	6.40	-	0.22	-	0.22	6.18	-
Total	**-**	**6.40**	**-**	**6.40**	**-**	**0.22**	**-**	**0.22**	**6.18**	**-**

Note 1: Amortization on all other Intangible assets is charged on Straight Line Method (SLM) during the period / year as per the policy adopted by the Company.

Note 2: Estimated useful life of Assets considered for the purpose of computing Amortization

Particulars	Estimated useful life
Software	5.00

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Note 5 : Intangible Assets Under Development:

Intangible Assets Under Development Movements	Intangible Assets Under Development
Balance at April 01, 2022	**-**
Additions	-
Capitalised during the Year	-
Balance at March 31, 2023	**-**
Additions	-
Capitalised during the Year	-
Balance at March 31, 2024	**-**
Additions	6.40
Capitalised during the Year	-
Balance at March 31, 2025	**6.40**
Additions	-
Capitalised during the period / year	6.40
Balance at June 30, 2025	**-**

Note: There are no intangible assets under development, which become overdue compared to their original plans or where cost is exceeded compared to original plans, therefore, disclosure relating thereto is not required.

Amount in Intangible Assets Under Development for the period / year

Projects in progress	Less than one year	1-2 Years	2-3 Years	More Than 3 Years	Total
Balance as at June 30, 2025	-	-	-	-	-
Balance as at March 31, 2025	6.40	-	-	-	**6.40**
Balance as at March 31, 2024	-	-	-	-	-
Balance as at March 31, 2023	-	-	-	-	-

Note (6) : Other Financial Assets

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
(A) Non-current				
Unsecured, considered good				
Security Deposit	7.57	7.57	10.12	5.26
Total	**7.57**	**7.57**	**10.12**	**5.26**

Note (7) : Inventories

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
(a) Raw materials				
Dyes & Chemical	39.06	34.36	37.06	32.10
Coal & Fuel	16.06	13.85	15.34	29.61
Grey Fabrics	335.02	323.82	-	-
Yarn	287.22	119.22	-	-
	677.36	**491.25**	**52.40**	**61.71**
(b) Work in progress	32.07	17.33	22.35	20.00
(c) Finish Fabrics	446.85	377.91	30.19	*27.32*
(d) Finished goods	90.95	78.41	75.65	28.84
(e) Stores and spares & Packing Material	7.43	5.86	10.10	8.29
Total	**1,254.66**	**970.76**	**190.69**	**146.16**

7.1) The method of valuation of stock are stated in material accounting policy
7.2) All the above inventories are expected to be recovered within Twelve Months

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Note (8) : Trade receivables

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Secured, considered good	-	-	-	-
Unsecured & Undisputed, considered good	914.11	696.87	139.87	148.64
Unsecured & Undisputed, considered doubtful	-	-	-	-
Unsecured & Disputed, considered good	-	-	-	-
Unsecured & undisputed, considered good	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-
Total	**914.11**	**696.87**	**139.87**	**148.64**

Ageing for Trade Receivables the due date of payment for each of the category as at 30th June ,2025

Particulars	Unbilled	Less than 6 Months	6 months-1 years	1-2 years	2-3 Years	More than 3 years	Total
Secured, considered good	-	-	-	-	-	-	-
Unsecured & Undisputed, considered good	-	890.14	23.97	-	-	-	914.11
Unsecured & Undisputed, considered doubtful	-	-	-	-	-	-	-
Unsecured & Disputed, considered good	-	-	-	-	-	-	-
Unsecured & undisputed, considered good	-	-	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-	-	-
Total	**-**	**890.14**	**23.97**				**914.11**

Ageing for Trade Receivables the due date of payment for each of the category as at 31st March ,2025

Particulars	Unbilled	Less than 6 Months	6 months-1 years	1-2 years	2-3 Years	More than 3 years	Total
Secured, considered good	-	-	-	-	-	-	-
Unsecured & Undisputed, considered good	-	696.87	-	-	-	-	696.87
Unsecured & Undisputed, considered doubtful	-	-	-	-	-	-	-
Unsecured & Disputed, considered good	-	-	-	-	-	-	-
Unsecured & undisputed, considered good	-	-	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-	-	-
Total	**-**	**696.87**	**-**				**696.87**

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Ageing for Trade Receivables the due date of payment for each of the category as at 31st March ,2024

Particulars	Unbilled	Less than 6 Months	6 months-1 years	1-2 years	2-3 Years	More than 3 years	Total
Secured, considered good	-	-	-	-	-	-	-
Unsecured & Undisputed, considered good	-	139.87	-	-	-	-	139.87
Unsecured & Undisputed, considered doubtful	-	-	-	-	-	-	-
Unsecured & Disputed, considered good	-	-	-	-	-	-	-
Unsecured & undisputed, considered good	-	-	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-	-	-
Total	**-**	**139.87**	**-**	**-**	**-**	**-**	**139.87**

Ageing for Trade Receivables the due date of payment for each of the category as at 31st March ,2023

Particulars	Unbilled	Less than 6 Months	6 months-1 years	1-2 years	2-3 Years	More than 3 years	Total
Secured, considered good	-	-	-	-	-	-	-
Unsecured & Undisputed, considered good	-	148.64	-	-	-	-	148.64
Unsecured & Undisputed, considered doubtful	-	-	-	-	-	-	-
Unsecured & Disputed, considered good	-	-	-	-	-	-	-
Unsecured & undisputed, considered good	-	-	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-	-	-
Total	**-**	**148.64**	**-**	**-**	**-**	**-**	**148.64**

8.1) Trade receivables are generally due between 60 to 90 days.

8.2) Credit risk is managed at the operational segmental level. The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The credit limit and the credit period are reviewed regularly at periodical intervals.

8.3) Concentration risk considers significant exposures relating to industry, counterparty, geography, currency etc. The concentration of credit risk is not significant as the customer base is large and diversified.

8.4) Expected Credit loss allowance is NIL during all the reporting period/years

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Note (9) : Cash and cash equivalents

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
(a) Cash on hand	0.19	0.02	0.30	0.02
(b) Balances with banks				
(i) In current accounts	2.14	2.13	41.10	-
Total	**2.33**	**2.15**	**41.40**	**0.02**

Note (10) : Bank Balance other than above

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Bank deposit with original maturity more than 3 months but less than 12 months (Refer note below)	42.17	53.40	44.76	14.70
Total	**42.17**	**53.40**	**44.76**	**14.70**

Note : Bank deposit given against lien.

Note (11) : Other Assets

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Current				
Prepaid expenses	0.07	1.26	0.61	0.59
Balances with government authorities				
Goods & Service Tax Receivable	165.87	151.36	87.98	41.29
Others Advances	1.00	2.18	1.12	0.43
Advances to Suppliers	36.58	28.10	38.32	32.20
Interest Receivable under RIPS	1.17	1.19	-	-
Interest Receivable on security deposit	0.70	0.47	0.37	0.20
IPO related Expenses	7.13	-	-	-
Total	**212.52**	**184.56**	**128.40**	**74.71**

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Note (12) Equity Share Capital

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
AUTHORISED SHARE CAPITAL				
2,20,00,000 Equity Shares of ₹10 each as at June 30, 2025 (March 31, 2025: 2,20,00,000 Equity Shares of ₹10 each, March 31, 2024: 32,50,000 Equity Shares of ₹10 each and March 31, 2023: 32,50,000 Equity Shares of ₹10 each)	220.00	220.00	32.50	32.50
	220.00	**220.00**	**32.50**	**32.50**
ISSUED, SUBSCRIBED & PAID UP CAPITAL				
1,58,74,145 Equity Shares of ₹10 each as at June 30, 2025 (March 31, 2025: 1,58,74,145 Equity Shares of ₹10 each, March 31, 2024: 31,00,000 Equity Shares of ₹10 each and March 31, 2023: 31,00,000 Equity Shares of ₹10 each)	158.74	158.74	31.00	31.00
Total	**158.74**	**158.74**	**31.00**	**31.00**

(1) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

Particulars	As at 30th June 2025		As at 31st March 2025		As at 31st March 2024		As at 31st March 2023	
	No. of Share	Value of Share (In Million)	No. of Share	Value of Share (In Million)	No. of Share	Value of Share (In Million)	No. of Share	Value of Share (In Million)
Shares outstanding at the beginning of the period / year	15,874,145	158.74	3,100,000	31.00	3,100,000	31.00	1,550,000	15.50
Bonus Shares Issued during the period / year	-	-	12,400,000	124.00	-	-	1,550,000	15.50
Shares Issued during the period / year	-	-	374,145	3.74	-	-	-	-
Shares outstanding at the end of the period / year	**15,874,145**	**158.74**	**15,874,145**	**158.74**	**3,100,000**	**31.00**	**3,100,000**	**31.00**

(2) Details of share held by shareholders holding more than 5% of the aggregate share capital in the Company;

Name of Shareholder	As at 30th June 2025		As at 31st March 2025		As at 31st March 2024		As at 31st March 2023	
	No. of Share	% of holding	No. of Share	% of holding	No. of Share	% of holding	No. of Share	% of holding
Deepank Bhandari	7,725,000	48.66%	7,725,000	48.66%	1,545,000	49.84%	1,545,000	49.84%
Sona Polyspin Private Limited	4,525,000	28.51%	4,525,000	28.51%	905,000	29.19%	905,000	29.19%
Subhash Nuwal	1,774,990	11.18%	1,774,990	11.18%	354,998	11.45%	354,998	11.45%
Harshil Nuwal	1,474,985	9.29%	1,474,985	9.29%	294,997	9.52%	294,997	9.52%

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(3) Details of shares held by each Promoters

At end of the period 30th June, 2025

Name of Shareholder	No of Share	% of total shares	% Change during the Period
Deepank Bhandari	7,725,000	48.66%	0.00%
Sona Polyspin Private Limited	4,525,000	28.51%	0.00%
Subhash Nuwal	1,774,990	11.18%	0.00%
Harshil Nuwal	1,474,985	9.29%	0.00%
Uma Nuwal	5	0.00%	0.00%
Shikha Nuwal	5	0.00%	0.00%
Kailash Bhandari	5	0.00%	0.00%
Anita Bhandari	5	0.00%	0.00%
Mukesh Pareek	5	0.00%	0.00%

At end of the year 31st March, 2025

Name of Shareholder	No of Share	% of holding	% Change during the year
Deepank Bhandari	7,725,000	48.66%	-1.17%
Sona Polyspin Private Limited	4,525,000	28.51%	-0.69%
Subhash Nuwal	1,774,990	11.18%	-0.27%
Harshil Nuwal	1,474,985	9.29%	-0.22%
Uma Nuwal	5	0.00%	0.00%
Shikha Nuwal	5	0.00%	0.00%
Kailash Bhandari	5	0.00%	0.00%
Anita Bhandari	5	0.00%	0.00%
Mukesh Pareek	5	0.00%	0.00%

At end of the year 31st March, 2024

Name of Shareholder	No of Share	% of holding	% Change during the year
Deepank Bhandari	1,545,000	49.84%	0.00%
Sona Polyspin Private Limited	905,000	29.19%	0.00%
Subhash Nuwal	354,998	11.45%	0.00%
Harshil Nuwal	294,997	9.52%	0.00%
Uma Nuwal	1	0.00%	0.00%
Shikha Nuwal	1	0.00%	0.00%
Kailash Bhandari	1	0.00%	0.00%
Anita Bhandari	1	0.00%	0.00%
Mukesh Pareek	1	0.00%	0.00%

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At end of the year 31st March, 2023

Name of Shareholder	No of Share	% of holding	% Change during the year
Deepank Bhandari	1,545,000	49.84%	-27.58%
Sona Polyspin Private Limited	905,000	29.19%	29.19%
Subhash Nuwal	354,998	11.45%	-1.77%
Harshil Nuwal	294,997	9.52%	0.16%
Uma Nuwal	1	0.00%	0.00%
Shikha Nuwal	1	0.00%	0.00%
Kailash Bhandari	1	0.00%	0.00%
Anita Bhandari	1	0.00%	0.00%
Mukesh Pareek	1	0.00%	0.00%

Rights Preference and Restriction attached to Equity Shares

1. The Company has only one class of shares referred to as Equity Shares having the par value of Rs. 10/-. Each Holder of equity share is entitled to one vote per share and dividend as and when declared by the company.

2.The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. During the period/Year, No dividend was declared by Board of directors.

3. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts (if any). The distribution will be in proportion to the number of equity shares held by the shareholders

4. The Company did not have outstanding calls unpaid by the directors and officers of the Company and also did not have any amount of forfeited shares in any of the reporting period

5. The Company has not allotted any fully paid up equity shares without payment being received in cash except bonus shares and nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date

Note (13) : Other Equity

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
(i) Securities Premium Reserve	51.26	51.26	123.60	123.60
(ii) Capital Reserve	78.74	78.74	78.74	78.74
(iii) Retained Earnings	389.44	340.96	155.47	25.09
(iv) Equity component of Compulsorily Convertible Debenture	71.01	71.01	-	-
Total	**590.45**	**541.97**	**357.81**	**227.43**

(i) Securities Premium Reserve

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Opening Balance at the beginning of the period / year	51.26	123.60	123.60	61.60
Add : Received during the period / year	-	51.26	-	62.00
Less : Utilised against issue of bonus shares	-	(123.60)	-	-
Closing Balance at the end of the period / year	**51.26**	**51.26**	**123.60**	**123.60**

The security premium received during the year ended March 31, 2022 represents the premium towards allotment of 15,40,000 equity share with face value of Rs. 10/- per each allotted Premium of Rs. 40/- per share.

The security premium received during the year ended March 31, 2023 represents the premium towards allotment of 15,60,000 equity share with face value of Rs. 10/- per each allotted Premium of Rs. 40/- per share.

The security premium received during the year ended March 31, 2025 represents the premium towards allotment of 374,145 equity share with face value of Rs. 10/- each allotted at Premium of Rs. 137/- per share.

The balance will be utilised in accordance with the provisions of Section 52 of the Companies Act towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission / discount expenses on issue of shares / debentures, premium payable on redemption of redeemable preference shares / debentures and buy back of its own shares / securities under Section 68 of the Companies Act, 2013.

During the FY 2024-25, The company has allotted Bonus Equity Shares to the shareholders of the company in the proportion of 4 new fully paid-up Equity Share of Face Value of Re. 10/- each for every 1 existing fully paid-up Equity Share of Face Value of Re. 10/- each. the same was partially utilised against retained earnings.

(ii) Capital Reserve

Particulars	**As at 30th June 2025**	**As at 31st March 2025**	**As at 31st March 2024**	**As at 31st March 2023**
Opening Balance at the beginning of the period / year	78.74	78.74	78.74	-
Add : Received during the Year	-	-	-	78.74
Closing Balance at the end of the period / year	78.74	78.74	78.74	78.74

Note: Capital Reserve on account of plant of Sona Processors India Limited under Slump Sale taken over by Sonaselection India Limited, for a lump sum consideration. Difference between lump sum sale considered and Net worth (all Assets less all Liabilities takeover) accounted as capital Reserves.

(iii) Retained Earnings

Particulars	**As at 30th June 2025**	**As at 31st March 2025**	**As at 31st March 2024**	**As at 31st March 2023**
Opening Balance at the beginning of the period / year	340.96	155.47	25.09	-
Add: Profit for the period / year	47.98	185.63	130.95	25.09
Less : Utilised against issue of bonus shares (Refer Note)	-	(0.40)	-	-
Add : Other Comprehensive Income arising from remeasurement of defined benefit obligation net of tax	0.50	0.26	(0.57)	-
Closing Balance at the end of the period / year	**389.44**	**340.96**	**155.47**	**25.09**

Note: During the FY 2024-25, The company has allotted Bonus Equity Shares to the shareholders of the company in the proportion of 4 new fully paid-up Equity Share of Face Value of Re. 10/- each for every 1 existing fully paid-up Equity Share of Face Value of Re. 10/- each. the same was partially utilized against security premium.

(iv) : Equity component of Compulsorily Convertible Debenture

Particulars	**As at 30th June 2025**	**As at 31st March 2025**	**As at 31st March 2024**	**As at 31st March 2023**
Opening Balance at the beginning of the period / year	71.01	-	-	-
Add : Issued during the Year	-	71.01	-	-
Closing Balance at the end of the period / year	**71.01**	**71.01**	**-**	**-**

Note: The Company had issued 96,608 unsecured 0.001% Compulsorily Convertible Debentures (CCDs) at a face value of ₹10 each at a premium of ₹725 per debenture, aggregating to ₹71.01Million on 16th September, 2024. The CCDs were mandatorily convertible into Equity Shares at a ration of 1:1 (one Equity share for each CCD held) within 18 months of issue. In accordance with terms of the issue, these CCDs were converted into Equity Shares on 20th August, 2025. Refer note 46 for further details.

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Note (14) : Borrowings

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Secured				
(i) Term loans				
From HDFC Bank	1,249.00	1,284.50	991.25	296.25
(ii) Vehicles Loans (Secured By Hypothecation on Vehicles)	17.97	19.13	17.25	-
Total Secured loan	**1,266.97**	**1,303.63**	**1,008.50**	**296.25**
Less : current maturities of term loans (included in note 19)	176.12	168.91	85.52	35.14
Less : current maturities of Vehicle Loans (included in note 19)	5.12	4.40	3.48	-
Total non current secured borrowings	**1,085.73**	**1,130.32**	**919.50**	**261.11**
(iii) Unsecured Loans				
(a) Loan from Related Parties	111.51	152.40	193.10	-
(a) Loan from others	60.00	25.00	5.00	-
Total	**1,257.24**	**1,307.72**	**1,117.60**	**261.11**

Notes and Terms & Condition of Loans:-

1 **Term Loans** :- Term Loan facility from HDFC Bank comprises of 4 term loans. All the 4 Term loans including current maturities are secured by way of first charge over entire Fixed assets (Present & Future) of the company including equitable mortgage of its Factory Land & building situated at 18 K.M. Stone, Chittor Road, Guwardi, Bhilwara in the name of M/s Sonaselection India Limited & personally guaranteed by guaranteed Directors & guarantors of the Company, viz Subhash Nuwal, Harshil Nuwal, Uma Nuwal, Deepank Bhandari, Kailash Bhandari and Anita Bhandari.

Term Loan 1 - Sanctioned & Disbursed for Rs. 241.40 Million (Outstanding Balance - Rs. 162.50 Million as on 30th June 2025) is repayable in monthly installments of Rs. 3.74 Million Last date of Repayment is December 2029. Rate of Interest Linked with 3M Repo Rate i.e. 8.38% p.a.

Term Loan 2 - Sanctioned & Disbursed for Rs. 117.50 Million (Outstanding Balance - Rs. 90.62 Million as on 30th June 2025) is repayable in monthly installments of Rs. 1.90 Million. Last date of Repayment is June 2030. Rate of Interest Linked with 3M Repo Rate i.e. 8.22% p.a.

Term Loan 3- Sanctioned Rs. 850 Million (Outstanding Balance - Rs. 780.44 Million as on 30th June 2025) is repayable in monthly installments of Rs. 13.44 Million. Last date of Repayment is October 2031. Rate of Interest Linked with 3M-Repo Rate i.e. 8.22% p.a.

Term Loan 4- Sanctioned Rs. 226.30 Million (Outstanding Balance - Rs. 215.44 Million as on 30th June 2025) is repayable in monthly installments of Rs. 3.58 Million. Last date of Repayment is October 2031. Rate of Interest Linked with 3M- Repo Rate i.e. 8.38% p.a.

2 **Vehicle loans** are taken HDFC bank Ltd , repayable in next 5 years. Loan including current maturities are secured by way of hypothecation over vehicles. Out of the outstanding Loans of Rs. 17.97 Million as on 30th June 2025, Rs. 5.12 Million will due in next 1 year.

3 **Unsecured loan** is taken from related parties and others, which are repayable on due date with unpaid and accrued nominal interest and other cost or charges with mutual consent of the parties

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Note (15) : Provisions

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Non-current Provisions				
Gratuity	8.44	7.47	4.41	1.52
Leave Encashment	7.48	7.29	3.89	1.57
Total Non-current Provisions	**15.92**	**14.76**	**8.30**	**3.09**
Current Provisions				
Gratuity	0.03	0.02	0.01	-
Leave Encashment	0.33	0.31	0.21	0.10
Total current Provisions	**0.36**	**0.33**	**0.22**	**0.10**
Total	**16.28**	**15.09**	**8.52**	**3.19**

Note (16) : Deferred tax liabilities

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Deferred Tax Liability Opening Balance	127.31	72.92	63.13	-
Add :- Provision during period / year	0.06	54.39	9.79	63.13
Net Deferred Tax Liability	**127.37**	**127.31**	**72.92**	**63.13**

Note (17) Borrowings

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Secured				
(a) Loans repayable on demand				
- HDFC Bank	450.09	417.19	239.42	155.82
- SBI Bank	213.45	175.75	-	-
Current maturities of long-term debt- Term Loan (Refer Note 13)	176.12	168.91	85.52	35.14
Current maturities of long-term debt- Vehicle Loan (Refer Note 13)	5.12	4.40	3.48	-
Total	**844.78**	**766.25**	**328.42**	**190.96**

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Notes :-

Particulars	**As at 30th June 2025**		**As at 31st March 2025**		**As at 31st March 2024**	**As at 31st March 2023**
Bankers	HDFC	SBI	HDFC	SBI	HDFC	HDFC
Loans repayable on demand From Bankers	450.09	213.45	417.19	175.75	239.42	155.82
Loan Name	Cash Credit / FD-OD/ credit Card	Cash Credit	Cash Credit	Cash Credit	Cash Credit / WCDL	Cash Credit
Sanction Limit	450.00	220.00	450.00	220.00	250.00	200.00
Rate of Interest (Average)	8.52%	8.50%	8.80%	8.50%	8.85%	8.39%
Rate of Interest	8.35%	8.50%	8.38%	8.50%	8.40%	8.40%
Purpose	Business	Business	Business	Business	Business	Business

Details of Security as at June 30, 2025:
HDFC BANK:
Primary:
All Debtors, All Types Od Stock, All Types Of Machine, Fixed Deposit
Collateral:
- Plot No 14 Rajswa Gram Harni Khurda, Kamla Enclave Araji No 14,16,17,19/1,2 Near Sukhadia Stadium Bhilwara Rajasthan 311001
- Plot No. 141, Situate At Araji No. 524/1 Revenue Vill. Atun 142/1, 143, 144, 179, 180, 181, 182/1 Vill. Atun Bhilwara Rajasthan 311001
- Aaji 1608,1582mi, Chittorgarh 1609, 1607mi, 1607/1, 4197/1581, 4249/1581, 1581,4405/1581 Hamirgarh Bhilwara Rajasthan 311001
- 18th Km Hamirgarh Araji No 1607/2, 5059/1612, 5061/1613, 1583, 1584,1604,1606, 5063/1605,1590, Chittor Road Bhilwara Rajasthan 311025

SBI BANK:
Primary:
First Pari-passu hypothecation on stock and receivables (Present and Future) with HDFC bank and 2nd charge on Plant and Machinery along with HDFC Bank
Collateral Security:
Extension of Equitable Mortgage of House no. B-377, Shastri Nagar Yojna , Bhilwara, admeasuring 711.50 sq. yards (Owned by Subhash Chandra Nuwal)

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Note (18) Trade payables

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Total Outstanding dues to micro and small enterprises	21.94	7.66	8.17	8.03
Total Outstanding dues to other than micro and small enterprises	1,123.10	734.76	69.96	68.09
Total	**1,145.04**	**742.42**	**78.13**	**76.12**

Trade payable ageing Schedule As at 30th June 2025

Particulars	Unbilled Dues	Not Due	less than 1 years	1-2 years	2-3 Years	More than 3 years	Total
MSME	-	-	21.94	-	-	-	21.94
Others	-	-	1,123.10	-	-	-	1,123.10
Disputes dues - MSME	-	-	-	-	-	-	-
Disputes dues - Others	-	-	-	-	-	-	-
Total	**-**	**-**	**1,145.04**	**-**	**-**	**-**	**1,145.04**

Trade payable ageing Schedule As at 31st March 2025

Particulars	Unbilled Dues	Not Due	less than 1 years	1-2 years	2-3 Years	More than 3 years	Total
MSME	-	-	7.66	-	-		7.66
Others			734.76				734.76
Disputes dues - MSME	-	-	-	-	-		-
Disputes dues - Others	-	-	-	-	-		-
Total	**-**	**-**	**742.42**	**-**	**-**	**-**	**742.42**

Trade payable ageing Schedule As at 31st March 2024

Particulars	Unbilled Dues	Not Due	less than 1 years	1-2 years	2-3 Years	More than 3 years	Total
MSME	-	-	8.17	-	-		8.17
Others			69.96				69.96
Disputes dues - MSME	-	-	-	-	-		-
Disputes dues - Others	-	-	-	-	-		-
Total	**-**	**-**	**78.13**	**-**	**-**	**-**	**78.13**

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Trade payable ageing Schedule As at 31st March 2023

Particulars	Unbilled Dues	Not Due	less than 1 years	1-2 years	2-3 Years	More than 3 years	Total
MSME	-	-	8.03	-	-		8.03
Others			68.09				68.09
Disputes dues - MSME	-	-	-	-	-		-
Disputes dues - Others	-	-	-	-	-		-
Total	**-**	**-**	**76.12**	**-**	**-**	**-**	**76.12**

20.1) Company has sought details from suppliers as micro, small and medium enterprises under the provision of "Micro, Small, Medium Enterprises developments (MSMED) Act 2006" as at period/year end.

20.2) Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 30 to 60 days
20.3) The Company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

DISCLOSURE FOR AMOUNT DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES
The information required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
The details of amount outstanding to Micro & Small Enterprises are as under:

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
A. Principal amount remaining unpaid	21.94	7.66	8.17	8.03
B. Interest due thereon	-	-	-	-
C. Interest paid by Group in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to suppliers beyond the appointed day during the year	-	-	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-	-
E. Interest accrued and remaining unpaid at the end of each accounting year;	-	-	-	-
F. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprise	-	-	-	-

Note : Identification of amounts payable to micro, small and medium enterprise in terms of section 16 of Micro, Small & Medium Enterprise Development Act ,2006 is based on the information available with the Company

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Note (19A) Other Financial Liabilities

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Secured				
Interest accrued but not due on borrowings	9.28	11.47	6.81	1.77
Unsecured				
Creditor for Expenses	18.16	16.83	13.29	10.25
Capital Creditors	-	26.59	-	-
Employees & Worker Dues	31.48	25.46	16.42	9.30
Total	**58.92**	**80.35**	**36.52**	**21.32**

Note (19B) Other Financial Liabilities

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Unsecured				
Advances from Customers	2.72	2.68	0.36	0.24
Statutory dues (Refer No 1)	3.46	5.14	3.67	2.13
Other Payable	0.20	-	-	-
Total	**6.38**	**7.82**	**4.03**	**2.37**

Note 1: Statutory dues

Particulars	As at 30th June 2025	As at 31st March 2025	As at 31st March 2024	As at 31st March 2023
Provident Fund Payable	1.35	1.44	1.17	1.15
ESIC Payable	0.08	0.01	0.12	0.13
TDS/TCS Payable	2.03	3.69	2.38	0.85
Total	**3.46**	**5.14**	**3.67**	**2.13**

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Note (20) Revenue from operations

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue from operations				
Sale of Services	227.17	951.65	1,073.29	915.39
Sale of Products	815.18	2,207.87	136.50	23.73
Total	**1,042.35**	**3,159.52**	**1,209.79**	**939.12**

Note (21) Other income

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest Income on Fixed deposit with Bank	0.65	3.30	1.80	0.08
Interest Income on Security deposit with AVVNL	0.17	0.67	0.40	0.28
Store spares & chemical Sale	0.25	1.17	1.10	1.63
Other income	0.47	-	0.01	-
Total	**1.54**	**5.14**	**3.31**	**1.99**

Note (22) Cost of materials consumed

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening stock	491.25	52.40	61.71	-
Add: Purchases	834.97	2,616.67	520.12	523.18
Less: Closing stock	677.36	491.25	52.40	61.71
Cost of material consumed	**648.86**	**2,177.82**	**529.43**	**461.47**
Material consumed comprises:				
Dyes & Chemicals	101.41	293.62	212.62	210.00
Yarn	248.47	116.55	-	-
Fabric	234.20	1,543.15	134.32	45.03
Coal & Fuel	64.78	224.50	182.49	206.44
Total	**648.86**	**2,177.82**	**529.43**	**461.47**

Note (23) Purchase of Stock in Trade

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Finished fabric	59.53	14.60	5.36	27.21
Total	**59.53**	**14.60**	**5.36**	**27.21**

Note (24) Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Inventories at the beginning of the period / year:				
Finished goods	78.41	75.65	28.84	-
Work in progress	17.33	22.35	20.00	-
Finish Fabric	377.91	30.19	27.32	-
	473.65	**128.19**	**76.16**	**-**
Inventories at the end of the period / year:				
Finished goods	90.95	78.41	75.65	28.84
Work in progress	32.07	17.33	22.35	20.00
Finish Fabric	446.85	377.91	30.19	27.32
	569.87	**473.65**	**128.19**	**76.16**
Net Increase / (decrease) in inventories	**(96.22)**	**(345.46)**	**(52.03)**	**(76.16)**

Note (25) Employee benefits expenses

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Salaries and Wages (Including Bonus)	100.31	327.05	183.51	133.09
Leave encashment and Gratuity	1.89	6.94	4.52	3.19
Contributions to Provident and other funds	2.27	8.38	7.53	4.41
Staff welfare expenses	2.41	13.93	7.89	3.47
Total	**106.88**	**356.30**	**203.45**	**144.16**

Note (26) Finance costs

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest on:				
Term Loans	25.92	102.11	26.90	18.78
Working Capital Loans	16.71	36.52	14.63	5.66
Vehicle Loans	0.41	1.53	1.20	-
Unsecured Loan	2.07	9.72	2.17	-
Others	0.02	0.28	1.30	-
Less : Interest subsidy under RIPS policy, 2022	(1.17)	(3.14)	-	-
Bank processing charges	-	0.23	1.25	-
Total	**43.96**	**147.25**	**47.45**	**24.44**

Note (27) : Depreciation and Amortization Expenses

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
A. Depreciations on Tangible Assets	51.72	173.14	67.97	35.90
B. Amortisation of Intangible Assets	0.22	-	-	-
Total	**51.94**	**173.14**	**67.97**	**35.90**

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Note (28) : Other expenses

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Operating and Manufacturing Overheads				
Consumption of stores and spare parts	25.05	89.14	78.69	67.47
Consumption of packing material	7.14	27.91	18.06	14.31
Power Expenses	14.88	68.68	61.54	45.79
Effluent Treatment & Water Expenses	3.96	15.26	13.29	10.69
Repairs and maintenance - Buildings	-	0.58	0.04	0.18
Repairs and maintenance - Machinery	2.58	5.39	5.93	3.79
Job Processing charges & Job Weaving & Sizing Charges	73.70	66.33	-	-
Total (A)	**127.31**	**273.29**	**177.55**	**142.23**
Establishment Expenses				
Bank Charges	0.32	0.79	0.45	2.09
Advertisement Expenses	-	0.03	0.06	-
Membership & Subscription Fees	0.01	1.69	0.01	0.02
Festival & Pooja Expenses	0.09	0.31	0.54	0.18
Share Issued Expenses	-	1.78	-	0.04
Repairs - Others	1.28	0.52	0.19	0.02
Donation Expenses	-	0.49	0.69	0.17
Director Remuneration	4.50	18.00	17.40	10.56
Insurance Charges	1.20	2.12	1.75	1.10
Legal & Professional Expenses	3.41	16.31	14.45	5.65
Office Expenses	0.18	0.73	-	0.10
Payment to Auditors (Refer below Note 1)	0.04	0.15	0.08	0.08
Printing & Stationary Expenses	0.09	2.19	0.84	0.75
Rent Expenses	0.19	0.60	0.93	20.62
Rate & Taxes Expenses	-	0.37	3.82	0.21
Telephone & Internet charges	-	0.12	0.16	0.13
Sundry Balance Written off	-	-	-	0.01
Independent Director Sitting fees	0.05	-	-	-
Postage & Courier Expenses	0.42	0.99	0.02	0.02
CSR Expenses	-	1.96	1.25	-
Loss on Sale of Fixed Assets	-	-	-	1.11
Travelling & conveyance Expenses	1.21	3.24	0.42	0.25
Total (B)	**12.99**	**52.39**	**43.06**	**43.11**
Selling and Distribution Expenses				
Freight and forwarding charges	8.47	30.82	17.58	14.49
Cash discount	12.61	18.02	3.83	3.84
Agency commission	0.03	5.69	-	-
Total (C)	**21.11**	**54.53**	**21.41**	**18.33**
Total (A+B+C)	**161.41**	**380.21**	**242.02**	**203.67**

Note 1 : Payment to Auditors

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Statutory Audit Fees	0.03	0.10	0.05	0.05
Tax Audit Fees	0.01	0.05	0.03	0.03
Total	**0.04**	**0.15**	**0.08**	**0.08**

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Note (29) : Income Tax Expenses

Particulars	For the period ended 30th June 2025	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2023
Tax / TCS Receivables	9.22	20.02	22.09	18.22
Advance Income Tax	-	30.00	10.00	10.00
MAT Credit Entitlement	18.39	26.28	1.43	-
Less : Provision for Income Tax	11.80	45.73	29.90	32.20
Income Tax Assets / (Provisions)	**15.81**	**30.57**	**3.62**	**(3.98)**

The major components of income tax expense for reporting for tax expense for the reporting periods are indicated below:

Particulars	For the Period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
a) Statement of Profit or Loss for the Year Ended				
Current Tax:				
Current tax on Profit for the year	11.80	45.74	29.90	32.20
Mat credit entitlement	7.90	(24.85)	(1.43)	-
Change / credit in respect of current tax of earlier Year	-	-	-	-
Total Current Tax	**19.70**	**20.89**	**28.47**	**32.20**
Deferred Tax:				
Origination & reversal of temporary Differences	(0.15)	54.28	10.03	63.13
Charge in Respect of deferred tax for earlier year	-	-	-	-
Charge In respect of increase / (decrease) in tax rate	-	-	-	-
Total Deferred Tax	**(0.15)**	**54.28**	**10.03**	**63.13**
Total Tax Expense /(Credit) For the Year	**19.55**	**75.17**	**38.50**	**95.33**
b) Statement of Comprehensive Income For the Year				
Income tax relating to items that will not be reclassified to profit or loss				
Deferred tax (credit) / charge on:				
Re-measurement of defined benefit obligation	(0.21)	(0.11)	0.24	-
reclassified to profit or loss				
Deferred tax (credit) / charge	-	-	-	-
Total	**(0.21)**	**(0.11)**	**0.24**	**-**

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(A) A reconciliation of income tax expense applicable to accounting profits/ (loss) before tax at the statutory income tax rate to be recognised income tax expense for the year indicated are as follows:

Particulars	For the Period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Accounting Profits / (loss) before Tax (A)	67.53	260.80	169.45	120.42
Statutory Income Tax Rate (%) (B)	27.82%	27.82%	27.82%	29.12%
Tax at Indian statutory income tax rate	**18.79**	**72.55**	**47.14**	**35.07**
Accounting Profits / (loss) before Tax (C)	67.53	260.80	169.45	120.42
Add: ICDS Adjustments	-	-	-	-
Add :Disallowances Considered separately under IT.	57.16	186.10	77.15	40.90
Less Allowance under the Income Tax Act / Considered Separately / Deduction under Chapter VI	53.90	372.79	149.51	50.80
Total PGBP Income (F=C+D-E)	70.79	74.11	97.09	110.52
Tax On PGBP (Normal Tax Liability) (G=F*B)	**19.69**	**20.62**	**27.01**	**32.18**
Minimum Alternate Tax (MAT)				
Book profit as per MAT	67.53	260.80	169.45	120.42
Less : Business Loss (if any)	-	-	-	-
Net Book profit as per MAT	67.53	260.80	169.45	120.42
Tax as per MAT	**11.80**	**45.57**	**29.61**	**21.04**
Tax Expenses = MAT or Normal Provision of	**19.69**	**45.57**	**29.61**	**32.18**
Tax Paid as per "MAT" or Normal Provision	**Normal**	**MAT**	**MAT**	**Normal**
Tax provision as per taken in restated P&L as per audited balance sheet	**11.80**	**45.74**	**29.90**	**32.20**

(B) Movement in Deferred Tax Assets and Liabilities
The movement in deferred tax assets and liabilities for the period ended 30th June, 2025

Particular	As at 31st March ,2025	Charge / (Credited) To P&L	Charged / (Credited) to OCI/OCI Reserve	As at 30th June, 2025
Deferred Tax Assets:				
Provision for Gratuity Expenses & Leave Encashment	(4.39)	(0.55)	(0.21)	(4.73)
Deferred Tax Liabilities:				
Property , Plant & Equipment	131.70	0.40		132.10
Total	**127.31**	**(0.15)**	**(0.21)**	**127.37**

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The movement in deferred tax assets and liabilities for the year ended 31st March, 2025

Particular	As at 31st March ,2024	Charge/(Credited) To P&L	Charged /(Credited) to OCI/OCI Reserve	As at 31st March ,2025
Deferred Tax Assets:				
Provision for Gratuity Expenses & Leave Encashment	(2.49)	(2.00)	(0.11)	(4.39)
Deferred Tax Liabilities:				
Property , Plant & Equipment	75.41	56.28		131.70
Total	**72.92**	**54.28**	**(0.11)**	**127.31**

The movement in deferred tax assets and liabilities for the year ended 31st March, 2024

Particular	As at 31st March ,2023	Charge/(Credited) To P&L	Charged /(Credited) to OCI/OCI Reserve	As at 31st March ,2024
Deferred Tax Assets:				
Provision for Gratuity Expenses & Leave Encashment	(0.93)	(1.33)	0.24	(2.49)
Deferred Tax Liabilities:				
Property , Plant & Equipment	64.06	11.35		75.41
Total	**63.13**	**10.03**	**0.24**	**72.92**

The movement in deferred tax assets and liabilities for the year ended 31st March, 2023

Particular	As at 31st March ,2022	Charge/(Credited) To P&L	Charged /(Credited) to OCI/OCI Reserve	As at 31st March ,2023
Deferred Tax Assets:				
Provision for Gratuity Expenses & Leave Encashment	-	(0.93)	-	(0.93)
Deferred Tax Liabilities:				
Property , Plant & Equipment	-	64.06	-	64.06
Total	**-**	**63.13**	**-**	**63.13**

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NOTE 30: STATEMENT OF OTHER COMPREHENSIVE INCOME

Particulars	For the Period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
(i) Items that will not be reclassified to profit or loss				
Actuarial gain/(Loss) on employee benefits	0.71	0.37	(0.81)	-
Gain/(Loss) on Fair Valuation of Investment in Equity Shares				
TOTAL (i)	**0.71**	**0.37**	**(0.81)**	**-**
(ii) Income tax relating to items that will not be reclassified to profit or loss				
On Actuarial gain on employee benefits	(0.21)	(0.11)	0.24	-
Gain on Fair Valuation of Investment in Equity Shares				
TOTAL (ii)	**(0.21)**	**(0.11)**	**0.24**	**-**
(iii) Items that will be reclassified to profit or loss	-	-	-	-
TOTAL (iii)	-	-	-	-
(iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
TOTAL (iv)	-	-	-	-
Total	**0.50**	**0.26**	**(0.57)**	**-**

Note 31: Earnings per share (EPS)

Basic Earnings per share ('EPS') amounts are calculated by dividing the Profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period / year.

Diluted EPS amounts are calculated by dividing the Profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

i. Profit/(Loss) attributable to Equity holders

Particulars	For the Period ended 30th June, 2025	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Profit/(Loss) after tax	47.98	185.63	130.95	25.09

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ii. Weighted average number of ordinary shares

Particulars	As at 30th June, 2025*	As at 31st March, 2025*	As at 31st March, 2024*	As at 31st March, 2023*
Ordinary shares at the beginning of the year excluding Bonus share impact	15,874,145	3,100,000	3,100,000	1,550,000
Bonus Shares issued during the period / year	-	12,400,000	-	-
Shares post Bonus	**15,874,145**	**15,500,000**	**3,100,000**	**1,550,000**
Shares issued and allotted during the period / year	-	374,145	-	1,550,000
Time Adjustment factor	-	0.35	-	0.84
Weighted Average Number of shares during the period / year	**15,874,145**	**15,632,232**	**3,100,000**	**2,845,205**
Bonus Adjustment Factor				
For Bonus during year ended 31st March, 2025 (Allotted on 25th October 2025) (Note 1)	-	-	5.00	5.00
For Bonus alloted on 10th November, 2025 (Note 2)	2.60	2.60	2.60	2.60
Weighted average number of shares after proposed issue of Bonus Shares for calculaton of Basic EPS	**41,272,777**	**40,643,803**	**40,300,000**	**36,987,671**
Add Dilusion on account of Complusory Convertible Debentures (CCDs)	1,255,904	680,281	-	-
Weighted average number of shares after proposed issue of Bonus Shares for calculaton of Diluted EPS	**42,528,681**	**41,324,085**	**40,300,000**	**36,987,671**
Basic earnings per share (in ₹)	**1.16**	**4.57**	**3.25**	**0.68**
Diluted earnings per share (in ₹)	**1.13**	**4.49**	**3.25**	**0.68**

*Number of shares in absoluted numbers
** Weighted average number of shares adjusted from the earliest period presented as per IND AS 33

Note 1 : For bonus alloted during the year ended 31st March, 2025 (Allotted on 25th October 2025) at the Ratio of 4 new shares for every one share held on record date (4+1=5).

Note 2 : For bonus alloted on 04th November, 2025 at the Ratio of 16 new shares for every 10 share held on record date (1.60+1=2.60). Refer Note No. 46 Subsequent event for further details

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Note 3 : Number of Equity shares issued on acocunt of conversion

Particulars	As at 30th June, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Number of CCDs outstanding (Refer Note 4 below)	96,608	96,608	-	-
Conversion Ratio - 5:1 Refer Note 4 Below	5	5	-	-
Bonus adjustment factor for bonus shares allotted on 10th November, 2025	2.60	2.60		
Total Number of months in the Period / year	3	12	-	-
Total Number of months CCDs held	3	6.50	-	-
Number of Equity shares post conversion	**1,255,904**	**680,281**	**-**	**-**

Note 4 : The Company had issued 96,608 Compulsorily Convertible Debentures (CCDs) at a face value of ₹10 each at a premium of ₹725 per debenture, aggregating to ₹71.01Million on 16th September, 2024. The CCDs were mandatorily convertible into Equity Shares at a ration of 1:1 (one Equity share for each CCD held) within 18 months of issue. In accordance with terms of the issue, these CCDs were converted into Equity Shares on 20th August, 2025. However, as the company had issued bonus shares during the year ended March 31, 2025 in the ratio of 1:4 (four bonus shares for every one share held), the company had allotted Equity shares to CCD holders in the ratio of 1:5 (one equity share and four bonus shares for each CCD held), resulting in the allotment of 4,83,040 Equity Shares of the Company.

NOTE 32: DIFFERENCES BETWEEN IND AS & INDIAN GAAP

A) PRINCIPAL DIFFERENCES BETWEEN IND AS AND INDIAN GAAP

I. Deferred Tax
The Company has accounted for deferred tax on the various adjustments between Indian GAAP and IND AS at their effective tax rate.

II. Defined Benefit Obligation
Under previous GAAP, Company has been charging the remeasurement (gain)/loss of employee benefits to profit and loss account whereas under Ind AS financial statements such (gain) /loss is accounted in Statement of Other Comprehensive Income along with the corres impact.

III. Prior Period Items
Under Indian GAAP, the impact of prior period items is required to be included in current period statement of profit and loss. However as per Ind AS-8 an entity is required to correct prior period errors retrospectively by restating the comparative amounts for the prior period presented in which the error occurred. if the error occurred before the earliest prior period presented, it will restate the opening balance of assets and equity for the earliest prior period presented.

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NOTE 33 : RATIO ANALYSIS

Particulars	Numerator	Denominator	As At 30th June 2025	As At 31st March 2025	As At 31st March 2024	As At 31st March 2023
Current Ratio(in	Current Assets	Current Liabilities	1.19	1.21	1.23	1.30
Debt-Equity Ratio(in times)	Total Debt	Total Shareholder's Equity	2.81	2.96	3.72	1.75
Debt Service Coverage Ratio(in times)	Profit after tax for the year+ Finance Costs + Depreciation	Finance Cost + Lease Payment + Current maturity of Long Term Debt (excluding impact of foreign exchange gain/loss)	0.64	1.58	1.81	1.43
Return on Equity (ROE)(%)	Profit for the year	Average Shareholder's Equity	6.62%	34.08%	40.46%	14.96%
Inventory Turnover Ratio (in times)	Sales (Revenue from operation)	Average Inventory	0.94	5.44	7.18	6.43
Trade receivables turnover ratio(in	Sales (Revenue from operation)	Average Trade Receivable	1.29	7.55	8.39	6.32
Trade payables turnover ratio (in	Net Credit Purchases	Average Trade Payable	0.95	6.41	6.81	7.23
Net working capital turnover ratio(in	Sale of Products	Average Working Capital	2.87	14.28	12.68	34.48
Net profit ratio(%)	Profit for the	Sale of Products	4.60%	5.88%	10.82%	2.67%
Return on capital employed (ROCE)(%)	Profit Before Tax + Finance Costs	Avg Total Equity + AVG Total Borrowings (Current & Non Current)+ Net Avg	3.79%	16.97%	16.18%	32.69%
Return on investments(%)	Interest/dividend Income	Average Investment+loans	NA	NA	NA	NA

Change in Ratio in Comparison to Corresponding previous Year

Ratio	Change As At 31st March 2025	Change As At 31st March 2024
Current Ratio(in times)	(1.07)%	(5.86)%
Debt-Equity Ratio(in times)	(20.42)%	112.61%
Debt Service Coverage Ratio(in times)	(12.57)%	25.92%
Return on Equity (ROE)(%)	(15.79)%	170.56%
Inventory Turnover Ratio(in times)	(24.26)%	11.79%
Trade receivables turnover ratio(in times)	(9.95)%	32.74%
Trade payables turnover ratio(in times)	(5.87)%	(5.77)%
Net working capital turnover ratio(in times)	12.59%	(63.22)%
Net profit ratio(%)	(45.72)%	305.15%
Return on capital employed (ROCE)(%)	4.88%	(50.51)%
Return on investments(%)	NA	NA

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Explanation Of change in ratio more than 25%
March 31,2025
Decrease in Net Profit Ratio due to increase in taxe expense of the company.

March 31,2024
Increase in Debt-Equity Ratio due to increase in Term Loan from HDFC Bank
Increase in DSCR due to increase in profitability
Increase in ROE due to increase in profitability
Increase in Trade Receivable Ratio due to decrease in trade receivables and increase in overall operations
Decrease in working capital Ratio due to increase in net working capital
Increase in Net Profit Ratio due to increase in Profitability
Increase in ROCE due to increase in Profitability

March 31,2023
The company is incorporated on 11th February, 2022 and Business operation commenced in year March 31, 2023. Therefore financial Ratio's is not comparable.

NOTE 34 : RELATED PARTY DISCLOSURES

Subsidiaries
Sionnah Enterprises Private Limited (Incorporated on 1st July, 2025.) (Refer Note 46 subsequent Events for further details)

Directors and Key Managerial Personnel

Name	**Relationship**
Harshil Nuwal	Managing Director
Subhash Chandra Nuwal	Director
Uma Nuwal	Whole Time Director
Ramesh Chandra Vyas	Chief Financial Officer
Harish Sharma	Company Secretary

Relative of Director

Name	**Relationship**
Deepank Bhandari	Director's Relative

Independent Directors

Name	**Relationship**
Kamlesh Kumar Choudhary	Independent Director
Kanhaiya Lal Acharya	Independent Director
Aditi Kakhani	Independent Director

Enterprises where directors having significant influence
Sona Styles Limited
Sona Processors India Limited
Sona Texfab Private Limited
Starnet Real Estate & project Limited

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Following transactions were carried out with related parties in the ordinary course of Business

Transaction Type / Party	For the Period 30th June 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Remuneration to Key Managerial Personnel				
Harshil Nuwal	3.00	12.00	11.60	7.04
Uma Nuwal	1.50	6.00	5.80	3.52
Ramesh Chandra Vyas	0.15	0.52	0.68	0.38
Harish Sharma	0.18	0.29	-	-
Professional Fees				
Deepank Bhandari	3.00	12.00	12.00	4.72
Sitting Fees Paid to Independent Directors				
Kanhaiya Lal Acharya	0.01	-	-	-
Aditi Kakhani	0.01	-	-	-
Interest Payment				
Uma Nuwal net of TDS	-	0.04	-	-
Harshil Nuwal net of TDS	-	2.45	-	-
Repayment of Loans				
Uma Nuwal	-	-	1.00	-
Harshil Nuwal	85.60	99.00	7.00	-
Deepank Bhandari	-	20.00	-	-
Subhash Nuwal	-	41.20	5.00	-
Starnet real Estate & project Limited	-	-	-	-
Loan taken				
Uma Nuwal	4.40	-	5.00	-
Harshil Nuwal	32.75	72.30	128.10	-
Deepank Bhandari	-	22.00	51.00	-
Subhash Nuwal	7.56	24.20	22.00	-
Starnet real Estate & project Limited	-	1.00	-	-
Sales and Other Income				
Sona Styles Limited	-	29.76	117.92	22.84
Sona Texfab Private Limited	-	-	9.29	3.76
Sona Processors India Limited	9.30	8.42	4.72	9.59
Purchase and job processing charges				
Sona Texfab Private Limited	-	1.67	0.51	0.27
Sona Styles Limited	87.19	1,206.40	2.13	1.79
Sona Processors India Limited	5.43	35.12	0.24	8.69
Business Transfer				
Sona Processors India Limited	-	-	-	162.10
Rent Expense				
Sona Processors India Limited	-	-	-	23.07

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Following were the balances outstanding with related parties in the ordinary course of Business at the end of following Periods

Related Party	As at 30th June 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Borrowing Payable				
Uma Nuwal	8.40	4.00	4.00	-
Harshil Nuwal	41.55	94.40	121.10	-
Deepank Bhandari	53.00	53.00	51.00	-
Subhash Nuwal	7.56	-	17.00	-
Starnet real Estate & project Limited	1.00	1.00	-	-
Payable / (Advance to suppliers)				
Sona Styles Limited	377.68	430.51	-	(0.05)
Sona Texfab Private Limited	-	1.75	-	0.06
Sona Processors India Limited	5.10	(0.76)	-	1.65
Deepank Bhandari	4.32	1.08	3.00	0.08
Receivable / (Advance from customers)				
Sona Styles Limited	0.32	0.14	11.03	13.66
Sona Texfab Private Limited	-	(0.23)	0.01	3.87
Sona Processors India Limited	2.02	(0.34)	0.29	-

NOTE 35 : DETAILS OF CORPORATE SOCIAL RESPONSIBILITY

Particulars	For the Period 30th June 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Gross Amount Required to be spent as per Sec 135 of Companies Act, 2013	3.67	1.93	1.21	-
Amount Spent During the period / year on :				-
Donating Funds to Trust	-	1.96	1.25	-
Short / (Excess)	3.67	(0.03)	(0.04)	-
Opening B/F-short/(Excess)	(0.08)	(0.04)	-	-
Net C/F -Short/(Excess)	**3.60**	**(0.08)**	**(0.04)**	**-**

Other Disclosure Related to CSR

Particulars	For the Period 30th June 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Promoting healthcare including preventive healthcare	-	1.35	1.25	-
Promoting education, cultural, moral development activities and preservation of traditional art and culture	-	0.61	-	-

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NOTE 36 : CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company's is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Total Equity comprises all components of equity.

The following table summarizes the capital of the Company:

Particular	As at 30th June 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Share Capital	158.74	158.74	31.00	31.00
Other Equity	590.45	541.97	357.81	227.43
Total Equity (A)	**749.19**	**700.71**	**388.81**	**258.43**
Cash and Cash equivalents	2.33	2.15	41.40	0.02
Other Bank balance	42.17	53.40	44.76	14.70
Total Cash & Bank Balances (B)	**44.50**	**55.55**	**86.16**	**14.72**
Short term Borrowing	844.78	766.25	328.42	190.96
Long Term Borrowings	1,257.24	1,307.72	1,117.60	261.11
Total debt (C)	**2,102.02**	**2,073.97**	**1,446.02**	**452.07**
Net Debt (D=(C-B))	**2,057.52**	**2,018.42**	**1,359.86**	**437.35**
Net Debt to Equity ratio (E=D/A)	**2.75**	**2.88**	**3.50**	**1.69**

NOTE 37: EMPLOYEE BENEFITS

As per the Indian Accounting Standard (Ind AS 19) " Employee benefits " , the disclosures as defined are given below:

A) Defined contribution Plan:

Particulars	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Employer's Contribution to Provident fund (EPF)	1.99	7.45	6.43	34.58
Employer's Contribution to Employee state Insurance fund (ESIC)	0.29	0.93	1.10	0.95
Total	**2.27**	**8.38**	**7.53**	**35.53**

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B) Defined Benefit Plan

I) Gratuity benefits

1.1 (a) Changes in Present Value of Obligation during the Period:

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Defined Benefit Obligation at the beginning of the period	7.49	4.43	1.52	-	7.60	4.09	1.67	-
Acquisition adjustment								
Interest cost	0.13	0.31	0.11	-	0.13	0.28	0.12	1.67
Current service cost	1.56	3.12	1.99	1.52	0.92	2.78	1.48	-
Past service cost	-	-	-	-	-	-	-	-
Actuarial (Gains) / Losses	(0.71)	(0.37)	0.81	-	(0.85)	0.45	0.82	-
Benefits paid	-	-	-	-	-	-	-	-
Defined Benefit obligation as at the end of period	**8.47**	**7.49**	**4.43**	**1.52**	**7.81**	**7.60**	**4.09**	**1.67**

1.1 (b) Bifurcation of total Actuarial (gain)/loss on Liabilities:

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Actuarial gain / losses from Changes in Demographic assumptions (morality)	-	-	-	-	-	-	-	-
Actuarial gain / losses from Changes in Financial assumptions	(0.51)	0.13	0.23	-	-	-	-	-

Experience Adjustments (gain)/ loss for Plan liabilities	(0.20)	(0.50)	0.58	-	-	-	-	-
Total amount recognized in other comprehensive income	**(0.71)**	**(0.37)**	**0.81**	**-**	**-**	**-**	**-**	**-**

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1.2 Key results (The amount to be recognised in balance sheet :

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Present value of obligation at the end of period	8.47	7.49	4.43	1.52	7.81	7.60	4.09	1.67
Fair value of plan assets at end of Period	-	-	-	-	-	-	-	-
Net liability / (assets) recognised in Balance sheet & related analysis	8.47	7.49	4.43	1.52	7.81	7.60	4.09	1.67
Funded Status - (Surplus) / Deficit	**8.47**	**7.49**	**4.43**	**1.52**	**7.81**	**7.60**	**4.09**	**1.67**

1.3 (a) Expenses Recognized during the period / year in the statements of Profit & Loss

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Interest cost defined benefit obligation	0.13	0.31	0.11	-	0.13	0.28	0.12	-
Current Service Cost	1.56	3.12	1.99	1.52	0.92	2.78	1.48	1.67
Past Service Cost	-	-	-	-	-	-	-	-
Net Actuarial Losses / (Gains)					(0.85)	0.45	0.82	-
Expected Return on Plan Asset	-	-	-	-	-	-	-	-
Total expense /(Income) included in " Employee benefit Expenses"	**1.69**	**3.43**	**2.10**	**1.52**	**0.20**	**3.51**	**2.42**	**1.67**

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Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Amount Recognized in OCI , beginning of period	0.44	0.81	-	-	-	-	-	-
Opening Cumulative Actuarial (Gain	-	-	-	-	-	-	-	-
Actuarial (Gain) / losses - Obligation	(0.71)	(0.37)	0.81	-	-	-	-	-
Actuarial (Gain) / losses - Plan Asset	-	-	-	-	-	-	-	-
Total Actuarial (Gain) /losses	**-**	-	-	**-**	**-**	-	-	**-**
Cumulative total Actuarial (Gain)/ Losses -C/f	**(0.27)**	**0.44**	**0.81**	**-**	**-**	**-**	**-**	**-**

1.3 (c) Net interest Costs:

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Interest cost defined benefit obligation	0.13	0.31	0.11	-	0.13	0.28	0.12	-
Interest income of Plan Asset	-	-	-	-	-	-	-	-
Net interest Cost (income)	**0.13**	**0.31**	**0.11**	**-**	**0.13**	**0.28**	**0.12**	**-**

1.4 Experience Adjustments

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Experience Adjustment (Gain) / loss	-	-	-	-	-	-	-	-
Experience Adjustment (Gain) / loss	-	-	-	-	-	-	-	-

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2.1 Summary of membership data of valuation & statistics based thereon:

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Number of Employee	535.00	475.00	303.00	248.00	535.00	475.00	303.00	248.00
Total monthly Salary (in Million)	13.06	10.97	5.92	3.97	13.06	10.97	5.92	3.97
Average Past Service(Years)	24,409.00	23,092.00	19,541.00	16,010.00				
average Future Service (Years)	33.69	36.32	37.97	36.40	-	-	-	-
Average Years	1.31	1.28	1.43	0.78	-	-	-	-
Expected Future Service taking into	22.68	20.65	19.38	20.60	-	-	-	-
Average Age (years)	-	-	-	-	33.69	36.32	37.97	36.4
Average Past Service (Years)	-	-	-	-	1.31	1.28	1.43	0.78
Total Leave Balance (Days0	-	-	-	-	5962	5959	3307	2494
Average Leave Balance	-	-	-	-	11.14	12.55	10.91	10.06

2.2 Actuarial Assumptions

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Discount Rate (per annum)	7.15%	6.95%	6.85%	7.25%	7.15%	6.85%	6.95%	7.25%
Salary Escalation rate (per annum)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Mortality	Indian Assured Lives Mortality (2012-14) Uit.	Indian Assured Lives Mortality (2012-14) Uit.	Indian Assured Lives Mortality (2012-14) Uit.	Indian Assured Lives Mortality (2012-14) Uit.	Indian Assured Lives Mortality (2012-14) Uit.	Indian Assured Lives Mortality (2012-14) Uit.	Indian Assured Lives Mortality (2012-14) Uit.	Indian Assured Lives Mortality (2012-14) Uit.
Withdrawal Rate (Per annum)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Retirement Age	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years

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2.3 Benefits Valued

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Normal Retirement Age	60 years	60 years	60 years	60 years	60 years	60 years	60 years	60 years
Basic Salary	Last drawn Basic salary	Last drawn Basic salary	Last drawn Basic salary	Last drawn Basic salary	Monthly Basic salary	Monthly Basic salary	Monthly Basic salary	Monthly Basic salary
Vesting Period	5 years on Retirement & Withdrawal	5 years on Retirement & Withdrawal	5 years on Retirement & Withdrawal	5 years on Retirement & Withdrawal	None	None	None	None
Benefits on Normal Retirement	15/26 * Last Drawn Qualifying salary * Services	15/26 * Last Drawn Qualifying salary * Services	15/26 * Last Drawn Qualifying salary * Services	15/26 * Last Drawn Qualifying salary * Services	Last Drawn Qualifying salary/ 30 * Leave Balance	Last Drawn Qualifying salary/ 30 * Leave Balance	Last Drawn Qualifying salary/ 30 * Leave Balance	Last Drawn Qualifying salary/ 30 * Leave Balance
Benefits on early exit due to death and other	Same as Retirement	Same as Retirement	Same as Retirement	Same as Retirement	Same as Retirement	Same as Retirement	Same as Retirement	Same as Retirement
Limit (in Lakhs)	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit

2.4 Current Liability (*Expected Payout in next year as per Schedule III of Companies Act ,2013)

Particulars	Gratuity				Leave Encashment			
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Current Liability (short term)	0.03	0.02	0.01	0.00	0.33	0.31	0.21	0.10
Non Current Liability (Long Term)	8.44	7.47	4.41	1.52	7.48	7.29	3.89	1.57
Liability / (asset) recognized in	**8.47**	**7.49**	**4.42**	**1.52**	**7.81**	**7.60**	**4.10**	**1.67**

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3. Sensitivity Analysis

Particulars	Gratuity		Leave Encashment	
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Period 30th June, 2025	For the Year Ended 31st March, 2025
Defined Benefit Obligation – Discount	(9.06)%	(8.53)%	(6.93)%	(6.83)%
Defined Benefit Obligation – Discount	10.21%	9.53%	7.74%	7.61%
Defined Benefit Obligation – Salary Es	10.18%	9.47%	7.71%	7.56%
Defined Benefit Obligation – Salary Es	(9.11)%	8.55%	(6.97)%	6.86%

4.Expected Cash flows for the Next Ten Years

Particulars	Gratuity		Leave Encashment	
	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Period 30th June, 2025	For the Year Ended 31st March, 2025
Year - 2026	0.03	0.02	0.33	0.31
Year - 2027	0.02	0.02	1.49	1.37
Year - 2028	0.07	0.07	0.09	0.09
Year - 2029	0.09	0.12	0.14	0.12
Year - 2030	0.22	0.20	0.19	0.21
Year - 2031 to 2035	1.74	1.51	1.32	1.28

NOTE 38: FINANCIAL INSTRUMENTS

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: For assets & liabilities where Fair value is not observable .

Particulars	Level	Carrying Value				Fair Value			
		As at 30th June 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023	As at 30th June 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Financial Assets :									
At Ammortised Cost									
Others Non Current Financial Asset	Level III	7.57	7.57	10.12	5.26	7.57	7.57	10.12	5.26
Trade Receivables	Level III	914.11	696.87	139.87	148.64	914.11	696.87	139.87	148.64
Cash and cash equivalents	Level III	2.33	2.15	41.40	0.02	2.33	2.15	41.40	0.02
Bank Balances other than above	Level III	42.17	53.40	44.76	14.70	42.17	53.40	44.76	14.70
Others Current Financial Assets	Level III	212.52	184.56	128.40	74.71	212.52	184.56	128.40	74.71
Financial Liabilities :									
At Ammortised Cost									
Non Current Borrowings	Level III	1,257.24	1,307.72	1,117.60	261.11	1,257.24	1,307.72	1,117.60	261.11
Current Borrowings	Level III	844.78	766.25	328.42	190.96	844.78	766.25	328.42	190.96
Trade Payables	Level III	1,145.04	742.42	78.13	76.12	1,145.04	742.42	78.13	76.12

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NOTE 39 :EARNINGS & EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the Period 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Income				
Export of Goods	1.79	-	-	-
Total	**1.79**	**-**	**-**	**-**
Expenditure				
Purchase of stores and spare parts	-	2.53	1.14	0.75
Total	**-**	**2.53**	**1.14**	**0.75**

NOTE 40 : FINANCIAL RISK MANAGEMENT

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk	Exposure arising from
Credit Risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.
Liquidity Risk	Borrowings, trade payables and other financial liabilities
Market Risk	Receivables and payables denominated in foreign currency

1. Credit Risk
The Company is exposed to credit risk primarily from cash and cash equivalents, bank deposits, trade receivables, and other financial assets. Credit risk arises from the possibility that a counterparty may fail to meet its financial obligations, leading to a financial loss.

i. Cash and Cash Equivalents and Bank Deposits: The Company minimizes credit risk associated with cash and cash equivalents and bank deposits by maintaining deposits with banks having high credit ratings, as assigned by domestic credit rating agencies. This reduces the risk of default by banks.

ii . Trade Receivables: Credit risk on trade receivables is managed by regular monitoring of the outstanding amounts and performing a detailed assessment of recoverability. The Company has established policies for aging analysis, and where applicable, provisions for expected credit losses (ECL) are recognized.

2. Liquidity Risk
Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they fall due, without incurring significant losses. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and by continuously monitoring forecast and actual cash flows.

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i. Cash Flow Management: The Company continuously monitors its cash flow requirements to ensure that it has sufficient liquidity to meet its operational and financial obligations, including trade payables, financial liabilities, and tax obligations. Regular cash flow forecasting is performed to assess the timing and amount of future cash inflows and outflows.

ii. Access to Credit Facilities: The Company has access to various credit facilities from banks, which provide flexibility to meet short-term and long term liquidity needs.

iii. Maturity Analysis of Financial Liabilities: The Company has established procedures to regularly monitor and assess the maturity profile of its financial liabilities, including trade payables, loans, and other financial obligations. The maturity analysis helps ensure that the Company has enough liquidity to meet these obligations in a timely manner.

iv. Cash and Cash Equivalents: The Company maintains a sufficient level of cash and cash equivalents to manage day-to-day operational expenses and meet unforeseen liquidity requirements. This liquidity buffer is designed to prevent disruptions to business operations due to short-term liquidity shortages.

As at 30th June 2025	**Less than 1 year**	**1 - 5 years**	**Due after 5 years**	**Total**
Non Derivatives		`		
Long Term Borrowings from Related Party	-	-	111.51	111.51
Borrowings from Bank	844.78	1,014.85	70.89	1,930.51
Trade Payables	1,145.04			1,145.04

As at 31st March 2025	**Less than 1 year**	**1 - 5 years**	**Due after 5 years**	**Total**
Non Derivatives		`		
Long Term Borrowings from Related Party	-	-	152.40	152.40
Borrowings from Bank	766.25	1,004.78	125.54	1,896.57
Trade Payables	742.42			742.42

As at 31st March 2024	**Less than 1 year**	**1 - 5 years**	**Due after 5 years**	**Total**
Non Derivatives				
Long Term Borrowings from Related Party	-	-	193.10	193.10
Borrowings from Bank	328.42	782.37	137.13	1,247.92
Trade Payables	78.13			78.13

As at 31st March 2023	**Less than 1 year**	**1 - 5 years**	**Due after 5 years**	**Total**
Non Derivatives		`		
Long Term Borrowings from Related Party	-	-	-	-
Borrowings from Bank	190.96	251.72	9.39	452.07
Trade Payables	76.12	-	-	76.12

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3. Market Risk

a) Foreign Currency Risk

The Company undertakes limited transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency. The Company has not taken derivative instruments to hedge the foreign currency risk. The Company continuously monitors the fluctuations in currency risk and ensures that the company does not have adverse impact on account of fluctuation in exchange rate.

As at the end of period / year, there were no Trade Receivable and Trade Payables outstanding in foreign currency. Hence, sensitivity analysis with respect to foreign exchange risk is not require.

b) Interest Rate Risk

Interest rate risk primarily arises from floating / fixed rate borrowing, including various short-term and long-term loan. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates arises on borrowings with floating interest rate from banks.

The exposure of borrowing to interest rate changes at the end of the reporting periods are as follows:

Particulars	As at 30th June, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Fixed Rate Borrowings :				
Vehicle Loans from Banks	17.97	19.13	17.25	-
Loans & Advances from Related Parties	111.51	152.40	193.10	-
Loans & Advances from others	60.00	25.00	5.00	-
Variable Rate Borrowings :				
Term Loans from Banks	1,249.00	1,284.50	991.25	296.25
Loan from banks repayable on demand	663.54	592.94	239.42	155.82

Fixed rate borrowings are carried at amortized cost. They are, therefore, not subject to interest rate risk as defined in Ind-AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.
Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates.

Particulars	As at 30th June, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Interest rate - Increase by 50 basis points	2.27	8.01	3.41	1.34
Interest rate - Decrease by 50 basis points	(2.27)	(8.01)	(3.41)	(1.34)

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NOTE 41 : OTHER RELEVANT DISCLOSURES

Additional regulatory information required by Schedule III of Companies Act, 2013:

A. Balance of Debtors, Creditors, Loans and advances taken are subject to confirmation and consequential adjustments, if any. Debtors and creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.

B. The company has no transactions, which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the tax assessment or in search or survey or under any other relevant provision of the Income Tax Act, 1961.

C. The Company has not traded or invested in crypto currency or virtual currency for the period ended June 30, 2025 and for the year ended March 31, 2025, March 31, 2024, March 31, 2023.

D. The Company did not have any transaction with companies that are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the period ended June 30, 2025 and during the year ended March 31, 2025, March 31, 2024, March 31, 2023.

E. The company has not been declared as willful defaulter by any bank or from any other lender during the period ended June 30, 2025 and during the year ended March 31, 2025, March 31, 2024, March 31, 2023.

F. The company has registered all the charges which are required to be registered under the terms of the loan and liabilities and submitted Documents with ROC within the period as required by Companies Act, 2013.

G. 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: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

H. The Company have not given fund to any person(s) or entity(ies), including foreign entities (Receiving Party) with the understanding (whether recorded in writing or otherwise) that the Receiving Party shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

I. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

J. The Company does not hold any benami property, and no proceedings have been initiated or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988.

K. The Company has taken working capital loans from various Banks. Company has filed quarterly statements of Current Assets with the banks that are in principle in agreement with the books of accounts.

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Annexure - VI : Notes to the Restated Financial Statements
(All amounts in ₹ Million, except as stated otherwise)

Note 42 : Revenue from Contracts with Customers

a) The Disaggregation of Revenue from Customers are given below

Particulars	For the Period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Sale of Products	815.18	2,207.87	136.50	23.73
Sale of Services	227.17	951.65	1,073.29	915.39
Total Revenue from Contracts with Customers	**1,042.35**	**3,159.52**	**1,209.79**	**939.12**

Timing of Revenue Recognition	For the Period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Goods/Services Transferred at a Point of Time.	-	-	-	-
Goods/Services Transferred Over Time	1,042.35	3,159.52	1,209.79	939.12
Total Revenue from Contracts with Customers	**1,042.35**	**3,159.52**	**1,209.79**	**939.12**

Geographical Disaggregation	For the Period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Sales Outside India	1.79	-	-	-
Sales in India	1,040.57	3,159.52	1,209.79	939.12
Total	**1,042.35**	**3,159.52**	**1,209.79**	**939.12**

Revenue Disaggregation by Customer Type	For the Period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Government	-	-	-	-
Non-Government	1,042.35	3,159.52	1,209.79	939.12
Total	**1,042.35**	**3,159.52**	**1,209.79**	**939.12**

Contract Balances	For the Period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Trade Receivables	914.11	696.87	139.87	148.64
Contract Assets	-	-	-	-
Contract Liabilities	-	-	-	-

Note : None of the customers who contribute 10% or more of total revenue from operation during the period / year.

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Annexure - VI : Notes to the Restated Financial Statements
(All amounts in ₹ Million, except as stated otherwise)

NOTE 43 : LOANS & ADVANCES TO PROMOTERS , DIRECTORS, KMP & THEIR RELATED PARTIES

During the reporting period, the Company has not granted any loans, advances in the nature of loans, or provided any guarantees or securities to any of its directors, promoters, key managerial personnel, or their relatives, whether jointly or severally.

Furthermore, there are no outstanding balances in respect of any such transactions from previous periods. The Company has complied with the applicable provisions of the Companies Act, 2013 and relevant regulations issued by statutory authorities in this regard.

NOTE 44: CONTINGENT LIABILITIES & COMMITMENTS (To the Extent Not Provided For)

Particulars	As at 30th June, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Contingent Liability-				
Claims Against the company not acknowledged as debt	-	-	-	-
Commitments-				
In respect of Procurement of capital goods under Zero duty Export Promotion Capital Goods Scheme of Foreign Trade Policy, 2023, the company has an export obligation, which is required to be fulfilled at different dates, on or before 24.06.2031. In the event of non-fulfillment of the export obligation, the company will be liable to pay custom duties and penalties, as applicable.	194.66	191.86	183.63	-

Note:
The Company has certain disputes, lawsuits and claims, which arise in from time to time in the ordinary course of business. The amount in some of the cases can not be ascertained and in some cases not material.

NOTE 45: PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per IND AS 8 an entity is required to correct prior period error retrospectively by restating the comparative amounts for the prior period presented in which the error occurred. If the error occurred before the earliest prior period presented, it will restate the opening balance of assets, liabilities and equity for the earlier prior period presented. Therefore, in terms of provisions of IND AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening balance of retained earnings.

Particulars	As at 30th June, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Short Provision of Tax	-	-	-	-
Total Impact on Profit /Reserve	**-**	**-**	**-**	**-**
Increase / (Decrease) in EPS (In .₹)	**-**	**-**	**-**	**-**

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NOTE 46 : EVENTS OCCURING AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transaction in the financial statements.

Events Required Adjustments in Financial Statement: Nil.
Non-Adjusting Events:
(A) Increase in Authorised Share Capital: The Company has increased its authorised share capital from INR 220.00 Million (2,20,00,000 equity share of INR 10 each) to INR 600.00 Million (6,00,00,000 equity share of INR 10 each) pursuant to a resolution passed at the Extraordinary General Meeting (EGM) of shareholders held on November 04, 2025.

(B) Bonus Issue: Subsequent to the reporting date, pursuant to the approval of shareholders granted in the extra-ordinary General meeting held on November 04, 2025, the company issued and allotted fully paid up 'bonus share' at par in proportion of 16 new equity share of INR 10 each for every 10 existing fully paid up equity share of INR 10 each held on the record date of November 07, 2025.

(C) Shareholding of Promoters (as at signing date)
Subsequent to the reporting date but before the date of signing of the restated financial statements, the list of promoters and their current shareholding is as follows:

Name of the Promoter	No of Shares	Shareholding (%)
Deepank Bhandari	20,085,000	47.23%
Sona Polyspin Private Limited	11,765,000	27.66%
Harshil Nuwal	8,449,935	19.87%
Subhash Chandra Nuwal	-	-
Uma Nuwal	13	0.00%

(D) Sionnah Enterprises Private Limited was incorporated as a wholly owned subsidiary of Sonaselection India Limited on July 01, 2025. Hence Consolidated Financial Statement is not required.

(E) The Company had issued 96,608 Compulsorily Convertible Debentures (CCDs) at a face value of ₹10 each at a premium of ₹725 per debenture, aggregating to ₹71.01Million on September 16, 2024. The CCDs were mandatorily convertible into Equity Shares at a ration of 1:1 (one Equity share for each CCD held) within 18 months of issue. In accordance with terms of the issue, these CCDs were converted into Equity Shares on August 20, 2025. However, as the company had issued bonus shares during the year ended March 31, 2025 in the ratio of 1:4 (four bonus shares for every one share held), the company had allotted Equity shares to CCD holders in the ratio of 1:5 (one equity share and four bonus shares for each CCD held), resulting in the allotment of 4,83,040 Equity Shares of the Company. Consequent to the conversion, the CCD liability has been fully extinguished, and the corresponding amount has been transferred to Share Capital and Securities Premium Account.

NOTE 47: SEGMENT INFORMATION

A) The principal business of the Company is Processing and Sale of Textile Fabric. All other activities of the Company revolve around its principal business. The Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM).

The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators of the Company as a single unit. The CODM has concluded that there is only one reportable operating segment, as defined under Ind AS 108 – Operating Segments, i.e., 'Processing of Textile Fabrics"

B) Disaggregation of revenue from operations by geographical area has been provided in Note No. 42
C) All non-current assets of the Group are located within India.
D) Information about Major Customers
The details of single customers who contributed 10% or more to the Company's revenue during the period ended 30th June, 2025 and during the years ended 31st March 2025, 31st March 2024, and 31st March 2023 are provided in Note No. 42.

NOTE 48: PENDING REGISTRATION OF OR MODIFICATION OR SATISFACTION OF CHARGE WHICH REQUIRED TO BE FILED WITH ROC

There are no pending registration or modification or satisfaction of charge at the end of reporting periods, which are required to be filed with the Registrar of Companies

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Annexure - VI : Notes to the Restated Financial Statements
(All amounts in ₹ Million, except as stated otherwise)

NOTE 49: STATEMENT OF ADJUSTEMENTS TO THE RESTATED FINANCIAL INFORMATION

Summarised below are the restatement adjustments made to the equity of the Special Purpose Ind AS Financial statements of the Company for the three months period ended June 30, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the consequential impact on the equity of the Company:

Particulars	As at 30th June, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
A:Total Equity As per Special Purpose Financial Statements	**749.19**	**700.71**	**388.81**	**258.43**
B:Adjustments:				
Prior Period Error/Other Adjustments	-	-	-	-
Total Impact of Adjustments(B)	-	-	-	-
Total Equity as per Restated Financial Statements (A+B)	**749.19**	**700.71**	**388.81**	**258.43**

Summarised below are the restatement adjustments made to the net profit after tax for the stub period ended June 30, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 their impact on the profit/ (loss) of the Company:

Particulars	For the period Ended 30th June, 2025	For the Year Ended 31st March, 2025	For the Year Ended 31st March, 2024	For the Year Ended 31st March , 2023
Net profit after tax as per Special Purpose Financial Statements	**48.48**	**185.89**	**130.38**	**25.09**
Prior Period Error/Other Adjustments	-	-	-	-
Short Provision of Tax	-	-	-	-
Net profit after tax as per Restated Financial Statements	**48.48**	**185.89**	**130.38**	**25.09**

1. Adjustments for audit qualification:
There are no audit qualification in special purpose auditor's report as of and for the financial perod ended 30th June, 2025 and financial years ended 31st March 2025, 31st March 2024 and 31st March 2023, nor there are any other observations which require any other adjustments in the restated financial information.

2. Material regrouping
Appropriate regroupings have been made in the restated statements of assets and liabilities, restated statement of profit and loss and restated statement of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the special purpose IndAS financial statements for the period ended 30th June 2025 prepared in accordance with Schedule III to the Act, requirements of Ind AS 1, 'Presentation of financial statements' and otherapplicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended. However, the impact of such regroupings /reclassification are not material to the restated financial information.

3. Material Restatement Adjustments: As Above
4. Non-adjusting Items : None

OTHER FINANCIAL INFORMATION

The financial statements of our Company as at and for the Three Months Period ended June 30, 2025, Fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023, together with all the annexures, schedules and notes thereto ("**Audited Financial Statements**") are available at www.sonaselection.com. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations.

The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) the Red Herring Prospectus; or (iii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, 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 SEBI ICDR Regulations, 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 in order to subscribe for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, 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 details of accounting ratios derived from Restated Financial Information required to be disclosed under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are set forth below:

(₹ in millions except per share data or unless otherwise stated)

Particulars	As on /For the Fiscal/Period ended			
	June 30, 2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023
Basic Earnings Per Share (EPS)	1.16	4.57	3.25	0.68
Diluted Earnings Per Share (EPS)	1.13	4.49	3.25	0.68
Return on Net worth (%)	6.62%	34.08%	40.46%	14.96%
Net Asset Value (NAV) per Share	18.15	17.24	9.65	6.99
EBITDA	163.43	581.19	284.87	180.76

**Not annualised*

The ratios have been computed as under:

1. *Basic EPS = Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the period/fiscal.*
2. *Diluted EPS = Net Profit after tax, as restated, divided by weighted average number of diluted equity shares outstanding during the period/fiscal.*
3. *The Equity shares and basic/diluted earnings per share has been presented to reflect the adjustments as per INDAS 33.*
4. *Return on Net Worth (%) = Net Profit after tax, as restated for the end of the period/fiscal divided by Average Net worth as at the end of the period/fiscal.*

5. *Average net worth means the average of the net worth of current and previous period/fiscal. Net worth means the aggregate value of the paid-up share capital and other equity.*
6. *Net Asset Value per share = Net Worth at the end of the period/fiscal divided by weighted average number of equity shares outstanding during the period/fiscal.*
7. *EBITDA: Aggregate of restated profit/(loss) before tax and exceptional item, finance cost, depreciation and amortization.*

Related Party Transactions

For details of the Related Party Transactions, as per the requirements under applicable Accounting Standards read with the SEBI ICDR Regulations, for the Three Months Period ended June 30, 2025 and for the Fiscal 2025, 2024, 2023, please see "*Restated Financial Information*" beginning on page 351.

(*The remainder of this page has been intentionally left blank*)

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at June 30, 2025, derived from our Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction *with "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operation"*, on pages 44, 351 and 433 respectively.

(₹ in million, unless otherwise stated)

Particulars	Pre-Issue as at June 30, 2025	As Adjusted for the Issue*
Borrowings		
Short-Term Borrowings#(A)	663.54	[●]
Long-Term Borrowings#(B)	1,438.48	[●]
Total Borrowings (C)	**2,102.02**	**[●]**
Equity		
Equity Share Capital#	158.74	[●]
Other Equity#	590.45	[●]
Total Equity (D)	**749.19**	**[●]**
Long-Term Borrowings/ Total Equity (B/D)	**1.92**	**[●]**
Total Borrowings/ Total Equity (C/D)	**2.81**	**[●]**

As certified by Statutory Auditors of our company vide their certificate dated December 08, 2025.

**The corresponding post-Issue capitalization data is not determinable at this stage pending the completion of the public issue and hence have not been furnished.*

 # These terms shall carry the meaning as per Schedule III of the Companies Act, 2013.

Notes:

1. *The amounts disclosed above are derived from the Restated Financial Information.*
2. *Long-term borrowings include current maturity of long-term borrowings*

FINANCIAL INDEBTEDNESS

Our Company avails loans and facilities in the ordinary course of business for the purpose of meeting its working capital requirements, capital expenditures, and other business requirements. For details regarding the borrowing powers of our Board, see "*Our Management - Borrowing Power*" on page 318.

Our Company has obtained the necessary consents as required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of current shareholding of our Promoters, restructuring of board, expansion of business of our Company, effecting changes in capital structure and shareholding pattern and amending constitutional documents of our Company.

Our Company has incorporated a Subsidiary, Sionnah Enterprises Private Limited, on July 01, 2025. As on the date of this Draft Red Herring Prospectus, our Subsidiary has not availed any credit facilities. Accordingly, the disclosures under this chapter have been presented on a standalone basis.

The summary details of the outstanding financial indebtedness of our Company as on October 31, 2025, are set forth below.

(*₹ in million*)

S. No.	Category of Borrowing	Sanctioned amount	Principal amount outstanding as on October 31, 2025
Secured Loans			
	Fund based facilities		
	(i) Term Loan	1,535.20	1,306.10
	(ii) Vehicle Loan	25.30	16.33
	(iii) Cash Credit facilities/ Working Capital Demand Loan	1,370.00	1,012.63
	Total fund-based	2,930.50	2,335.06
	Non fund based facilities		
	(i) Bank Guarantee		-
	Total Non-fund-based		
	Total Secured (A)	**2,930.50**	**2,335.06#**
Unsecured Loans			
	Unsecured Loans from Related Parties		119.19
	Unsecured Loans from Others		30.57
	Total Unsecured Loans (B)		**149.76**
	Grand Total (C = A + B)		**2,484.82#**

As certified by our Statutory Auditors vide certificate dated December 09, 2025.

#Excluding the non-fund based facilities

A. **Secured Loans:**

(*₹ in million, unless otherwise stated*)

Name of Lender	Nature	Sanctioned Amount	Rate of Interest	Repayment Terms	Amount outstanding as on October 31, 2025	Primary and Collateral Security
SBI Bank	Cash Credit	470.00	8.25% (EBLR + Spread)	On Demand	320.10	**Primary:** First Pari-passu hypothecation on stock and receivables (Present and Future) with HDFC bank and 2nd charge on Plant and Machinery along with HDFC Bank **Collateral Security:** Extension of Equitable Mortgage of House no. B-377, Shastri Nagar Yojna , Bhilwara, admeasuring 711.50 sq. yards (Owned by Subhash Chandra Nuwal) **Third party Guarantee:** Subhash Chandra Nuwal, Harshil Nuwal, Deepank Bhandari and Uma Nuwal

Name of Lender	Nature	Sanctioned Amount	Rate of Interest	Repayment Terms	Amount outstanding as on October 31, 2025	Primary and Collateral Security
Axis Bank	Cash Credit	350.00	7.75% (Linked with Repo)	On Demand, 12 months validity	253.23	**Primary:** Hypothecation on entire current assets (present and future) (Ranking first pari-passu charge with HDFC and SBI) **Collateral:** EM on the following properties on pari-passu basis with HDFC Bank: - Plot no. 14, Araji No. 14,16,17,19/1,2, Kamla Enclave, Bhilwara-311001 - Araji no 1608, 1582, MI, 1609, 1607/1, 4197/1581, 42/49/1581, Chittorgarh, 4250, 1581, 4405/1581, Hamirgarh Bhilwara 311001. - 18th KM Stone, Araji No 1607/2, 5059/1612, 5061/1613, 1583, 1604, 1606, 5063/1605, 1590, Hamirgarh Chittorgarh Road 311025 - Plot no 141, 142/1, 143, 144, 179, 180, 181, 182/1, Situated at Araji no 524/1 Revenue Village Atun Bhilwara 311001 **Personal Guarantors:** Harshil Nuwal, Subhash Chandra Nuwal, Uma

Name of Lender	Nature	Sanctioned Amount	Rate of Interest	Repayment Terms	Amount outstanding as on October 31, 2025	Primary and Collateral Security
						Nuwal and Deepank Bhandari
ICICI Bank	Cash Credit (CC)	100.00	8.10% (Repo + 2.60%)	12 months validity	37.50	**First Parri-passu charge over Immovable fixed assets as follows:** - 18 th, KM Stone, Aaraji, 1607/2, 5059/1612, 5061/1613, 1583,1584, 1604, 1606, 5063/1605, 1590, Bhilwara, Rajasthan, India, 311025 - Plot no 141, 142/1, 143, 144, 179, 180, 181, 182/1, Situate at Araji no524/1, Revenue Vill Atun, Bhilwara, Bhilwara, RAJASTHAN, India, 311001 (Provided by Harshil Nuwal) - Aaraji no 1608, 1582,
	Corporate Term Loan	100.00	8.10% (Repo + 2.60%)	84 months	97.60	

Name of Lender	Nature	Sanctioned Amount	Rate of Interest	Repayment Terms	Amount outstanding as on October 31, 2025	Primary and Collateral Security
						MI, 1607/1, 4197/1581, 4249/ 1581,Chittorgarh,1581 ,4405/1581, Bhilwara, Rajasthan, India, 311025 - Plot no 14, Araji no 14, 16, 17, 19/1, 2, Kamla Enclave, Bhilwara, RAJASTHAN, India, 311001 (Provided by Anita Bhandari / Kailash Bhandari) **Perosnal Guarantee:** Deepank Bhandari, Subhash Chandra Nuwal, Uma Nuwal, Anita Bhandari, Kailash Bhandari and Harshil Nuwal
HDFC Bank	Term Loan	241.40	7.63%	84 Months	151.80	**Primary:** All Debtors, All Types Stock, All Types Of Machine, Fixed Deposit **Collateral:** - Plot No 14 Rajswa Gram Harni Khurda, Kamla Enclave Araji No 14,16,17,19/1,2 Near Sukhadia Stadium Bhilwara Rajasthan 311001 (Residential flat owned by Anita Bhandari) - Plot No. 141, Situate At Araji No. 524/1 Revenue Vill. Atun
	Term Loan	117.50	7.47%	90 Months	85.40	
	Term Loan	850.00	7.47%	96 Months	747.10	
	Term Loan	226.30	8.00%	96 Months	224.20	

Name of Lender	Nature	Sanctioned Amount	Rate of Interest	Repayment Terms	Amount outstanding as on October 31, 2025	Primary and Collateral Security
	Cash Credit	450.00	7.85% (3M Repo)	On Demand. 12 months validity	401.80	142/1, 143, 144, 179, 180, 181, 182/1 Vill. Atun Bhilwara Rajasthan 311001 (Vacant land owned by Harshil Nuwal) - Aaji 1608,1582mi, Chittorgarh 1609, 1607mi, 1607/1, 4197/1581, 4249/1581, 1581,4405/1581 Hamirgarh Bhilwara Rajasthan 311001 (Industrial property used for commercial activity owned by Sonaslection India Limited) - 18th Km Hamirgarh Araji No 1607/2, 5059/1612, 5061/1613, 1583, 1584,1604,1606, 5063/1605,1590 Chittor Road Bhilwara Rajasthan 311025 (Industrial property used for commercial activity owned by Sonaslection India Limited) **Personal Guarantee:** Deepank Bhandari, Anita Bhandari, Kailash Bhandari, Subhash Chandra Nuwal, Harshil Nuwal and Uma Nuwal

Name of Lender	Nature	Sanctioned Amount	Rate of Interest	Repayment Terms	Amount outstanding as on October 31, 2025	Primary and Collateral Security
HDFC Bank	Auto Premium Loan (BMW)	17.81	8.71%	60 Monthly installments	10.45	Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.
HDFC Bank	Auto Loan (Creta)	2.18	9.00%	60 Monthly installments	1.69	Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.
HDFC Bank	Auto Loan (Tata Punch)	0.95	9.66%	60 Monthly installments	0.81	Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.
HDFC Bank	Auto Loan (Grand Vitra)	1.76	9.11%	60 Monthly installments	1.15	Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.
HDFC Bank	Auto Loan (Kia Syros)	1.65	9.11%	60 Monthly installments	1.42	Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.
HDFC Bank	Auto Loan (Tata Tigor)	0.95	9.66%	60 Monthly installments	0.80	Hypothecation of Vehicle itself to the extent of 100% of loan outstanding.
Total		**2,930.50**			**2,335.06**	

As certified by our Statutory Auditors vide certificate dated December 09, 2025.

B. Unsecured Loans

Unsecured Loans from Related Parties:

(*₹ in million*)

Name of related party	Repayment	Amount outstanding as on October 31, 2025
Deepank Bhandari	As mutually agreed	53.00
Starnet Real Estate & Project Ltd.	As mutually agreed	1.00
Subhash Nuwal	As mutually agreed	4.03
Uma Nuwal	As mutually agreed	13.36
Harshil Nuwal	As mutually agreed	47.80
Total		**119.19**

As certified by our Statutory Auditors vide certificate dated December 09, 2025.

Unsecured Loans from Others:

Name of other party	Repayment	Amount outstanding as on October 31, 2025 (In Millions)
Esspal Agro Pvt Ltd	As mutually agreed	10.57
Gridfree Solar Energy	As mutually agreed	10.00
Sanya Dye Chem	As mutually agreed	10.00
Total		**30.57**

As certified by our Statutory Auditors vide certificate dated December 09, 2025.

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financial documentations executed by our Company in relation to its indebtedness:

1. **Interest:** The applicable rate of interest for the various working capital facilities availed by our Company are typically linked to benchmark rates, such as the repo rate or marginal cost of lending rate of a specified lender over a specific period of time plus a specified spread per annum and are subjected to mutual discussions between the relevant lenders and our Company. The rate of interest applicable for the working capital facilities/ term loans ranges from 7.47% to 8.25%, vehicle loans ranges from 8.71% to 9.66%.

2. **Validity/Tenor:** The tenor of the borrowings varies from one type of facility to the other. The tenor of certain working capital facilities availed by our Company ranges up to 12 months from the date of sanction or drawdown. The tenor of certain of our working capital facilities are repayable on demand. The tenor of the other facilities ranges from a period of 12 months to 96 months, from the date of sanction.

3. **Penal Interest:** The terms of certain facilities availed by our Company prescribe various penalties for default in the repayment obligations of our Company, delay in creation of the stipulated security or in case of events of default. The terms of certain borrowings availed by our Company prescribe a penalty interest rate that ranges from 2% to 8% per annum over and above the applicable interest rate.

4. **Pre-payment:** Certain facilities allow for pre-payment of the outstanding amount by serving prior notice to the lender. Pre-payment may be subject to pre-payment penalties as may be prescribed. The prepayment penalty as per the terms of loan agreements ranges from 2 % to 4%.

5. **Restrictive Covenants:** Certain of our borrowing arrangements provide for covenants restricting certain corporate actions, and we are required to take the prior approval of the relevant lender before undertaking such corporate actions, such as following but not limited to:

   a. entering into any merger, de-merger, amalgamation, reorganisation or consolidation or formulating any scheme of reconstruction, arrangement or compromise;

b. winding up, liquidating or dissolving our Company's affairs or taking any steps for its voluntary winding up or liquidation or dissolution;

c. declaring or paying any dividend or authorizing or making any distribution to its shareholders: (i) unless it has paid all the dues in respect of the facility up to the date on which the dividend is proposed to be declared or paid, or has made satisfactory provisions therefor, or (ii) if an event of default has occurred and is subsisting or would occur as a result of such declaration or payment of dividend or authorisation or making of distribution;

d. agreeing, authorising or otherwise providing consent to any proposed settlement, of any litigation, arbitration or other dispute which may have a material adverse effect;

e. permitting any change in the general nature of the business of the Company;

f. permitting any change in the ownership/control/management (including by pledge of promoter/sponsor shareholding in the Company to any third party);

g. changing the constitution or constitutional documents of our Company;

h. availing any further loan or facility from any person and/or stand surety or guarantor for any third party liability or obligation;

i. creating encumbrance or any security interest over the assets of the Company, save as permitted under the sanction letter and no immovable asset, shares and securities of the guarantor shall be encumbered/ disposed off;

j. occurrence of any event or the existence of any circumstances which constitutes or results in any declaration, representation, warranty, covenant or condition under the transaction documents being or becoming untrue or incorrect in any respect;

k. any loss or damage which the Company may suffer due to any event or circumstance or act of god;

l. prepayment of any principal or interest on any loans availed by the Company from the shareholders/directors;

m. entering into any contract or similar arrangement whereby its business or operations are managed or controlled, directly or indirectly, by any other person;

n. obtaining any facilities from a related party unless the Company cause such related party to submit an undertaking to the lender confirming that the financial debt extended by the related party to the Company shall not be assigned or transferred to any person other than another related party or a lender or a financial institution;

o. Entering into any related party transaction exceeding 5% of the turnover of our Company without prior written consent of our banker;

p. Undertake any trading activity other than the sale of produce arising out of our Company's own manufacturing/ trading operations;

q. Paying guarantee commission to the guarantors whose guarantees have been stipulated / furnished for the credit limits sanctioned by the Lender;

r. Changing the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees except where mandated by any legal or regulatory provisions;

s. Declaring dividends for any year except out of profits relating to that year after making all due and necessary provisions and subject to the condition that there has been no default pertaining to any repayment obligations; and

t. Investing by way of share capital or lending or advancing funds to or placing deposits with any other concern, including sister / associate / family / subsidiary/ group concerns. However, normal trade credit or security deposits in the normal course of business or advances to employees can be excluded.

u. Specific Conditions: Minimum MIB of ₹345.00 million to be maintained during currency of limit by March 2023.

v. Specific Conditions: Minimum MIB of ₹ 670.00 million (including capital reserves of ₹78.74 million) to be maintained during currency of limit. NWC levels to be maintained at min. of 25% levels during the currency of bank finance.

The above is an indicative list and there may be additional restrictive covenants under the various borrowing arrangements entered into by our Company.

6. **Events of Default:** The borrowing arrangements entered into by our Company contains standard events of default, including but not limited to:

   a. Failure or delay in making payment/repayment of any principal amount or interest on the relevant due dates;

   b. Default in performing any of the obligations under any borrowing facility or breaches of any terms or conditions as mentioned in the agreements entered between our Company and the lenders;

   c. Receipt of any notice/action in relation to actual or threatened liquidation/ dissolution/ bankruptcy/ insolvency/ ceasing to carry on business of our Company;

   d. Any material changes in the management or ownership of our Company without prior approval of the lender;

   e. Change in the general nature or scope of the business;

f. Failure by the Company or other obligors to create and perfect security as stipulated in the loan agreements;

g. If any circumstance or event occurs which is or is likely to prejudice, impair, imperil, depreciate or jeopardise any security or any part thereof;

h. Any action, arbitration, administrative, governmental, regulatory or other investigations, proceedings or litigations are commenced or threatened against the Company and/or any of the security providers or any of their assets which has or could reasonably be expected to have a material adverse effect;

i. Any of the information provided by the Company to avail the loan or any of his/her/their/its representations, warranties herein being found to be or becoming incorrect or untrue;

j. If the Company becomes bankrupt or insolvent or commits act of insolvency;

k. If there exist any circumstances which in the opinion of the lender, prejudicially, affects or may affect lenders interest or the Company's ability to pay the loan;

l. If any proceedings are pending or threatened against the Company by any government agency or authority for any misconduct or breach/violation of any law or regulations or code of conduct etc;

m. If any instrument for payment of money/monies is/are dishonored;

n. If there is reasonable apprehension of that the Company, co-borrower or the guarantor is unable to pay its debts or has admitted its inability to pay its debts, as they become payable;

o. Cross Default: Default under one or more agreements or instruments related to specified indebtedness as per the applicable threshold resulted in such indebtedness becoming, or becoming capable at such time being declared, due and payable under such agreement; and

p. If it is certified by an accountant appointed by the lender that the liabilities exceeds the assets, or accumulated losses equals to or exceeds 50% of its net worth or net worth in the immediately preceding five years is eroded or diminished by 50% or more.

The above is an indicative list and there may be additional events of default under the various borrowing arrangements entered into by our Company.

7. **Consequences of Events of Default:** In terms of the facility agreements and sanction letters, in case of occurrence of events of default set out above, our lenders may, among others:

   a. declare that all or part of the loan obligations be immediately due and payable and to recover such loan obligations;

   b. cancel the undrawn commitment and suspend withdrawals under the facilities;

   c. take necessary steps to recover the amount disbursed under the facilities;

d. declare security created pursuant to the terms of the transaction documents to be enforceable;

e. exercise any of the rights/remedies available to the lenders under the financing documents and/or applicable laws, including RBI guidelines;

f. review the management structure and board and review the conditions for the appointment or re-appointment of the managing director or any other person holding substantial powers of management, by whatever name called;

g. appoint a nominee and/or observer on the board as may be required by the lender;

h. appoint any person engaged in technical, management or any other consultancy business to inspect and examine the working of the Company and/or the assets, including its premises, factories, plants and units, and to report to the lender;

i. appoint any chartered accountants/cost accountants, as auditors, for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by the Company for its working or as concurrent or internal auditors, or for conducting a special audit of the Company;

j. convert the outstanding loan obligations into equity or other securities. The Company shall provide shareholder resolution/ authorization allowing lender the right to facilitate such conversions; and

k. at the cost of the Company, initiate, pursue, defend such proceedings/actions, whether criminal, civil or otherwise in nature, against the Company or any other person, as deemed necessary by the lender.

The details provided above are indicative and there may be such other additional terms, conditions and requirements under the borrowing arrangements entered into by our Company.

For further details of financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. Any defaults could lead to acceleration of our repayment obligations, cross defaults under other financing agreements, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition*" on page 68.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Information for the three month ended June 30, 2025 and for the Fiscals 2025, 2024 and 2023 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI (ICDR) Regulations 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our special purpose audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Forward Looking Statements" and "Risk Factors" on pages 27 and 44 respectively, and elsewhere in this Draft Red Herring Prospectus.

Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12 months ended March 31 of that year.

Business Overview

We are an integrated fabric manufacturing and processing company engaged in the production of value added products. Leveraging advanced technology, well established production capabilities and stringent quality systems, we convert raw textiles into finished, high-quality fabrics. Our model enables us to offer a diversified product portfolio, maintain consistent quality, support innovation in fabric development and provide our customers with reliable, cost-efficient and timely solutions, thereby positioning us as a preferred partner for brands seeking consistency, innovation and faster delivery timelines. We specialize in the manufacturing of 100% cotton fabric, cotton lycra (stretch) fabric, cotton blends, polyester blends, and in the processing of fabric including 100% cotton, cotton blends, polyester-viscose (P/V) and polyester fabric.

Our manufacturing process commences with (i) the procurement of greige fabric from third-party suppliers; or (ii) the procurement of yarn, which is subsequently converted into greige fabric through outsourced job-work arrangements undertaken in accordance with our technical specifications. Upon receipt of the greige fabric, all subsequent processing operations, including bleaching, dyeing and finishing, are carried out in-house at our manufacturing facility. Through these processes, we convert greige fabric into finished fabric of the requisite quality, specifications and end-use requirements.

Key Performance Indicators

In evaluating our business, we consider and use certain key performance indicators that are presented below as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for the Restated Financial Information included in this Draft Red Herring Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. Further, these key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. A list of our KPIs for the period ended June 30, 2025 and the Fiscals 2025, 2024 and 2023 is set out below:

(₹ in million, unless stated otherwise)

Key Performance Indicators (KPIs)	Unit	Three Months Period ended June 30, 2025*	Fiscal 2025	Fiscal 2024	Fiscal 2023
FINANCIAL KPIs					
Revenue from Operations(1)	₹ in million	1,042.35	3,159.52	1,209.79	939.12
EBITDA(2)	₹ in million	163.43	581.19	284.87	180.76
EBITDA Margin(3)	in %	15.68%	18.39%	23.55%	19.25%
Net Profit after tax (4)	₹ in million	47.98	185.63	130.95	25.09
Net Profit Margin(5)	in %	4.60%	5.88%	10.82%	2.67%
Return on Net Worth(6)	in %	6.62%	34.08%	40.46%	14.96%
Return on Capital Employed(7)	in %	3.79%	16.97%	16.18%	32.69%
Debt-Equity Ratio(8)	in times	2.81	2.96	3.72	1.75
OPERATIONAL KPIs					
Sale of Services(9)	in %	21.79%	30.12%	88.72%	97.47%
Sale of Goods(10)	in %	78.21%	69.88%	11.28%	2.53%
Days Working Capital(11)	in days	104	122	104	103
Inventory Days(12)	in days	165	115	127	129
Debtors Days(13)	in days	70	48	44	58
Creditors Days(14)	in days	96	57	54	50

**Not Annualised*

As certified by Statutory Auditors of our Company, pursuant to their certificate dated December 11, 2025.

Notes:

(1) Revenue from operations means the Revenue from Operations as appearing in the Restated Financial Information.

(2) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit/ (loss) before exceptional items and tax for the period/fiscal and adding back finance costs and depreciation and amortization expenses.
(3) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.
(4) Net Profit after tax represents the restated profits of our Company after deducting all expenses.
(5) Net Profit margin is calculated as restated net profit after tax for the period/fiscal divided by revenue from operations.
(6) Return on Net Worth is calculated as Net Profit after tax as restated for the end of the period/fiscal divided by Average Net worth as at the end of the period/fiscal. Average net worth means the average of the net worth of current and previous period/fiscal. Net worth means the aggregate value of the paid-up share capital and other equity.
(7) Return on capital employed) is calculated as Earnings before interest and taxes divided by average capital employed (average capital employed is calculated as average of the total equity, total borrowings and deferred tax liabilities (net of deferred tax assets) of the current and previous period/fiscal.
(8) Debt-equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity includes the aggregate value of the paid-up share capital and other equity.
(9) Sale of Services is calculated as revenue from sale of services as appearing in the Restated Financial Information, divided by the total revenue from operations.
(10) Sale of Goods is calculated as revenue from sale of goods as appearing in the Restated Financial Information, divided by the total revenue from operations.
(11) Days Working Capital is arrived at by dividing working capital (current assets excluding cash and cash equivalents and bank balances less current liabilities excluding short term borrowings) by revenue from operations multiplied by the number of days in the period/fiscal (91/365).
(12) Inventory Days =Number of days during the period/fiscal (91/365)/ (Cost of Goods Sold/average Inventory at the beginning and end of the Period/Fiscal).
(13) Debtor Days = Number of days during the period/fiscal (91/365)/ (Revenue from Operations/average Trade Receivables at the beginning and end of the Period/Fiscal).
(14) Creditor Days = Number of days during the period/fiscal (91/365)/ (Net Purchases /average Trade Payables at the beginning and end of the Period/Fiscal).

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business activities or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months, except as disclosed below:

- Sionnah Enterprises Private Limited was incorporated as a wholly owned subsidiary of Sonaselection India Limited on July 01, 2025. Hence Consolidated Financial Statement is not required.

- The Company had issued 96,608 Compulsorily Convertible Debentures (CCDs) at a face value of ₹10 each at a premium of ₹725 per debenture, aggregating to ₹71.01Million on September 16, 2024. The CCDs were mandatorily convertible into Equity Shares at a ratio of 1:1 (one Equity share for each CCD held) within 18 months of issue. In accordance with terms of the issue, these CCDs were converted into Equity Shares on August 20, 2025. However, as the company had issued bonus shares during the year ended March 31, 2025 in the ratio of 1:4 (four bonus shares for every one share held), the company had allotted Equity shares to CCD holders in the ratio of

1:5 (one equity share and four bonus shares for each CCD held), resulting in the allotment of 4,83,040 Equity Shares of the Company. Consequent to the conversion, the CCD liability has been fully extinguished, and the corresponding amount has been transferred to Share Capital and Securities Premium Account.

- Increase in Authorised Share Capital: The Company has increased its authorised share capital from ₹ 220.00 Million (2,20,00,000 equity share of ₹ 10 each) to ₹ 600.00 Million (6,00,00,000 equity share of ₹ 10 each) pursuant to a resolution passed at the Extraordinary General Meeting (EGM) of shareholders held on November 04, 2025.

- Bonus Issue: Subsequent to the reporting date, pursuant to the approval of shareholders granted in the extra-ordinary General meeting held on November 04, 2025, the company issued and allotted fully paid up 'bonus share' at par in proportion of 16 new equity share of ₹ 10 each for every 10 existing fully paid up equity share of ₹ 10 each held on the record date of November 07, 2025.

- Subsequent to the reporting date but before the date of signing of the restated financial information, the list of promoters and their current shareholding is as follows:

Name of the Promoter	No of Shares	Shareholding (%)
Deepank Bhandari	20,085,000	47.23%
Sona Polyspin Private Limited	11,765,000	27.66%
Harshil Nuwal	8,449,935	19.87%
Uma Nuwal	13	0.00%
Subhash Chandra Nuwal	-	-

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factors*" on page 44. Our results of operations and financial conditions are affected by numerous factors including the following:

1 A major portion of our revenue from operations is dependent upon a limited number of customers, our revenue from our top ten customers is ₹352.35 million, ₹1,199.85 million, ₹582.51 million and ₹425.77 million constituting 33.80%, 37.98%, 48.15% and 45.34% of our overall revenue from operations for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively. Loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.

2 We depend on a certain limited set of suppliers for the supply of primary raw materials. Our procurement of raw materials from our top ten suppliers is ₹616.49 million, ₹2,124.48 million, ₹407.37 million and ₹409.08 million constituting 68.92%, 80.74%, 77.52% and 74.33% of our overall procurement for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively. Any loss of suppliers or interruptions in the timely delivery of supplies and services could have an adverse impact on our business, financial condition, cash flows and results of operations.

3 Our Manufacturing Facility and Registered Office are located in Rajasthan, and a significant portion of our revenue amounting to ₹369.72 million, ₹1,594.57 million, ₹1,153.06 million and ₹911.10 million constituting 35.47%, 50.47%, 95.31% and 97.02% of our total revenue from operations for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023 respectively is also derived from this state. Further, our procurement from Rajasthan amounted to ₹858.13 million, ₹2587.97 million, ₹505.83 million and ₹457.88 million constituting 95.93%, 98.36%, 96.26% and 83.19% of purchases for the Three Months Period ended June 30, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023. As a result, we are exposed to geographic concentration risks that may adversely affect our operations, financial condition, and results of operations.

4 Any slowdown or shutdown of our manufacturing operations at our manufacturing facility could have an adverse effect on our business, financial condition and results of operations

5 We are subject to stringent quality requirements from our buyers. Any failure to meet prescribed quality specifications may result in product rejections, loss of customer confidence, and reputational damage, which could adversely affect our business and results of operations.

6 Under-utilisation of our manufacturing capacity and an inability to effectively utilize our manufacturing capacity could have an adverse effect on our business, future prospects and future financial performance.

7 There are outstanding litigations involving our Company, Promoters, Directors and SMP. An adverse outcome in any of these proceedings may affect our reputation and standing and impact our future business and could have a material adverse effect on our business, financial condition, cash flows and results of operations.

8 We have experienced negative cash flows in the past, and sustained or significant negative cash flows may adversely affect our business, financial condition and growth prospects.

9 Some of the members of our Promoter Group have not consented to the inclusion of, nor have they provided, information or any confirmations or undertakings pertaining to themselves or the entities in which they hold interest, which are required to be disclosed in relation to Promoter Group under the SEBI ICDR Regulations in this Draft Red Herring Prospectus. The disclosures relating to these members of the Promoter Group have been included in this Draft Red Herring Prospectus based on information available in public domain. Accordingly, we cannot assure you that the disclosures relating to such members of our Promoter Group are accurate, complete, or updated. Further, details in relation to Connected Entities which may qualify as a member of our Promoter Group have not been disclosed in this Draft Red Herring Prospectus.

10 We have significant working capital requirements and our inability to meet such working capital requirements may have an adverse effect on our results of operations.

BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

A. Corporate Overview

Sonaselection India Limited (the "Company"), incorporated on 11th February, 2022, is a Company domiciled in India and limited by shares (CIN: U17299RJ2022PLC079631). The address of the Company's Registered Office and Plant location situated at 18th K.M. Stone, Chittorgarh Road, Hamirgarh, Bhilwara, Rajasthan, India, 311025. The company is engaged in manufacturing and processing of all type of textile fabrics.

B. Basis of Preparation of Restated Financial Information

The Restated Financial Information comprises of:
Restated Statement of Assets and Liabilities of the Company as at 30th June, 2025, 31st March, 2025, 31st March, 2024 and 31st March 2023, the Restated Statement of Profit and Loss (including Other Comprehensive Income/Loss), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the period ended 30th June, 2025 and year ended 31st March, 2025, 31st March, 2024 and 31st March 2023, and the summary of material accounting policies and explanatory notes (collectively 'the Restated Financial Information);

These Restated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') in connection with the proposed initial public offering of equity shares of face value of Rs. 10 each of the Company (the "Issue"), in terms of the requirements of:

1. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
2. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended;
3. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

The Restated Financial Information have been extracted by the Management from:

The audited special purpose Ind AS financial statements of the company as at and for the Three Months Period ended June 30, 2025 and each of the years ended March 31, 2025, March 31, 2024 and March 31, 2023 (together hereinafter referred as the "Special Purpose Ind AS Financial Statements") each prepared in accordance with the Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 27, 2025. The Special Purpose Ind AS Financial Statements for year ended March 31, 2025 and March 31, 2024 had been prepared by making adjustments required under Ind AS to the audited IGAAP financial statements of the Company as at and for each of the years ended March 31, 2025 and March 31 2024 (the "Statutory Indian GAAP Financial Statements") prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended, and other accounting principles generally accepted in India, which were approved by the Board of directors at their meeting held on May 19, 2025 and September 02, 2024, respectively.

C. Basis of Measurement/Use of Estimates and judgements

(i) The Financial Statements are prepared on going concern basis under the historical cost convention and on accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

(ii) The statement of cash flows has been prepared under indirect method, whereby profit or loss 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 items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(iii) The preparation of Financial Statements requires judgments, estimates and assumptions that affect the reported amount of Assets and Liabilities, disclosure of Contingent Liabilities on the date of the Financial Statements and the reported amount of Revenues and Expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

D. Functional and Presentation Currency

These Financial Statements are presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR has been rounded to the nearest million (up to two decimals), except as stated otherwise

E. Current and Non-Current classification

The Company presents Assets and Liabilities in the Balance Sheet based on Current/Non-Current classification.

An Asset is Current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A Liability is Current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or

There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred Tax Assets/Liabilities are classified as Non-Current.

F. Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company considers its operating cycle to be within one year.

G. Material Accounting Policies

A summary of the material Accounting Policies applied in the preparation of the Financial Statements are as given below. These Accounting Policies have been applied consistently to all periods presented in the Financial Statements.

1. Property, Plant & Equipment

Definition

Property, plant and equipment are tangible items that:

(A) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
(B) are expected to be used during more than one period.

Initial Recognition and Measurement

An item of Property, Plant and Equipment is recognised as an Asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of Property, Plant and Equipment are measured at Cost less Accumulated Depreciation and Accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognised separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalised.

Subsequent Costs

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant and Equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of Property, Plant and Equipment are recognised in Statement of Profit or Loss as and when incurred.

Derecognition

Property, Plant and Equipment are derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and Losses on disposal of an item of Property, Plant and Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant and Equipment, and are recognised in the Statement of Profit and Loss.

Depreciation

Assets are depreciated using straight line method over the estimated useful life of the asset as specified in Part “C” of Schedule II of Companies Act, 2013 after retaining residual life of 5% of original cost. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets.
Depreciation on additions to/deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.
Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortised depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
In circumstance, where a property is abandoned, the cumulative capitalised costs relating to the property are written off in the same period.

2. Capital Work-in-Progress

"The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.
Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

3. Intangible Assets and Intangible Assets under Development

Initial recognition and measurement
An Intangible Asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognised at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.
Expenditure on development activities is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.
Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

Subsequent Costs

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Derecognition

An Intangible Asset is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and Losses on disposal of an item of Intangible Assets are determined by comparing the proceeds from disposal with the carrying amount of Intangible Assets and are recognised in the Statement of Profit and Loss.

Amortization

Intangible Assets having definite life is amortised on straight line method in their useful lives. Useful life of Computer Software is estimated at five years.

4. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, exploration, development or erection of qualifying assets are capitalised as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of:
(a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments',
(b) finance charges in respect of finance leases recognised in accordance with Ind AS 116 – 'Leases'
(c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and,
(d) other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.
All other borrowing costs are charged to revenue as and when incurred.

5. Inventories

Finished Goods are valued at the lower of cost and net realisable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw materials, components, stores and spares and work-in progress are valued at cost. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Inventories being stock-in-trade are valued at the lower of cost and net realisable value. Inventories being stock-in-trade are valued at the lower of cost and net realisable value. Spare parts other than those capitalised as Property, Plant and Equipment are carried as inventory.

The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

7. Cash and Cash Equivalent

Cash and cash equivalent in the Balance Sheet comprises Cash at Banks, Cash on Hand and ShortTerm Deposits with an original maturity of three month or less, which are subject to insignificant risk of change in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, cash in hand, and short-term deposits, as defined above.

8. Government Grants

Government grants are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. When the government grant relates to an asset, the asset is disclosed by deducting that grant in arriving at the carrying amount of that asset. Government grants that compensate the Company for expenses incurred are recognised in the statement of profit and loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

9. Provisions, Contingent Liabilities and Contingent Assets

Provisions
A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent Liabilities

Contingent Liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a Contingent Liability, unless the probability of outflow of economic benefits is remote. Contingent Liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets

Contingent Assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent Assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

10. Foreign Currency Transactions and Translation

Transactions in foreign currencies are initially recorded at the functional currency rates at the date the transaction first qualifies for recognition. Monetary Assets and Liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss in the year in which it arises.

11. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration the company is entitled in exchange for those goods or services.
Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (Net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of discounts, rebates, credits, price incentives or similar terms.

A. Sale of goods

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.
Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.
In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

B. Rendering of services

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.
Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.
In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

C. Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

12. Other Income

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

Dividend income is accounted in the period in which the right to receive the same is established.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably

12. Employee Benefits

i. DEFINED BENEFIT OBLIGATIONS

(a) Post-employment benefits (Gratuity):

The liability recognised in balance sheet in respect of gratuity (unfunded) is the present value of defined benefit obligation at the end of reporting period less fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using projected unit credit method.

Remeasurement actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement if changes in equity and in the balance sheet.

(b) Other employee benefits:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

ii. DEFINED CONTRIBUTION PLAN:

Company pays contributions to provident fund, employee pension scheme and employee state insurance as per statutes/ amounts as advised by the Authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plan and the contributions are recognised as employee benefit expense when they are due.

iii. SHORT-TERM BENEFITS:
Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of reporting period in which the employees rendered the related services are recognised in respect of employee's service up to the end of reporting period and are measured at the amount expected to be paid when the liabilities are settled. These liabilities are presented as current employee benefit obligations in the balance sheet.

13. Income Taxes
Income Tax Expense comprises Current and Deferred Tax. Current Tax Expense is recognised in Statement of Profit and Loss A/c except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which it is recognised in OCI or Equity.

CURRENT TAX
Current Tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current Income Taxes are recognised under 'Income Tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

DEFERRED TAX
Deferred Tax is recognised using the Balance Sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred Tax Assets and Liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle Current Tax Liabilities and Assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred Tax is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in OCI or Equity, in which case it is recognised in OCI or Equity.

A Deferred Tax Asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

14. Financial Instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

Financial Assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Subsequent measurement of financial assets is described below -

Financial Assets (Debt instruments) at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorised as at amortised cost or as FVTOCI, is classified as at FVTPL.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, the credit quality of the instrument improves then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

In respect of Trade receivables or any financial asset that result from transactions that are within the scope of Ind AS 115, company follows 'simplified approach' for recognition of impairment loss allowance within the scope of Ind AS 115, if they do not contain a significant financing component. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial Liabilities

Initial recognition and measurement
All Financial Liabilities are recognised at fair value and in case of loans, net of directly attributable transaction cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent Measurement
Financial Liabilities are carried at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value of the instrument.

Derecognition
A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative Financial Instrument
The Company uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value on the reporting date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to cash flow hedge reserve through Statement of Other Comprehensive Income.

These are accounted for as follows:

a) Cash flow hedge

When derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

b) Fair Value Hedge

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

15. CSR Expenditure

The Company undertakes Corporate Social Responsibility (CSR) activities as per Section 135 of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014. CSR expenditure includes amounts incurred on activities that are approved as ongoing projects by the Board in line with the CSR policy and applicable law.

CSR expenditure is recognised in the Statement of Profit and Loss in the period in which it is incurred. For ongoing projects, any unspent amount at the end of the financial year is transferred to a separate "Unspent CSR Account" with a scheduled bank within 30 days from the end of the financial year, in accordance with Section 135(6) of the Act. Such amounts are spent within the timelines prescribed under Rule 4(6) of the CSR Rules.

The Company does not capitalize any CSR expenditure unless it results in the creation of an asset controlled by a qualifying entity as specified under Rule 7(4) of the CSR Rules.

16. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Company's Board has identified the CODM who is responsible for financial decision making and assessing performance. The Company has a single operating segment as the operating results of the Company are reviewed on an overall basis by the CODM.

17. Lease

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.
The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset.

Initial Measurement

Lease Liability: At the commencement date, a Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate. Right-of-use assets: initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent Measurement

Lease Liability: Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications. Right-of-use assets: subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short Term Lease Or Low Value Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease.

Low value lease is for which the underlying asset is of low value. If the company elected to apply short term lease/Low Value Lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee’s benefit.

18. Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the 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

19. Prior Period Items

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

20. Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

21. Events after reporting period

Material adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognised in the financial statements. Non-adjusting events (that are indicative of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represent material change and commitment affecting the financial position are disclosed in the reports of the board of directors.

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Set forth below are the principal components of statement of profit and loss from our continuing operations:

Total Income

Our total income comprises of (i) revenue from operations and (ii) other income.

Revenue from Operations

Revenue from operations comprises of: (i) Sale of Services and (ii) Sale of Products

Other Income

Other income includes (i) Interest Income on Fixed deposit with Bank; (ii) Interest Income on Security deposit with AVVNL; (iii) Store spares & chemical Sale; and (iv) Other income.

Expenses

Our expenses comprise of: (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 (iv) employee benefits expenses; (v) finance costs; (vi) depreciation and amortised expenses; and (vii) other expenses.

Cost of Material Consumed

Cost of Material Consumed denote the sum of inventory at the beginning of fiscal, purchases of raw materials, less inventory at the end of the fiscal.

Purchase of Stock-in-Trade

Purchase of Stock-in-Trade denote the purchases made during the fiscal.

Changes in inventories of finished goods, work in progress and stock-in-trade

Changes in inventories of finished goods, work in progress and stock-in-trade denote the difference between inventory at the beginning of the fiscal and inventory at the end of the fiscal.

Employee Benefits Expense

Employee benefits expenses include (i) salaries and wages (including bonus); (ii) leave encashment and gratuity; (iii) contributions to provident and other funds, and (v) staff welfare expenses.

Finance Costs

Finance cost includes (i) interest on term loans; (ii) interest on working capital loans; (iii) interest on vehicle loans; (iv) interest on unsecured loan; (v) interest on others, (vi) interest subsidy, and (vii) Bank processing charges.

Depreciation and Amortization expenses

Depreciation and amortization expenses include (i) Depreciation on tangible assets, and (ii) amortization of intangible assets.

Other Expenses

Other expenses includes:

(A) Operating and Manufacturing Overheads which further includes (i) Consumption of stores and spare parts; (ii) Consumption of packing material; (iii) Power Expenses; (iv) Effluent Treatment & Water Expenses; (v) Repairs and maintenance - Buildings; (vi) Repairs and maintenance - Machinery; (vii) Job Processing charges & Job Weaving & Sizing Charges;

(B) Establishment Expenses which further includes (viii) Bank Charges; (ix) Advertisement Expenses; (x) Membership & Subscription Fees; (xi) Festival & Pooja Expenses; (xii) Share Issued Expenses; (xiii) Repair - Others; (xiv) Donation Expenses; (xv) Director Remuneration; (xvi) Insurance Charges; (xvii) Legal & Professional Expenses; (xviii) Office Expenses; (xix) Payment to Auditors; (xx) Printing & Stationary Expenses; (xxi) Rent Expenses; (xxii) Rate & Taxes Expenses; (xxiii) Telephone & Internet charges; (xxiv) Sundry Balance Written off; (xxv) Independent Director Sitting fees; (xxvi) Postage & Courier Expenses; (xxvii) CSR expenses; (xxviii) Loss on Sale of Fixed Assets; (xxix) Travelling & conveyance Expenses;

(C) Selling and Distribution Expenses which further includes (xxx) Freight and forwarding (xxxi) Cash discount and (xxxii) Agency commission.

Our Results of Operations

The following table sets forth selective financial data from our restated statement of profit & loss for the three month ended June 30, 2025 and for the fiscals 2025, 2024 and 2023, the components of which are also expressed as a percentage of revenue from operations for such fiscals:

(₹ in million, unless stated otherwise)

Particulars	Three Months Period ended June 30, 2025*		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	As a % of revenue from operations	Amount	As a % of revenue from operations	Amount	As a % of revenue from operations	Amount	As a % of revenue from operations
Income:								
Revenue from Operations	1,042.35	100.00%	3,159.52	100.00%	1,209.79	100.00%	939.12	100.00%
Other Income	1.54	0.15%	5.14	0.16%	3.31	0.27%	1.99	0.21%
Total Income	1,043.89	100.15%	3,164.66	100.16%	1,213.10	100.27%	941.11	100.21%
Expenses:								
Cost of Material Consumed	648.86	62.25%	2,177.82	68.93%	529.43	43.76%	461.47	49.14%
Purchase of Stock-in-Trade	59.53	5.71%	14.60	0.46%	5.36	0.44%	27.21	2.90%
Changes in Inventories in Finished Goods, Work-in-Progress and Stock-in-Trade	(96.22)	(9.23)%	(345.46)	(10.93)%	(52.03)	(4.30)%	(76.16)	(8.11)%
Employee Benefits Expense	106.88	10.25%	356.30	11.28%	203.45	16.82%	144.16	15.35%
Finance Costs	43.96	4.22%	147.25	4.66%	47.45	3.92%	24.44	2.60%
Depreciation and Amortization Expenses	51.94	4.98%	173.14	5.48%	67.97	5.62%	35.90	3.82%
Other Expenses	161.41	15.49%	380.21	12.03%	242.02	20.01%	203.67	21.69%
Total Expenses	976.36	93.67%	2,903.86	91.91%	1,043.65	86.27%	820.69	87.39%
Profit before tax	67.53	6.48%	260.80	8.25%	169.45	14.01%	120.42	12.82%
Less: Tax Expense								
Current Tax	11.80	1.13%	45.74	1.45%	29.90	2.47%	32.20	3.43%
Less : MAT Credit Entitlement	7.90	0.76%	(24.85)	(0.79)%	(1.43)	(0.12)%	-	0.00%
Deferred Tax	(0.15)	(0.01)%	54.28	1.72%	10.03	0.83%	63.13	6.72%
Total Tax Expense	19.55	1.88%	75.17	2.38%	38.50	3.18%	95.33	10.15%
Profit / (Loss) from the period	47.98	4.60%	185.63	5.88%	130.95	10.82%	25.09	2.67%

Results of Operations for the Three Months Period ended June 30, 2025:

Total Income

Our total income amounted to ₹ 1,043.89 million for the Three Months Period ended June 30, 2025, which was on account of revenue from operations and other income as described below:

Revenue from operations

Our revenue from operations was ₹ 1,042.35 million during the Three Months Period ended June 30, 2025. This mainly comprises sale of services and sale of products amounting to ₹ 227.17 million and ₹ 815.18 million respectively.

Other income

Our other income amounted to ₹ 1.54 million during the Three Months Period ended June 30, 2025.

Expenses

Our total expenses, excluding tax amounted to ₹ 976.36 million for the Three Months Period ended June 30, 2025 representing 93.67 % of our revenue from operations.

Cost of material consumed

Our cost of material consumed was ₹ 648.86 million representing 62.25 % of revenue from operations for the Three Months Period ended June 30, 2025.

Purchase of stock-in-trade

Our purchase of stock-in-trade was ₹ 59.53 million representing 5.71 % of our revenue from operations for the Three Months Period ended June 30, 2025.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of finished goods, work-in-progress and stock-in-trade was ₹ (96.22) million, representing (9.23) % of our revenue from operations for the Three Months Period ended June 30, 2025.

Employee benefit expenses

Our employee benefit expenses were ₹ 106.88 million representing 10.25 % of our revenue from operations for the Three Months Period ended June 30, 2025.

Finance costs

Our finance costs were ₹ 43.96 million representing 4.22 % of our revenue from operations for the Three Months Period ended June 30, 2025.

Depreciation and amortization

Our depreciation and amortization expenses was ₹ 51.94 million representing 4.98 % of the revenue from operations for the Three Months Period ended June 30, 2025.

Other expenses

Our other expenses were ₹ 161.41 million representing 15.49 % of our revenue from operations for the Three Months Period ended June 30, 2025.

Profit before tax

Our profit before tax was ₹ 67.53 million representing 6.48 % of our revenue from operations for the Three Months Period ended June 30, 2025.

Tax expenses

Our tax expense was ₹ 19.55 million representing 1.88 % of our revenue from operations for the Three Months Period ended June 30, 2025. It was on account of current tax of ₹ 11.80 million, MAT credit utilised of ₹ 7.90 million and deferred tax of ₹ (0.15) million.

Profit after tax

Due to the above-mentioned reasons, our profit after tax was ₹ 47.98 million representing 4.60 % of our revenue from operations for the Three Months Period ended June 30, 2025.

RESULTS OF OPERATIONS INFORMATION FOR THE FISCAL 2025 COMPARED WITH FISCAL 2024

(₹ in million, unless stated otherwise)

Particulars	Fiscal 2025	Fiscal 2024	Change in ₹ Million	Change in %
Income:				
Revenue from Operations	3,159.52	1,209.79	1,949.73	161.16%
Other Income	5.14	3.31	1.83	55.29%
Total Income	**3,164.66**	**1,213.10**	**1,951.56**	**160.87%**
Expenses				
Cost of Materials Consumed	2,177.82	529.43	1,648.39	311.35%
Purchases of Stock-in-Trade	14.60	5.36	9.24	172.39%
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(345.46)	(52.03)	(293.43)	(564.02)%
Employee Benefits Expense	356.30	203.45	152.85	75.13%
Finance Costs	147.25	47.45	99.80	210.33%
Depreciation and Amortization Expenses	173.14	67.97	105.17	154.73%
Other Expenses	380.21	242.02	138.19	57.10%
Total Expenses	**2,903.86**	**1,043.65**	**1,860.21**	**178.24%**

Particulars	Fiscal 2025	Fiscal 2024	Change in ₹ Million	Change in %
Profit Before Tax	**260.80**	**169.45**	**91.35**	**53.91%**
Less: Tax Expense				
Current Tax	45.74	29.90	15.84	52.98%
Less : MAT Credit Entitlement	(24.85)	(1.43)	(23.42)	(1637.76)%
Deferred Tax	54.28	10.03	44.25	441.18%
Total Tax Expense	**75.17**	**38.50**	**36.67**	**95.25%**
Profit for the Year	**185.63**	**130.95**	**54.68**	**41.76%**

Total Income

Our total income has increased by 160.87% from ₹1,213.10 million in fiscal 2024 to ₹3,164.66 million in fiscal 2025 due to increase in revenue from operations and other income by 161.16% and 55.29% respectively.

Revenue from Operations

Our revenue from operations has increased by 161.16% from ₹1,209.79 million in fiscal 2024 to ₹3,159.52 million in fiscal 2025. The increase is reflected by increase in sale of products by ₹2,071.37 million which is partly set off by a decrease in sale of services by ₹121.64 million. The changes can be attributed to the following reasons:

- Bangladesh has long been a formidable player in the global textile market, primarily due to its competitive labour costs and preferential trade agreements. However, recent political unrest and economic challenges have disrupted its garment sector, creating a significant opportunity for India to capitalize on the shifting dynamics. *(Source: CareEdge Report).* Leveraging these emerging prospects, the company expanded its manufacturing capabilities in fabric processing by commissioning an additional 2.37 million meters per month of capacity in July 2024.
- As a result, the revenue from fabric sales increased from ₹136.50 million in Fiscal 2024 to ₹2,207.87 million in Fiscal 2025 indicating an increase of ₹2,071.37 million.
- Moreover, the company earned revenue from 13 states during the Fiscal 2025 as compared to 7 states during Fiscal 2024 which is reflected by an increase in selling and distribution expenses from ₹21.41 million in Fiscal 2024 to ₹54.53 million in Fiscal 2025, driven by enhanced sales and distribution activities

Other Income

Our other income was ₹5.14 million in Fiscal 2025 as compared to ₹3.31 million in Fiscal 2024, indicating an increase of 55.29%. Such increase is primarily on account of increase in (i) interest income on fixed deposit with bank by ₹ 1.50 million, (ii) interest income on security deposit with AVVNL by ₹ 0.27 million, and (iii) store spares & chemical sale by ₹ 0.07 million; during Fiscal 2025.

Total Expenses

Our total expenses have increased by 178.24% from ₹ 1,043.65 million in Fiscal 2024 to ₹ 2,903.86 million in Fiscal 2025. This increase was primarily on account of increase in; (i) cost of material consumed by ₹ 1,648.39 million; (ii) purchase of stock-in-trade by ₹ 9.24 million; (iii) employee benefit expenses of ₹ 152.85 million; (iv) finance costs by ₹ 99.80 million; (v) depreciation and amortization expense by ₹ 105.17 million; and (vi) other expenses by ₹ 138.19 million. The increase was partially offset by a decrease in changes in inventories of finished goods, work in progress and stock-in-trade by ₹ 293.43 million.

Cost of Material Consumed

Cost of material consumed increased by 311.35% from ₹529.43 million in Fiscal 2024 to ₹2,177.82 million in Fiscal 2025. Such increase can be attributed to increase in consumption of; (i) dyes and chemicals by ₹ 81.00 million; (ii) yarn by ₹ 116.55 million; (iii) greige fabric by ₹ 1,408.83 million; and (iv) coal and fuel by ₹ 42.01 million. There was an increase in consumption of griege fabric as the company has shifted to towards in-house processing of greige fabric instead of job work. Consequently, the cost of material consumed as a percentage of revenue increased from 43.76% in Fiscal 2024 to 68.93% in Fiscal 2025.

Purchase of Stock-in-Trade

Purchase of stock-in-trade increased by 172.39%, from ₹5.36 million in Fiscal 2024 to ₹14.60 million in Fiscal 2025, due to increase in overall operations during Fiscal 2025.

Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade

Change in inventories of finished goods, work in progress and stock-in-trade decreased from ₹(52.03) million in Fiscal 2024 to ₹(345.46) million in Fiscal 2025, on account of higher accumulation of inventories in Fiscal 2025.

Employee Benefit Expenses

Employee Benefit Expenses increased by 75.13% from ₹203.45 million in Fiscal 2024 to ₹356.30 million in Fiscal 2025 on account of deployment of additional workforce which led to increase in average headcount from 486 in Fiscal 2024 to 737 in Fiscal 2025. Such change can further be attributed to increase in (i) salaries and wages (including bonus) by ₹143.54 million; (ii) Leave encashment and Gratuity by ₹2.42 million; (iii) Contributions to Provident and other funds by ₹0.85 million; and (iv) Staff welfare expenses by ₹6.04 million.

Finance Cost

Finance cost increased by 210.33% from ₹ 47.45 million in Fiscal 2024 to ₹ 147.25 million in Fiscal 2025, on account of increase in (i) interest on term loans by ₹ 75.21 million; (ii) interest on working capital loans by ₹ 21.89 million; (iii) interest on vehicle loans by ₹ 0.33 million; (iii) interest on unsecured loans by ₹ 7.55 million which was partially offset by (i) decrease interest on others by ₹3.14 million; (ii) interest subsidy under RIPS policy received in Fiscal 2025 amounting to ₹ 3.14 million; and (iii) decrease in bank processing charges by ₹1.02 million.

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased by 154.73% from ₹ 67.97 million in Fiscal 2024 to ₹ 173.14 million in Fiscal 2025, on account of increase in depreciation on tangible assets by ₹105.17 million. Such increase is majorly on account of additions in tangible Assets during fiscal 2025 amounting to ₹1,122.60 million as compared to increase of ₹327.22 million during Fiscal 2024.

Other Expenses

Other expenses increased by 57.10% from ₹ 242.02 million in Fiscal 2024 to ₹ 380.21 million in Fiscal 2025. This was primarily due to the following reasons:

- Operating and manufacturing overheads increase by ₹ 95.74 million during the fiscal 2025. Such increase was majorly due to increase in (i) job processing charges & job weaving & sizing charges by ₹ 66.33 million; (ii) consumption of stores and spare parts by ₹ 10.45 million; (iii) consumption of packing materials by ₹ 9.85 million; and (iv) power expenses by ₹ 7.14 million.
- Establishment expenses increased by ₹ 9.33 million during the fiscal 2025, majorly on account of increase in: (i) travelling & conveyance expenses by ₹ 2.82 million; (ii) legal and professional fees by ₹ 1.86 million; (iii) share issue expenses by ₹ 1.78 million; (iv) membership & subscription fees by ₹ 1.68 million; and (v) printing & stationary expenses by ₹ 1.35 million. The increase was partially setoff by decrease in rate & taxes expenses by ₹ 3.45 million.
- Selling and distribution expenses increased by ₹ 33.12 million during the fiscal 2025, on account of increase in: (i) freight and forwarding charges by ₹ 13.24 million; (ii) cash discount by ₹ 14.19 million; and (iii) agency commission by ₹ 5.69 million.

Profit Before Tax

Profit before tax has increased by 53.91% from ₹169.45 million in Fiscal 2024 to ₹260.80 million in Fiscal 2025 as a result of overall increase in operations in Fiscal 2025.

Tax Expenses

Due to increase in our profit before tax, our current tax expense increased by 52.98% from ₹ 29.90 million in Fiscal 2024 to ₹ 45.74 million in Fiscal 2025 which was partially offset by MAT Credit Entitlement which decreased from ₹(1.43) million in Fiscal 2024 to ₹(24.85) million in Fiscal 2025. Moreover, on account of additions in property plant and equipment to increase the fabric processing capacity of the company, deferred tax expense increased by 441.18% from ₹10.03 million in Fiscal 2024 to ₹54.28 million in Fiscal 2025.

Profit After Tax

During the Fiscal 2025 the revenue from operations increased by 161.16%, however, total expenses as a percentage (%) of revenue from operation increased from 86.27 % in Fiscal 2024 to 91.91 % in Fiscal 2025. As a result, our profit after tax as a percentage of revenue from operations decreased from 10.82 % in Fiscal 2024 to 5.88 % in Fiscal 2025. Due to the aforesaid reasons, we recorded an increase of 41.76% in profit after tax from ₹130.95 million in Fiscal 2024 to ₹185.63 million in Fiscal 2025.

RESULTS OF OPERATIONS INFORMATION FOR THE FISCAL 2024 COMPARED WITH FISCAL 2023

(₹ in Million, unless stated otherwise)

Particulars	Fiscal 2024	Fiscal 2023	Change in ₹ million	Change in %
Income:				
Revenue from Operations	1,209.79	939.12	270.67	28.82%
Other Income	3.31	1.99	1.32	66.33%
Total Income	**1,213.10**	**941.11**	**271.99**	**28.90%**
Expenses				
Cost of Materials Consumed	529.43	461.47	67.96	14.73%
Purchases of Stock-in-Trade	5.36	27.21	(21.85)	(80.30)%
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(52.03)	(76.16)	24.13	(31.69)%
Employee Benefits Expense	203.45	144.16	59.29	41.13%
Finance Costs	47.45	24.44	23.01	94.15%
Depreciation and Amortization Expenses	67.97	35.90	32.07	89.33%
Other Expenses	242.02	203.67	38.35	18.83%
Total Expenses	**1,043.65**	**820.69**	**222.96**	**27.17%**
Profit Before Tax (I- II)	**169.45**	**120.42**	**49.03**	**40.72%**
Less: Tax Expense				
Current Tax	29.90	32.20	(2.30)	(7.14)%
Less : MAT Credit Entitlement	(1.43)	-	(1.43)	NA
Deferred Tax	10.03	63.13	(53.10)	(84.11)%
Total Tax Expense	**38.50**	**95.33**	**(56.83)**	**(59.61)%**
Profit for the Year (III-IV)	**130.95**	**25.09**	**105.86**	**421.92%**

Total Income

Our total income has increased by 28.90% from ₹941.11 million in fiscal 2023 to ₹1,213.10 million in fiscal 2024 due to increase in revenue from operations and other income by 28.82% and 66.33% respectively.

Revenue from Operations

Our revenue from operations has increased by 28.82% from ₹939.12 million in fiscal 2023 to ₹1,209.79 million in fiscal 2024. The increase was due to increase in; (i) sale of services by ₹157.90 million and (ii) Sale of products by ₹112.77 million, on account increase in overall operation.

Other Income

Our other income was ₹1.99 million in Fiscal 2023 as compared to ₹3.31 million in Fiscal 2024, which has increased by 66.33%, due to increase in (i) interest income on Fixed deposit with Bank by ₹ 1.72 million, (ii) interest income on Security deposit with AVVNL by ₹ 0.12 million and (iii) other income by ₹ 0.01 million during the fiscal 2025. The increase was partially set off by decrease in sale of store spares & chemical by ₹0.53 million.

Total Expenses

Our total expenses have increased by 27.17% from ₹ 820.69 million in Fiscal 2023 to ₹1,043.65 million in Fiscal 2024. This increase was primarily on account of increase in; (i) cost of material consumed by ₹ 67.96 million; (ii) changes in inventories of finished goods, work in progress and stock-in-trade by ₹ 24.13 million; (iii) employee benefit expenses by ₹ 59.29 million; (iv) finance costs by ₹ 23.01 million; (v) depreciation and amortization expense by ₹ 32.07 million and (vi) other expenses by ₹ 38.35 million. The increase was partially offset by decrease in purchase of stock-in-trade by ₹ 21.85 million.

Cost of Material Consumed

Cost of material consumed increased by 14.73%, in line with revenue from operations, from ₹ 461.47 million in Fiscal 2023 to ₹ 529.43 million in Fiscal 2024.

Purchase of Stock-in-Trade

Purchase of stock-in-trade decreased by 80.30%, from ₹ 27.21 million in Fiscal 2023 to ₹ 5.36 million in Fiscal 2024.

Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade

Change in inventories of finished goods, work in progress and stock-in-trade increased from ₹ (76.16) million in Fiscal 2023 to ₹ (52.03) million in Fiscal 2024, primarily on account of higher accumulation of inventories in Fiscal 2023.

Employee Benefit Expenses

Employee Benefit Expenses increased by 41.13% from ₹ 144.16 million in Fiscal 2023 to ₹ 203.45 million in Fiscal 2024, on account of increase in average employees from 449 in Fiscal 2023 to 486 in Fiscal 2024. Such change can further be attributed to increase in; (i) salaries and wages (including bonus) by ₹ 50.42 million; (ii) leave encashment and gratuity by ₹ 1.33 million; (iii) contribution to provident and other funds by ₹ 3.12 million; and (iv) Staff welfare expenses by ₹ 4.42 million.

Finance Cost

Finance cost increased by 94.15% from ₹ 24.44 million in Fiscal 2023 to ₹ 47.45 million in Fiscal 2024, on account of increase in; (i) interest on term loans by ₹8.12 million; (ii) interest on working capital loans by ₹8.97 million; (iii) interest on vehicle loans by ₹1.20 million; (iii) interest on unsecured loans by ₹2.17 million; (iv) interest on others by ₹1.30 million; and (v) bank processing charges by ₹1.25 million.

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased by 89.33% from ₹35.90 million in Fiscal 2023 to ₹67.97 million in Fiscal 2024, on account of increase in depreciation on tangible assets by ₹ 32.07 million. Depreciation on tangible assets increase primarily due to additions in tangible assets amounting to ₹ 327.22 million.

Other Expenses

Other expenses increased by 18.83% from ₹203.67 million in Fiscal 2023 to ₹242.02 million in Fiscal 2024. This was primarily due to the following reasons:

- Operating and manufacturing overheads increase by ₹ 35.32 million during the fiscal 2024. Such increase was majorly due to increase in (i) power expenses by ₹ 15.75 million; (ii) consumption of stores and spare parts by ₹ 11.22 million; (iii) consumption of packing materials by ₹ 3.75 million; (iv) effluent treatment & water expenses by ₹ 2.60 million; and (v) repairs and maintenance - machinery by ₹ 2.14 million.
- Establishment expenses decreased by ₹ 0.05 million during the fiscal 2024, majorly on account of decrease in rent expenses by ₹ 19.69 million. The decrease was partly set off by increase in: (i) legal and professional fees by ₹ 8.80 million; (ii) director remuneration by ₹ 6.84 million; and (iii) rate & taxes expenses by ₹ 3.61 million.
- Selling and distribution expenses increased by ₹ 3.08 million during the fiscal 2024, on account of increase in freight and forwarding charges by ₹ 3.09 million. Such increase was partly set off by decrease in cash discount by ₹ 0.01 million.

Profit Before Tax

Profit before tax has increased by 40.72% from ₹ 120.42 million in Fiscal 2023 to ₹ 169.45 million in Fiscal 2024 as a result of overall increase in operations in Fiscal 2024.

Tax Expenses

Although our profit before tax increased in Fiscal 2024 as compared to Fiscal 2023, our total tax expense decreased by 59.61% from ₹95.33 million in Fiscal 2023 to ₹38.50 million in Fiscal 2024. This was primarily on account of decrease in deferred tax expense by ₹53.10 million. During Fiscal 2023, the company acquired the processing plant under a slump sale agreement from Sona Processors (India) Limited due to which the company recorded increases deferred tax expenses in Fiscal 2023.

Profit After Tax

During the Fiscal 2024, the profit before taxes increased as a percentage (%) of revenue from operations increased from 12.82% in fiscal 2023 to 14.01% in Fiscal 2024. However, due to abovementioned reasons, our total tax expenses as a percentage (%) of revenue from operations decreased from 10.15% in Fiscal 2023 to 3.18% in Fiscal 2024. As a result, our profit after tax as a percentage (%) of revenue from operations increased from 2.67% in Fiscal 2023 to 10.82% in Fiscal 2024. Hence, we recorded an increase of 421.92% in profit after tax from ₹ 25.09 million in Fiscal 2023 to ₹ 130.95 million in Fiscal 2024.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through debt financing and funds generated from our operations. From time to time, we have obtained loan facilities to finance our working capital requirements. We evaluate our funding requirements regularly in light of cash flows from our operating activities, the requirements of our business and operations and market conditions.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the Three Months Period ended June 30, 2025 and fiscals 2025, 2024 and 2023:

(₹ in million, unless stated otherwise)

Particulars	For the three-month ended June 30, 2025	Fiscal		
		2025	2024	2023
Net cash flow generated from/ (utilised in) operating activities (A)	10.39	(141.77)	176.08	(5.72)
Net cash flow generated from/ (utilised in) investing activities (B)	5.70	(504.19)	(1,081.20)	(464.01)
Net cash flow generated from/ (utilised in) financing activities (C)	(15.91)	606.71	946.50	469.63
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	0.18	(39.25)	41.38	(0.10)
Cash and cash equivalents at the beginning of the year	2.15	41.40	0.02	0.12
Cash and cash equivalents at the end of the year	2.33	2.15	41.40	0.02

Cash flow from Operating Activities

For the Three Month ended June 30, 2025

Net cash flow generated from our operating activities was ₹10.39 million for the Three Months Period ended June 30, 2025. Our operating profit before working capital changes was ₹164.67 million during the Three Months Period ended June 30, 2025, which was the result of the profit before tax of ₹ 67.53 million adjusted primarily for depreciation and amortisation of ₹ 51.94 million, employee retirement benefits of ₹ 1.89 million, finance costs of ₹43.96 million and interest income of ₹ 0.65 million. Our movements in working capital primarily consisted of increase in inventories of ₹283.90 million, increase in trade receivables of ₹217.24 million, increase in other current assets of ₹27.96 million, increase in trade payables of ₹402.62 million, decrease in other financial liabilities of ₹21.43 million and decrease in other current liabilities of ₹1.44 million. Taxes paid amounted to ₹4.93 million.

For the Fiscal ended March 31, 2025

Net cash flow utilised in our operating activities was ₹141.77 million for the fiscal 2025. Our operating profit before working capital changes was ₹ 584.83 million during the fiscal 2025, which was the result of the profit before tax for the fiscal of ₹ 260.80 million adjusted primarily for depreciation and amortisation of ₹ 173.14 million, employee retirement benefits of ₹ 6.94 million, finance costs of ₹ 147.25 million and interest income of ₹ 3.30 million. Our movements in working capital primarily consisted of decrease in other financial assets of ₹ 2.55 million, increase in inventories of ₹ 780.07 million, increase in trade receivables of ₹ 557.00 million, increase in other current assets of ₹ 56.16 million, increase in trade payables of ₹ 664.29 million, increase in other financial liabilities of ₹43.83 million and increase in other current liabilities of ₹3.79 million. Taxes paid amounted to ₹ 47.83 million.

For the Fiscal ended March 31, 2024

Net cash flow generated from our operating activities was ₹176.08 million for the fiscal 2024. Our operating profit before working capital changes was ₹287.59 million during the fiscal 2024, which was the result of the profit before tax for the fiscal of ₹ 169.45 million adjusted primarily for depreciation and amortisation of ₹ 67.97 million, employee retirement benefits of ₹ 4.52 million, finance costs of ₹ 47.45 million, and interest income of ₹ 1.80 million. Our movements in working capital primarily consisted of increase in other financial assets of ₹4.86 million, increase in inventories of ₹ 44.53 million, decrease in trade receivables of ₹ 8.77 million, increase in other current assets of ₹53.69 million, increase in trade payables of ₹ 2.01 million, increase in other financial liabilities of ₹ 15.20 million and increase in other current liabilities of ₹ 1.66 million. Taxes paid amounted to ₹ 36.07 million.

For the Fiscal ended March 31, 2023

Net cash flow utilised in our operating activities was ₹ 5.72 million for the fiscal 2023. Our operating profit before working capital changes was ₹ 184.98 million during the fiscal 2023, which was the result of the profit before tax for the fiscal of ₹ 120.42 million adjusted primarily for depreciation and amortisation of ₹ 35.90 million, Loss on sale of property, plant and equipment of ₹ 1.11million, employee retirement benefits of ₹ 3.19 million, finance costs of ₹ 24.44 million and interest income of ₹0.08 million. Our movements in working capital primarily consisted of decrease in other financial assets of ₹ 106.74 million, increase in inventories of ₹ 146.16 million, increase in trade receivables of ₹148.64 million, increase in other current assets of ₹74.23 million, increase in trade payables of ₹ 76.12 million, increase in other financial liabilities of ₹ 21.32 million and increase in other current liabilities of ₹ 2.37 million. Taxes paid amounted to ₹28.22 million.

Cash flow from Investing Activities

For the Three Month ended June 30, 2025

Net cash flow generated from investing activities was ₹5.70 million for the three month ended June 30, 2025. This is primarily attributable to redemption in fixed deposits of ₹ 11.23 million and interest received of ₹ 0.65 million partly set off by capital expenditure on tangible fixed assets including capital work in progress of ₹ 6.18 million.

For the Fiscal ended March 31, 2025

Net cash flow utilised in investing activities was ₹504.19 million during fiscal 2025. This is primarily attributable to capital expenditure on tangible fixed assets including capital work in progress of ₹492.44 million, capital expenditure on intangible assets including intangible assets under development ₹6.41 million and investments in fixed deposits of ₹8.64 million. These payments were offset by Interest received of ₹3.30 million.

For the Fiscal ended March 31, 2024

Net cash flow utilised in investing activities was ₹ 1,081.20 million for fiscal 2024. This is primarily attributable to capital expenditure on tangible fixed assets including capital work in progress of ₹1,052.94 million and investments in fixed deposits of ₹30.06 million. These payments were partially offset by interest received of ₹ 1.80 million.

For the Fiscal ended March 31, 2023

Net cash flow utilised in investing activities was ₹ 464.01 million for fiscal 2023. This is primarily attributable to capital expenditure on tangible fixed assets including capital work in progress of ₹ 450.03 million and investments in fixed deposits of ₹ 14.70 million. These payments were partially offset by sale or transfer of fixed assets ₹ 0.64 million and interest received of ₹0.08 million.

Cash flow from Financing Activities

For the Three Month ended June 30, 2025

Net cash flow utilised in financing activities was ₹ 15.91 million for the three month ended June 30, 2025 consisting of proceeds from short-term borrowings of ₹70.60 million, repayment from long-term borrowings of ₹ 42.55 million, and finance cost paid ₹ 43.96 million.

For the fiscal ended March 31, 2025

Net cash flow generated from financing activities was ₹606.71 million for fiscal 2025 consisting of proceeds from short-term borrowings of ₹ 353.52 million, proceeds from long-term borrowings of ₹ 274.43 million, proceeds from issue of compulsorily convertible debentures of ₹ 71.01 million, proceeds from equity shares issued (including Security Premium) of ₹55.00 million and Finance cost paid ₹147.25 million.

For the Fiscal ended March 31, 2024

Net cash flow generated from financing activities was ₹946.50 million for fiscal 2024 consisting of proceeds from short-term borrowings of ₹ 910.35 million, proceeds from long-term borrowings of ₹ 83.60 million, and Finance cost paid ₹47.45 million.

For the Fiscal ended March 31, 2023

Net cash flow generated from financing activities was ₹ 469.63 million for fiscal 2023 consisting of proceeds from short-term borrowings of ₹ 120.32 million, proceeds from long-term borrowings of

₹296.25 million, proceeds from equity shares issued (including Security Premium) of ₹77.50 million and Finance cost paid ₹24.44 million.

Financial Indebtedness

As on June 30, 2025 the total outstanding borrowings of our Company was ₹ 2,102.02 million. The following table sets out the details of the total borrowings outstanding as on June 30, 2025.

(₹ in Million)

Particulars	As at June 30, 2025
Secured	
(i) Term Loan (including current maturities)	1,249.00
(ii) Vehicle Loan (including current maturities)	17.97
(iii) Cash Credit facilities/ Working Capital Demand Loan	663.54
Unsecured	
(iv) Unsecured loans from related parties and others	171.51
Total Borrowings	**2,102.02**

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Contingent Liabilities and Commitments

The following table sets forth our contingent liabilities as at June 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 as per the Restated Financial Information:

(₹ in million)

Particulars	As at June 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Contingent Liability-				
Claims Against the company not acknowledged as debt				
Commitments-				
In respect of Procurement of capital goods under Zero duty Export Promotion Capital Goods Scheme of Foreign Trade Policy, 2023, the company has an export obligation, which is required to be fulfilled at different dates, on or before 24.06.2031. In the event of non-fulfillment of the export obligation, the company will be liable to pay custom duties and penalties, as applicable.	194.66	191.86	183.63	-

Note: The Company has certain disputes, lawsuits and claims, which arise in from time to time in the ordinary course of business. The amount in some of the cases can not be ascertained and in some cases not material.

For details of our contingent liability and guarantees as at June 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, as per Ind AS 37, see "*Restated Financial Information – Contingent Liability & Commitments*" on page 414.

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 we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND MATURITIES

As on date of this Draft Red Herring Prospectus, our Company does not have any contractual obligations and maturities.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include remuneration paid to KMPs, Professional fees, sitting fees to independent directors, Interest payment, repayment of loans, sales, purchases, factory unit purchased and rent expenses.

For details of our related party transactions, please see "*Restated Financial Information – Related Party Disclosures*" on page 398.

Quantitative and Qualitative Disclosure about Market Risks

Our Company's activities expose it to variety of financial risks: market risk, credit risk, interest rate risk and liquidity risk. The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. Company's senior management oversees the management of these risks. It is Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices.

Foreign Currency Risk

The Company undertakes limited transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency. The Company has not taken derivative instruments to hedge the foreign currency risk. The Company continuously monitors the fluctuations in currency risk and ensures that the company does not have adverse impact on account of fluctuation in exchange rate.

Interest Rate Risk

Interest rate risk primarily arises from floating / fixed rate borrowing, including various short-term and long-term loan. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates arises on borrowings with floating interest rate from banks.

Credit Risk

The Company is exposed to credit risk primarily from cash and cash equivalents, bank deposits, trade receivables, and other financial assets. Credit risk arises from the possibility that a counterparty may fail to meet its financial obligations, leading to a financial loss.

(i) *Cash and Cash Equivalents and Bank Deposits*: The Company minimizes credit risk associated with cash and cash equivalents and bank deposits by maintaining deposits with banks having high credit ratings, as assigned by domestic credit rating agencies. This reduces the risk of default by banks.
(ii) *Trade Receivables*: Credit risk on trade receivables is managed by regular monitoring of the outstanding amounts and performing a detailed assessment of recoverability. The Company has established policies for aging analysis, and where applicable, provisions for expected credit losses (ECL) are recognised.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they fall due, without incurring significant losses. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and by continuously monitoring forecast and actual cash flows.

(i) *Cash Flow Management*: The Company continuously monitors its cash flow requirements to ensure that it has sufficient liquidity to meet its operational and financial obligations, including trade payables, financial liabilities, and tax obligations. Regular cash flow forecasting is performed to assess the timing and amount of future cash inflows and outflows.
(ii) *Access to Credit Facilities*: The Company has access to various credit facilities from banks which provide flexibility to meet short-term and long-term liquidity needs.
(iii) *Maturity Analysis of Financial Liabilities*: The Company has established procedures to regularly monitor and assess the maturity profile of its financial liabilities, including trade payables, loans, and other financial obligations. The maturity analysis helps ensure that the Company has enough liquidity to meet these obligations in a timely manner.
(iv) *Cash and Cash Equivalents*: The Company maintains a sufficient level of cash and cash equivalents to manage day-to-day operational expenses and meet unforeseen liquidity requirements. This liquidity buffer is designed to prevent disruptions to business operations due to short-term liquidity shortages.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Effect of Inflation

We are affected by inflation as it has an impact on the material cost, wages, etc. in line with changing inflation rates; we rework our margins so as to absorb the inflationary impact.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled "*Restated Financial Information*" on page 351, there have been no reservations, qualifications and adverse remarks.

Changes in Accounting Policies

There have been no changes in our accounting policies during the Three Months Period ended June 30, 2025 and Fiscals 2025, 2024 and 2023.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, during the Three Months Period ended June 30, 2025 and Fiscals 2025, 2024 and 2023.

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations. There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled "*Risk Factors*" on page 44.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Our business has been subject, and we expect it to continue to be impacted by the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Significant Factors Affecting our Results of Operations and Financial Condition*" and the uncertainties described in "*Risk Factors*" on pages 436 and 44, respectively. To our knowledge, except as discussed in this Draft 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 of our Company from continuing operation.

Seasonality of Business

There is no seasonality in our business.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled "*Risk Factors*" on page 44 and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

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

Our business has been affected and we expect that it will continue to be affected by the trends identified above and the uncertainties described in the section "*Risk Factors*" on page 44. Changes in revenue in the last three Fiscals are as described in "*Results of Operations Information for the Fiscal 2025 compared with Fiscal 2024*" and "*Results of Operations Information for the Fiscal 2024 compared with Fiscal 2023*" mentioned above.

Total Turnover of Each Major Industry Segment in which the Issuer Operates

We operate in only one major segment.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For further details on competitive conditions that we face across our various business segments, please see *"Risk Factors", "Industry Overview" and "Our Business"* on pages 44, 172 and 261 respectively.

Status of any Publicly Announced New Products or Business Segments

As on the date of the Draft Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Significant Dependence on a Single or Few Customers

The percentage of revenue from operations derived from our top customers is given below:

(in ₹ million)

Sr. No.	Particulars	Three Months Period ended June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
1	Revenue from Top 1 customer	64.22	6.16%	216.59	6.86%	117.31	9.70%	55.74	5.94%
2	Revenue from Top 5 customers	226.32	21.71%	852.40	26.98%	388.23	32.09%	239.95	25.55%
3	Revenue from Top 10 customers	352.35	33.80%	1,199.85	37.98%	582.51	48.15%	425.77	45.34%

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of this Draft Red herring Prospectus, there are no outstanding (i) criminal proceedings (including matters which are at FIR stage even if no cognizance has been taken by any court); (ii) all actions (including all disciplinary actions, penalties and show cause notices) taken by statutory or regulatory authorities; (iii) claims related to direct and indirect taxes in a consolidated manner; and (iv) other pending material litigations (including civil litigation or arbitration proceeding, in each case involving our Company, Directors, Promoters or Subsidiary (collectively, the "**Relevant Parties**") and (v) litigation involving our Group Companies which have a material impact on our Company. Further, there are no disciplinary actions (including penalties) imposed by SEBI or stock exchanges against our Promoters or Directors in the last five Fiscals immediately preceding the date of this Draft Red Heering Prospectus, including any outstanding action. Furthermore, except as disclosed in this section, there are no outstanding (i) criminal proceedings; and (ii) actions by regulatory and/ or statutory authorities involving our Key Managerial Personnels and Senior Management.*

*In relation to (iv) above, our Board in its meeting held on October 28, 2025 has considered and adopted a policy of materiality for identification of material litigation / arbitration ("**Materiality Policy**"). In terms of the Materiality Policy, any pending litigation / arbitration proceedings involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals including outstanding action, and tax matters, would be considered 'material' for the purpose of disclosure in the issue documents, if:*

1. *the monetary claim made by or against the Relevant Parties in any such pending litigation/ arbitration proceedings is equivalent to or above (i) 2% of the turnover of the Company, as per the latest annual Restated Financial Information; or (ii) 2% of net worth of the Company, as per the latest annual Restated Financial Information; or (iii) 5% of the average of absolute value of profit or loss after tax for the last three Fiscal period, as per the Restated Financial Information, whichever is lower. Accordingly, outstanding litigation involving the Relevant Parties have been considered material and disclosed in this section where the aggregate amount involved in such litigation is equivalent to or exceeds ₹ 5.70 million; or*
2. *any litigation which, irrespective of the amount involved in such litigation, involve the Relevant Parties and could have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company; or*
3. *any such litigation where the decision in one case is likely to affect the decision in similar matters such that the cumulative amount involved in such matters exceeds the threshold as specified in (a) above, even though the amount involved in an individual matter may not exceed the threshold as specified in (a) above.*

For the purposes of this section, pre-litigation notices (excluding statutory/ regulatory/governmental/tax authorities or notices threatening criminal action), have not been considered material and/or have not been disclosed as pending matters until such time that any of the Relevant Parties, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, outstanding dues to trade creditors of our Company which is 5% of the total outstanding dues (trade payables) as on June 30, 2025, as per the latest period in the Restated Financial Information included in this Draft Red Herring Prospectus as well as outstanding dues to all financial creditors of our Company, shall be considered as 'material'. Accordingly, as on June 30, 2025, any outstanding dues to trade creditors exceeding ₹ 57.25 million have been considered as 'material outstanding dues' for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.*

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.

LITIGATION INVOLVING OUR COMPANY

Litigation against our Company

A. Outstanding criminal proceedings

NIL

B. Actions initiated by regulatory and statutory authorities

(i) Mahendra Shing v. Sona Selection India Ltd. [Labour/Industrial Main Case/19/2024]

A complaint under Industrial Dispute Act, 1947 ("**ID Act**") has been filed by Mahendra Singh ("**Complainant**") against our Company through the manager alleging illegal termination of his employment. The Complainant was serving as an employee of the Company for a period of more than five years, however, the services of the Complainant was terminated by the Company on April 13, 2023. The Complainant alleged that his termination was without any cause and alleged arbitrary, illegal and unjustified termination of his service without giving any retrenchment compensation which is against the provisions of the ID Act. The Complainant prayed reinstatement of his service with the Company with full back wages and all consequential benefits and emoluments as applicable and allowed. The matter is currently pending for adjudication in the labour cum industrial tribunal, Bhilwara.

C. Outstanding material civil litigation

NIL

Litigation filed by our Company

A. Outstanding criminal proceedings

NIL

B. Outstanding material civil litigation

NIL

LITIGATION INVOLVING OUR PROMOTERS

Litigation against our Promoters

A. Outstanding criminal proceedings

(i) FIR No. 05 of 2015 dated March 07, 2015

An FIR bearing FIR No. 05/2015 dated March 07, 2015 was registered against our Promoters, Subhash Nuwal, Uma Nuwal, Harshil Nuwal, and one of our SMP, Rajnikant Saraswat at Bhopal, Madhya Pradesh in relation to business of our promoter group entity Starnet Breeding and Research Farms Private Limited. The said FIR was based on a complaint filed before the Economic Offences Wing, Jabalpur, Madhya Pradesh (Complaint No. 39/14). In the said FIR and complaint, it was alleged that the said persons had committed offence under Section 420, 467, 471, 120-B of Indian Penal Code and Section 3 and 4 of the Prize Chit and Money Circulation Scheme Banning Act 1978. Subsequently, our promoter group entity Starnet Breeding and Research Farms Private Limited amicably resolved the matter with the complainants, namely Mr. Sachin Kumar Jain, Mr. Akshay Kumar Jain, and Mr. Kishore Singh Thakur, through settlements entered into in 2023. Pursuant to the settlements, Mr. Sachin Kumar Jain, Mr. Akshay Kumar Jain and Mr. Kishore Singh Thakur received an amount of ₹ 0.45 million, ₹ 0.34 million and ₹ 0.29 million, respectively, aggregating to ₹1.08 million towards full and final settlement of their respective claims. Based on such settlements, the matter has been amicably resolved between the parties; however, the said matter is presently pending formal closure before the concerned authorities.

B. Actions initiated by regulatory and statutory authorities

NIL

C. Outstanding material civil litigation

NIL

D. Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals, including outstanding action

NIL

Litigation by our Promoters

A. Outstanding criminal proceedings

(i) Shri Subhash Nuwal, Smt. Uma Nuwal, Smt. Kanchan Devi Nuwal, Ramrich Pal Nuwal, Shri Harishil Nuwal, Shri Rajnikant Saraswat, Shri Rakesh Saraswat v. The State Of Madhya Pradesh [MCRC/49058/2018]

For quashing of the FIR No. 05/2015, our Promoters, Subhash Nuwal, Uma Nuwal, Harshil Nuwal, and one of our SMP, Rajnikant Saraswat have filed Misc. Criminal Case bearing no. 49058 of 2018 before the Hon'ble High Court of Madhya Pradesh under Section 482 of the Code of Criminal Procedure, 1973. The said matter is currently pending for adjudication.

For details of matter FIR No. 05/2015, please see, the case titled '*FIR No. 05 of 2015 dated March 07, 2015*' as mentioned above under the head "*Litigation against our Promoters-Outstanding criminal proceedings*"

B. Outstanding material civil litigation

NIL

LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS)

Litigation against our Directors (other than Promoters)

A. Outstanding criminal proceedings

NIL

B. Actions initiated by regulatory and statutory authorities

NIL

C. Outstanding material civil litigation

NIL

Litigation by our Directors (other than Promoters)

A. Outstanding criminal proceedings

NIL

B. Outstanding material civil litigation

NIL

LITIGATION INVOLVING OUR SUBSIDIARY

Litigation against our Subsidiary

A. Outstanding criminal proceedings

NIL

B. Actions initiated by regulatory and statutory authorities

NIL

C. Outstanding material civil litigation

NIL

Litigation by our Subsidiary

A. Outstanding criminal proceedings

NIL

B. Outstanding material civil litigation

NIL

LITIGATION INVOLVING OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Litigation against our Key Managerial Personnel and Senior Management

A. Outstanding criminal proceedings

NIL, except '***FIR No. 05 of 2015 dated March 07, 2015***' as mentioned above under "*Litigation against our Promoters-Outstanding criminal proceedings*"

B. Actions initiated by regulatory and statutory authorities

NIL

C. Outstanding material civil litigation

NIL

Litigation by our Key Managerial Personnel and Senior Management

A. Outstanding criminal proceedings

(i) NIL, except '**Shri Subhash Nuwal, Smt. Uma Nuwal, Smt. Kanchan Devi Nuwal, Ramrich Pal Nuwal, Shri Harishil Nuwal, Shri Rajnikant Saraswat, Shri Rakesh Saraswat v. The State Of Madhya Pradesh [MCRC/49058/2018]**' as mentioned above under "*Litigation by our Promoters-Outstanding criminal proceedings*"

TAX PROCEEDINGS

COMPANY

(₹ *in million*)

Type of Proceedings	Number of Cases	Amount*
Direct Tax	2**	0.50
Indirect Tax	5	0.77
Total	**7**	**1.27**

**To the extent quantifiable and ascertainable*

***Number of cases includes notice in respect of assessment proceedings u/s 143(3) of the Income Tax Act, 1961 wherein no demand has been quantified yet.*

PROMOTERS

(₹ *in million*)

Type of Proceedings	Number of Cases	Amount*
Direct Tax	1	Negligible
Indirect Tax	Nil	Nil
Total	**1**	**Negligible**

**To the extent quantifiable and ascertainable*

DIRECTORS (OTHER THAN PROMOTERS)

(₹ *in million*)

Type of Proceedings	Number of Cases	Amount*
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

**To the extent quantifiable and ascertainable*

SUBSIDIARY

(₹ *in million*)

Type of Proceedings	Number of Cases	Amount*
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

**To the extent quantifiable and ascertainable*

GROUP COMPANIES

(₹ *in million*)

Type of Proceedings	Number of Cases	Amount*
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

**To the extent quantifiable and ascertainable*

LITIGAITON INVOLVING OUR GROUP COMPANIES WHICH MAY HAVE A MATERIAL IMPACT ON OUR COMPANY

Nil

OUTSTANDING DUES TO CREDITOR

As of June 30, 2025, our Company has 425 creditors, and the aggregate outstanding dues to these creditors by our Company are ₹ 1145.04 million. Further, our Company owes an amount of ₹21.94 million to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended. Details of outstanding dues owed to material creditors, micro, small and medium enterprises and other creditors as of June 30, 2025 are set out below:

(*₹ in millions*)

Type of Creditors	Number of Creditors	Balance as on June 30, 2025
Material creditors	3	432.80
Micro and Small Enterprises	49	21.94
Other creditors	373	590.30
Total Outstanding dues	**425**	**1145.04**

As certified by our Statutory Auditor pursuant to their certificate dated December 08, 2025.

As per the Materiality Policy, creditors of our Company to whom our Company owe an amount having a monetary value exceeding 5% of the consolidated trade payables of our Company as of June 30, 2025 (i.e., to whom our Company owes an amount having a monetary value exceeding an amount of ₹ 57.25 million as of June 30, 2025) have been considered as 'material' creditor.

The details pertaining to outstanding dues towards our material creditors are available on the website of our Company, along with their names and the amount involved for each such creditor at www.sonaselection.com.

MATERIAL DEVELOPMENTS

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on page no. 433 of the Draft Red Herring Prospectus, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 (Twelve) months.

GOVERNMENT AND OTHER APPROVALS

Our business operations require various approvals, licenses, registrations, and permits issued by relevant governmental and regulatory authorities under various applicable rules and regulations. Set out below is an indicative list of all material approvals, licenses, registrations, and permits obtained by our Company, as applicable which are material and necessary for undertaking our business operations. Certain of our key approvals, licenses, registrations, and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures, as necessary. Except as disclosed in this section, no further material approvals are required for carrying on the present business operations of our Company. Unless otherwise stated, these material approvals are valid as on the date of this Draft Red Herring Prospectus. As on the date of this DRHP, our Company has no material subsidiary.

For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factor – We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, any failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations may adversely affect our operation" on page 66.

For further details, in connection with the applicable regulatory and legal framework within which we operate, see "Key Industry Regulations and Policies" beginning on page 291.

APPROVALS FOR THE ISSUE

For details regarding the approvals and authorisations obtained by our Company in relation to the Issue, see "*Other Regulatory and Statutory Disclosure – Authority for the Issue*" on page *487.*

APPROVALS OBTAINED BY OUR COMPANY

1. Incorporation Related Approvals

a. Certificate of incorporation dated February 11, 2022, issued by the Registrar of Companies, Central Registration Centre, in the name of SONASELECTION INDIA LIMITED.
b. Corporate Identity Number (CIN) of our Company is U17299RJ2022PLC079631.
c. International Securities Identification Number (ISIN) allotted by Central Depository Services (India) Limited and National Securities Depository Limited is INE0LLZ01011.

2. Taxation Related Approval

a. The Permanent Account Number of our Company is ABHCS8575K, issued by the Income Tax Department, Government of India.
b. The Tax Deduction Account Number of our Company is JDHS24728E, issued by the Income Tax Department, Government of India.
c. Certificate of Registration under Central Goods and Services Tax Act, 2017, bearing registration number 08ABHCS8575K1Z1, issued by Goods and Services Tax Department, Government of India.

d. The importer-exporter code, bearing code no. ABHCS8575K, issued by the Ministry of Commerce and Industry, Directorate General of Foreign Trade.

e. Export Promotion Capital Goods (EPCG) Licences, issued in accordance with the Foreign Trade Policy 2023 and the Handbook of Procedures 2023, by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India:

S. No.	License No.	Date of Issue	Date of Expiry/ Renewal
1.	1331002252	October 10, 2023	October 10, 2029
2.	1331002279	October 25, 2023	October 25, 2029
3.	1331002282	October 26, 2023	October 26, 2029
4.	1331002442	December 27, 2023	December 27, 2029
5.	1331002879	March 14, 2024	March 14, 2030
6.	1331003702	February 27, 2025	February 27, 2031
7.	1331004009	June 25, 2025	June 25, 2031
8.	1331004332	November 07, 2025	November 07, 2031

3. Business Related Approvals

a. Udyam Registration Certificate, bearing registration No UDYAM-RJ-07-0026240, dated March 5, 2022, issued under the relevant provisions of Micro, Small and Medium Enterprises Development Act, 2006, classifying our Company as medium enterprise.

b. Certificate of Verification under the Legal Metrology Act, bearing serial no. 384905, issued by the Department of Consumer Affairs, Legal Metrology Department, Rajasthan. This certificate is valid till September 23, 2026.

c. Certificates for use of a boilers, issued by the Chief Inspector of Factories and Boilers, Rajasthan State Boiler Inspection Department, Government of Rajasthan:

S. No	Registry No.	Date of Issue	Date of Expiry/ Renewal
1.	RJ-2699	November 12, 2025	October 10, 2026
2.	RJ-1259	February 23, 2025	February 18, 2026
3.	RJ-3437	April 30, 2025	April 02, 2026

d. Certificate of Inspection for testing and verification of electrical installation under Central Electricity Authority (Measures Relating to Safety and Electricity Supply) Regulations, 2010, dated October 14, 2024, issued by the Office of Assistant Electrical Inspector, Bhilwara, Rajasthan. The certificate is valid up to March, 2029.

e. Scope certificates, issued by CU Inspections & Certifications India Private Limited to the Company to be in compliance with the standards for the following product category as stated below:

S. No.	Certificate No.	Compliance standard	Product Category	Date of Issue	Date of Expiry/ Renewal
1.	CU1405767REGENAGRI-2024-00136694	Regenagri Chain of Custody Criteria-	Dyed Fabrics	December 21, 2024	December 20, 2025

		Textiles, Version 1.0			

f. Certificates of OEKO-TEX Standard 100 and the right to use the trademark issued by Hohenstein Laboratories GmbH & Co. KG, Germany with the following scope:

S. No.	Certificate No.	Scope	Date of Issue	Date of Expiry/ Renewal
1.	24.HIN.65025	Commission pre-treatment, dyeing and finishing: Woven fabrics made of 100% cotton, 100% viscose, 100% polyester, cotton/viscose, cotton/lyocell, viscose/lyocell, polyester/viscose, polyester/lyocell, polyester/viscose/cotton and their blends with elastane (spandex) in bleached white, reactive and/or disperse piece dyed, softener finished, all cotton also in organic and recycled, all polyester also in recycled, all viscose also from bamboo.	October 30, 2025	September 30, 2026
2.	24.HIN.10982	Woven fabrics made of 100% cotton, 100% viscose, 100% polyester, cotton/viscose, cotton/lyocell, viscose/lyocell, polyester/viscose, polyester/lyocell, polyester/viscose/cotton and their blends with elastane (spandex) in raw white/greige, bleached white, reactive and/or disperse piece dyed, softener finished	November 26, 2025	November 30, 2026

4. Environmental Law Related Approvals

a. Consent to establish dated November 7, 2023 bearing order no. 2023-2024/TCD/7684, issued by Rajasthan State Pollution Control Board under the provisions of Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment (Protection) Act, 1986, for its manufacturing unit, by making amendments to the order dated March 05, 2010, November 10, 2010 and June 26, 2020. The consent is valid till September 30, 2028, or date of commencement of production / commissioning of the project or activities whichever is earlier.

b. Consent to operate dated April 23, 2024 bearing order no. 2024-2025/TCD/7774, issued by Rajasthan State Pollution Control Board under the provisions of Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981, for its manufacturing unit, by making amendments to the order dated March 5, 2010 and July 10, 2020. The consent is valid till November 30, 2028.

c. Authorisation for operating a facility for collection, co-processing, disposal, generation, incineration, reception, reuse, storage, transport, treatment, utilisation of hazardous wastes, bearing authorization no. RPCB/HWM/2024-2025/TCD/HSW/8, issued under the Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016, issued by Rajasthan State Pollution Control Board. The authorization is valid till February 28, 2029.

d. No objection certificate for fire safety issued dated June 6, 2025, issued by DC/EO/Commissioner, Municipal Council, Bhilwara, Rajasthan. The certificate is valid till June 05, 2027.

e. No objection certificate for ground water abstraction, issued under the provisions of under the Environment Protection Act, 1986, bearing NOC No. NOC/IND/RJ/2024/1736/R-2/2, issued dated April 28, 2025 by the Central Ground Water Authority, Ministry of Jal Shakti, Government of India. The certificate is valid till January 17, 2027.

5. Labour and commercial approvals

a. Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, bearing code number RJUDR1524515000, issued by the Office of the Employees' Provident Fund Organisation.

b. Registration under the Employees State Insurance Act, 1948.

c. Certificate of registration under the Contract Labour (Regulation and Abolition) Act, 1970, bearing registration number CLPET/2025/6/132548, issued by the Department of Labour, Government of Rajasthan.

d. Registration and License to work a factory under the Factories Act, 1948, for its manufacturing unit, bearing license no. RJ/24440, issued by the Chief Inspector of Factories and Boilers, Rajasthan. The license is valid till March 31, 2026.

e. Certificate of Stability issued under Rule 3C of Rajasthan Factories Rules, 1951 for its manufacturing unit, issued dated May 02, 2025, by the competent person as per the Rajasthan Factories Rules, 1951:

Sr. No.	Reference No.	Issued for
1.	AA-SSC/SI-SS/2025/05/001	Process Shed
2.	AA-SSC/SI-SS/2025/05/002	Finished Shed
3.	AA-SSC/SI-SS/2025/05/003	Coal Yard
4.	AA-SSC/SI-SS/2025/05/004	RO Concentrate Tank
5.	AA-SSC/SI-SS/2025/05/005	Boiler
6.	AA-SSC/SI-SS/2025/05/006	Settling Tank, Finish Hall, New Biological Tanks, Godown, Water tank, Pump room, Rest room etc. (Misc)

6. Other Government Subsidy

a. Entitlement Certificates issued under the Rajasthan Investment Promotion Scheme by the District Level Sanctioning Committee for the manufacturing unit of the Company for granting the following subsidy/exemptions:

S. No.	Certificate No.	Type of Subsidy	Issued under	Date of Issue
1.	RIPS2022/2023/5008125	100% exemption from electricity duty	RIPS 2022	August 12, 2024
2.	RIPS2022/2023/5008129	Employment generation subsidy	RIPS 2022	August 12, 2024
3.	RIPS2022/2023/5008126	Interest subsidy	RIPS 2022	August 12, 2024
4.	RIPS2022/2023/5008130	Expansion based investment subsidy	RIPS 2022	August 12, 2024
5.	RIPS2024/2025/3816	Existing Project capital subsidy	RIPS 2024	August 27, 2025
6.	RIPS2024/2025/3817	Interest Subvention	RIPS 2024	August 27, 2025
7.	RIPS2024/2025/3818	Electricity Duty Exemption	RIPS 2024	August 27, 2025
8.	RIPS2024/2025/3819	Add On Green Incentive on Environmental Projects	RIPS 2024	October 29, 2025

7. Other Certifications and memberships

a. Certificate under the Legal Entity Identifier of the Company is 335800ZR7TOM714VM375, issued by Legal Entity Identifier India Limited. This registration is valid till March 28, 2028.

b. Certificate of membership in Mewar Chamber of Commerce & Industry, dated August 20, 2025.

c. Certificate for completion of HIGG FSLM Verification by Cascale, bearing ID, 192115.

8. Intellectual Property Related Approvals:

a. As on the date of this Draft Red Herring Prospectus, our Company does not have any registered intellectual property. However, our Company has made applications for registration of 20 trademarks in respect of the name and logo of our Company under the Trade Marks Act, 1999.

S. No.	Nature of Application	Date of Application	Application No.	Status
1.	For registration of Trademark (Device) Sona Under Class 24	August 21, 2025	7188834	Formalities Check Pass
2.	For registration of Trademark (Word) '*SONA*' Under Class 24	August 21, 2025	7188837	Formalities Check Pass

3.	For registration of Trademark (Device) Under Class 25	August 21, 2025	7188835	Formalities Check Pass
4.	For registration of Trademark (Word) ‘*SONA*’ Under Class 25	August 21, 2025	7188838	Formalities Check Pass
5.	For registration of Trademark (Device) Under Class 35	August 21, 2025	7188836	Formalities Check Pass
6.	For registration of Trademark (Word) ‘*SONA*’ Under Class 35	August 21, 2025	7188839	Formalities Check Pass
7.	For registration of Trademark (Device) Under Class 16	August 21, 2025	7188799	Formalities Check Pass
8.	For registration of Trademark (Word) ‘*SELECTION BY SONA*’ Under Class 16	August 21, 2025	7188806	Formalities Check Pass
9.	For registration of Trademark (Device) Under Class 22	August 21, 2025	7188800	Formalities Check Pass
10.	For registration of Trademark (Word) ‘*SELECTION BY SONA*’ Under Class 22	August 21, 2025	7188840	Formalities Check Pass
11.	For registration of Trademark (Device) Under Class 23	August 21, 2025	7188801	Formalities Check Pass
12.	For registration of Trademark (Word) ‘*SELECTION BY SONA*’ Under Class 23	August 21, 2025	7188841	Formalities Check Pass
13.	For registration of Trademark (Device)	August 21, 2025	7188802	Formalities Check Pass

	SELECTION by sona Under Class 24			
14.	For registration of Trademark (Word) '*SELECTION BY SONA'* Under Class 24	August 21, 2025	7188842	Formalities Check Pass
15.	For registration of Trademark (Device) SELECTION by sona Under Class 25	August 21, 2025	7188803	Formalities Check Pass
16.	For registration of Trademark (Word) '*SELECTION BY SONA'* Under Class 25	August 21, 2025	7188843	Formalities Check Pass
17.	For registration of Trademark (Device) SELECTION by sona Under Class 35	August 21, 2025	7188804	Formalities Check Pass
18.	For registration of Trademark (Word) '*SELECTION BY SONA'* Under Class 35	August 21, 2025	7188807	Formalities Check Pass
19.	For registration of Trademark (Device) SELECTION by sona Under Class 38	August 21, 2025	7188805	Formalities Check Pass
20.	For registration of Trademark (Word) '*SELECTION BY SONA'* Under Class 38	August 21, 2025	7188808	Formalities Check Pass

For risk associated with intellectual property, see "*Risk Factor – Our Company does not own any registered intellectual property rights, and any inability to protect our brand, business processes or proprietary information may adversely affect our business, financial condition and results of operations*"- on page 64.

9. Domain Name

Our Company has the domain names www.sonaselection.com registered under its name.

MATERIAL APPROVALS EXPIRED AND RENEWAL APPLIED FOR

As on the date of this Draft Red Herring Prospectus, following material approvals of our Company have expired, and for these renewal has been applied for:

S. No.	Certificate No.	Compliance standard	Product Category	Date of application	Application/Invoice No.
1.	CU1405767GOTS-2024-00126393	Global Organic Textile Standard, version 7.0	Undyed fabrics (PC0027), Dyed fabrics (PC0025), Greige fabrics (PC0026)	November 21, 2025	INDDCRT 252601506
2.	CU1405767MUL-2024-00126394	Organic Content Standard, Version 3.0, Global Recycled Standard, Version 4.0 and Recycled Claim Standard, Version 2.0	Dyed fabrics (PC0025), Greige fabrics (PC0026), Undyed fabrics (PC0027)	November 21, 2025	
3.	CU1405767GOTS-2024-00126623	Global Organic Textile Standard, Version 7.0	Undyed fabrics (PC0027), Dyed fabrics (PC0025), Greige fabrics (PC0026)	November 21, 2025	
4.	CU1405767MUL-2024-00126624	Organic Content Standard, Version 3.0, Global Recycled Standard, Version 4.0 and Recycled Claim Standard, Version 2.0	Greige fabrics (PC0026), Dyed fabrics (PC0025), Undyed fabrics (PC0027)	November 21, 2025	
5.	CU1405767REGENAGRI-2024-00136694	Regenagri Chain of Custody Criteria-Textiles, Version 1.0	Dyed Fabrics	November 21, 2025*	

**The scope certificate bearing certificate no. CU1405767REGENAGRI-2024-00136694 is expiring on December 20, 2025, however, the Company has applied for its renewal in advance.*

MATERIAL APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR

As on the date of this Draft Red Herring Prospectus, there are no material approvals which our Company was required to obtain but which has not been obtained or been applied for.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

Corporate Approvals

1. Our Board of Directors has authorised the Issue by a resolution passed in their meeting held on October 28, 2025.

2. Our Shareholders have approved and authorised the Issue by way of a special resolution passed at their extraordinary general meeting held on November 04, 2025.

3. The Draft Red Herring Prospectus was approved by our Board through its resolution in its meeting dated December 11, 2025.

IN PRINCIPLE APPROVAL FROM THE STOCK EXCHANGE

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated **[●]** and **[●]**, respectively.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, the members of the Promoter Group and the persons in control of our Company, and companies or entities with which our Company's Promoters and Directors are associated as directors/promoters as applicable, have not been prohibited from accessing or operating the capital markets and are not debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court. The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India. There are no violations of securities laws committed by them in the past or are pending against them.

Our Company, our Promoters, or our Directors have neither been declared as Wilful Defaulters nor as Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI.

Our Promoters and Directors have not been declared as Fugitive Economic Offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Other confirmations

There are no findings or observations from any of the inspections by SEBI or any other regulatory body in relation to our Company which are material and need to be disclosed, or non-disclosure of which may have a bearing on the investment decisions of Bidders, except as disclosed in this Draft Red Herring Prospectus.

There are no conflicts of interest between suppliers of raw materials and third-party service providers crucial for the operations of our Company, and Promoters, Promoter Group, Key Managerial Personnel, Directors, Subsidiary or the Group Companies and its directors.

There are no conflicts of interest between lessors of immovable properties crucial for the operations of our Company, and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, Subsidiary or the Group Companies and its directors.

There have been no inspections of our Company by SEBI or any other regulatory authority governing the operations of the Company.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Each of our Company, our Promoters and the members of the Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable thereto in respect of its respective holding in our Company, as on the date of this Draft Red Herring Prospectus.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

We confirm that none of our Directors are, in any manner, associated with the securities market except for trading on day-to-day basis for the purpose of investment and there is no outstanding action initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Our Promoter, Deepank Bhandari is a director in Dexif Security Broking Private Limited, which is a SEBI registered stock broker, having registration no. INZ000320338. There is no outstanding action initiated by SEBI against the said entity in the five years preceding the date of this Draft Red Herring Prospectus.

ELIGIBILITY FOR THE ISSUE

Our Company is eligible for the Issue in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(1) Our Company has net tangible assets of at least ₹ 30.00 million, calculated on a restated basis and, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

(2) Our Company has an average operating profit of at least ₹150.00 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

(3) Our Company has a net worth of at least ₹10.00 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and

(4) Our Company has not changed its name in the last one year preceding the date of filing of this Draft Red Herring Prospectus.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, average operating profits and net worth, derived from the Restated Financial Information included in this Draft Red Herring Prospectus for the Fiscal 2025, Fiscal 2024 and Fiscal 2023 are set forth below:

(*₹ in millions, unless otherwise stated*)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net tangible assets, as restated[1]	694.31	388.81	258.43
Monetary assets, as restated[2]	55.55	86.16	14.72
Monetary assets, as a percentage of net tangible assets, as restated (%)	8.00%	22.16%	5.70%
Operating Profit, as restated[3]	402.91	213.59	142.87
Average operating profit		253.12	
Net worth, as restated[4]	700.71	388.81	258.43

(1) Net tangible assets' means the sum of all net assets of the Company excluding intangible assets as defined in Ind AS 38, as per the Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India.

(2) 'Monetary assets' is the aggregate of cash in hand, balance with bank in current and deposit account.

(3) 'Operating profit' has been calculated as restated profit before tax after adjusting other income and finance cost.

(4) 'Net worth' means the aggregate value of the paid-up share capital of our Company and other equity, as per the restated statement of assets and liabilities of our Company in the Restated Financial Information.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable. Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 1,000, failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.

The details of our compliance with Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, are as follows:

(1) None of our Company, our Promoters, members of our Promoter Group, or our Directors are debarred from accessing the capital markets by SEBI.

(2) None of our Promoters or our Directors are associated as promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(3) None of our Company, our Promoters or Directors are Wilful Defaulters or a Fraudulent Borrowers.

(4) None of our Promoters or Directors has been declared a Fugitive Economic Offender in accordance with the Fugitive Economic Offenders Act, 2018

(5) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of the Company as on the date of filling of this Draft Red Herring Prospectus.

(6) Our Company, along with the Registrar to our Company, have entered into tripartite agreements, dated October 10, 2025 with NSDL and CDSL, for dematerialization of the Equity Shares;

(7) The Equity Shares of our Company held by the Promoters are in the dematerialised form;

(8) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus; and

(9) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN 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 THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, CHOICE CAPITAL ADVISORS PRIVATE LIMITED ("BRLM"), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES THEIR RESPECTIVE RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, BEING CHOICE CAPITAL ADVISORS PRIVATE LIMITED , HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 11, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V

(FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE 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 THIS DRAFT RED HERRING PROSPECTUS.

Note:
All applicable legal requirements pertaining to the Issue are complied with at the time of filing/ registration of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

DISCLAIMER CLAUSE OF BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

DISCLAIMER CLAUSE OF NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS, OUR PROMOTERS AND THE BRLM

Our Company, our Directors, our Promoter and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website, www.sonaselection.com or the respective website of the Promoter Group or any affiliate of our Company, its Subsidiary and Group Companies (*if any*), would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement, and as will be provided for in the Underwriting Agreement.

All information shall be made available by our Company and the BRLM to the applicants and 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 Bidding Centres or elsewhere.

None among our Company or any member of the Syndicate is liable for any failure in (i) Uploading the bids due to faults in any software/hardware system or otherwise, or (ii) the blocking of the bid 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 involve, or any other fault, malfunctioning, breakdown or otherwise, in the UPI mechanism.

Note:
Prospective Bidders who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, Underwriters, BRLM and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not offer, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares.

The BRLM and their associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoters, members of the Promoter Group and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, our Directors, our Promoters, officers, agents, and their respective group company, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

DISCLAIMER IN RESPECT OF JURISDICTION

Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Jaipur, Rajasthan only.

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important non-banking financial companies or trusts registered under the Societies Registration Act, 1860, as amended from time to time, under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, venture capital funds, permitted insurance companies permitted provident funds (subject to applicable law) and pension funds with a minimum corpus of ₹250.00 million, National Investment Fund, permitted insurance companies, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe or to purchase the Equity Shares offered hereby, in any jurisdiction, including India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

ELIGIBILITY AND TRANSFER RESTRICTIONS

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States. Accordingly, the Equity Shares are being offered and sold outside of the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction 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.

Until the expiry of 40 days after the commencement of this Issue, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Issue) may violate the registration requirements of the U.S. Securities Act.

Bidders were advised to ensure that any Bid from them would not have exceeded the investment limits or the maximum number of Equity Shares that could be held by them under applicable law. Further, each Bidder where required agreed in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, offered 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 U.S. Securities Act.

EACH PURCHASER OF THE EQUITY SHARES IN THE ISSUE IN INDIA SHALL BE DEEMED TO

- represent and warrant to our Company, the BRLM and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.

- represent and warrant to our Company, the BRLM and the Syndicate Members that it did not purchase the Equity Shares as result of any "directed selling efforts" (as defined in Regulation S).
- represent and warrant to our Company, the BRLM and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorised in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.
- agree to indemnify and hold the Company, the BRLM and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- acknowledge that our Company, the BRLM, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

BIDDERS ARE ADVISED TO ENSURE THAT ANY BID FROM THEM DOES NOT EXCEED THE INVESTMENT LIMITS OR MAXIMUM NUMBER OF EQUITY SHARES THAT CAN BE HELD BY THEM UNDER APPLICABLE LAW.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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 U.S. Securities Act.

LISTING

The Equity Shares proposed to be issued pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on Stock Exchanges. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to Stock Exchanges for obtaining their permission for the listing and trading of the Equity Shares.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/Issue Closing Date or within such other period as may be prescribed by SEBI.

If our Company does not allot the Equity Shares pursuant to the Issue within three Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Issue Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law.

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 –

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447"

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six (6) months extending up to 10 (ten) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

CONSENTS

Consents in writing of our Promoters, our Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Senior Managerial Personnel, the Legal Counsel, the BRLM, the Bankers to our Company, CareEdge, Independent Chartered Engineer and Registrar to the Issue, have been obtained and consents in writing of, the Syndicate Members and Bankers to the Issue (Escrow Bank, Public Issue Account Bank, Sponsor Bank and Refund Bank), to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Companies Act, 2013.

Our Company has received consent of our Statutory Auditors, who holds a valid peer review certificate, to include their name as required under Section 26 of the Companies Act 2013 in this Draft Red Herring Prospectus.

The said consents will be filed along with a copy of the Red Herring Prospectus with the RoC, as required under the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus, for filing with the RoC.

EXPERT OPINION

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

Our Company has received written consent dated December 08, 2025 from our Statutory Auditors, Chartered Accountants to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 20, 13 to the extent and in their capacity as our Statutory Auditor, and in respect of Examination Report dated May 08, 2025 on our Restated Financial Information and their report dated May 08, 2025 on the Statement of Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated December 06, 2025, from the independent chartered engineer, namely R.K. Maheshwari, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to their certificate dated June 25, 2025 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning under the U.S. Securities Act, as amended (the **"U.S. Securities Act"**). The above-mentioned consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES BY OUR COMPANY DURING THE LAST 5 (FIVE) YEARS

Our Company has not made any public issue in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. The Company has not undertaken rights issues of its equity shares in the last 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus. For details, see "*Capital Structure*" on page 113.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS

Since this is the Initial Public Offer of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since the incorporation of the Company.

DETAILS OF PUBLIC/RIGHTS ISSUES BY OUR LISTED GROUP COMPANIES, SUBSIDIARY AND ASSOCIATE IN THE LAST THREE YEARS

As of the date of this Draft Red Herring Prospectus, our Company does not have any listed group company or any listed subsidiary or a listed associate entity.

PERFORMANCE VIS-À-VIS OBJECTS

Our Company has not undertaken any public issues, including any rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

PERFORMANCE VIS- À-VIS OBJECTS: LAST ISSUE OF SUBSIDIARIES/PROMOTERS

Our Company does not have any listed promoters nor any subsidiaries which have made any public issues, including rights issues to the public in the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

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PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

CHOICE CAPITAL ADVISORS PRIVATE LIMITED

Choice Capital Advisors Private Limited, our Book Running Lead Manager, has been issued a certificate of registration dated September 30, 2011, by SEBI as a Merchant Banker Category I with SEBI registration no. INM000011872. Given below is the statement on price information of past offers handled by Choice Capital Advisors Private Limited.

TABLE 1: DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY CHOICE CAPITAL ADVISORS PRIVATE LIMITED

Sr. No.	Issue Name	Issue Size (Cr)	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
MAINBOARD IPO								
1	Vishnu Prakash R Punglia	308.88	99/-	September 5,2023	165.00/-	66.57% (-0.71%)	106.87% (3.54%)	79.29% (14.32%)
2	Prostarm Infosystems Limited	168.00	105/-	June 03, 2025	120.00/-	42.25% (3.71%)	79.78% (-0.47%)	-
3	Shanti Gold International Limited	360.11	199/-	August 01, 2025	227.55/-	10.41% (-0.56%)	7.37% (6.06%)	-
4	Shringar House of Mangalsutra	400.92	165/-	September 17, 2025	188.50/-	18.79% (1.01%)	-	-

5	Advance Agrolife Limited	192.84	100/-	October 08, 2025	114.00/-	38.75% (1.85%)	-	-
SME IPO								
1	Ramdevbaba Solvent Limited	50.27	85/-	April 23, 2024	112.00/-	14.53% (1.03%)	10.24% (9.67%)	37.77% (11.12%)
2	RNFI Services Limited	70.81	105/-	July 29, 2024	199.50/-	50.24% (0.73%)	5.33% (-2.64%)	196.91% (-7.02%)
3	Esprit Stones Limited	50.35	87/-	August 2, 2024	93.15/-	26.79% (2.10%)	9.95% (-1.54%)	49.92% (-7.31%)
4	Utssav CZ Gold Jewels Limited	69.5	110/-	August 7, 2024	110.05/-	77.00% (3.49%)	89.68% (-1.24%)	106.96% (-3.36%)

Source: www.bseindia.com and www.nseindia.com as applicable

TABLE 2: SUMMARY STATEMENT OF PRICE INFORMATION OF PAST PUBLIC ISSUES (DURING THE CURRENT FINANCIAL YEAR AND THE TWO FINANCIAL YEARS IMMEDIATELY PRECEDING THE CURRENT FINANCIAL YEAR):

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 1180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			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%
2023-24	1	308.88	-	-	-	1	-	-	-	-	-	1	-	-
2024-25	4	240.93	-	-	-	2	1	1	-	-	-	2	2	-
2025-26	4	1,121.87	-	-	-	-	2	2	-	-	-	-	-	-

Note:

a) Based on date of listing.

b) CNX NIFTY and BSE SENSEX have been considered as the benchmark index.

c) Price on NSE or BSE is considered for all of the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.
d) In case the 30th /90th /180th calendar day is a holiday or scrips are not traded, then data from previous trading day has been considered.
e) N.A. – Period not completed.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures is restricted to last 10 equity issues handled by Book Running Lead Manager.

TRACK RECORD OF PAST ISSUES HANDLED BY THE BRLM

For details regarding the track record of the BRLM, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, see the website of the BRLM, as provided in the table below.

Name of the BRLM	Website
Choice Capital Advisors Private Limited	www.choiceindia.com

STOCK MARKET DATA OF EQUITY SHARES

This being an Initial Public Offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as of the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

MECHANISM FOR INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

The agreement between the Registrar to the Issue and our Company dated April 01, 2025 provides for retention of records with the Registrar to the Issue for a minimum period of 8 (eight) years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All Bidders can 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 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, other than of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLM. 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 Bidder or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding two Working Days from the Bid/ 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.

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 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100/- per day or 15% per annum of the application amount for the period of such delay, which period shall start from the day following the receipt of a complaint from the investor. The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100/- per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked funds other than the original application amount; and ₹100/- per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and ₹100/- per day or 15% per	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock

Scenario	Compensation amount	Compensation period
	annum of the difference amount, whichever is higher	
Delayed unblock for non – Allotted/ partially Allotted applications	₹100/- per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of any SCSB, Registered broker, Syndicate member, RTA or CDP including any defaults in complying with its obligations under the SEBI ICDR Regulations.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

We estimate that the average time required by our Company and/or the Registrar to the Issue for the redressal of routine investor grievances shall be ten 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 appointed Harish Sharma, Company Secretary as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue related problems, at the address set forth hereunder.

Address: 18th KM Stone, Chittorgarh Road,
Hamirgarh, Bhilwara – 311025,
Rajasthan, India
Mobile: +91– 8386090831
Telephone: 01482-286043
E-mail: cs@sonaselection.com

Our Company shall, post filing of this Draft Red Herring Prospectus, apply for the authentication on the SCORES in compliance with the SEBI circular bearing number SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 read with SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019 and the SEBI circular read with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI Circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 and SEBI circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 in relation to redressal of investor grievances through SCORES.

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For details, see "*Our Management*" on page 311. Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

OUTSTANDING DEBENTURES, BONDS OR REDEEMABLE PREFERENCE SHARES

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Draft Red Herring Prospectus

PARTLY PAID-UP SHARES

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

FEES PAYABLE TO THE SYNDICATE

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement. For details of the Issue expenses, see "*Objects of the Issue*" on page 141.

COMMISSION PAYABLE TO SCSBS, REGISTERED BROKERS, CRTAS AND CDPS

For details of the commission payable to SCBS, Registered Brokers, CRTAs and CDPs, see "*Objects of the Issue*" on page 141.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED GROUP COMPANIES

Our Company does not have any listed group companies.

CAPITALIZATION OF RESERVES OR PROFITS

Except as disclosed in "*Capital Structure*" on page 113, our Company has not capitalised its reserves or profits at any time during the 5 (five) years immediately preceding the date of this Draft Red Herring Prospectus.

REVALUATION OF ASSETS

Our Company has not revalued any assets since incorporation.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Except as disclosed in "*Our Promoter and Promoter Group – SEBI Exemption Sought by Our Company in Relation to Promoter Group*" on page 344, our Company has not made any application under the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION VII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered, transferred and Allotted pursuant to the Issue are and shall be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association, Articles of Association, SEBI Listing Regulations, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of Issue. The Equity Shares shall also be subject to applicable laws, 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 GoI, the Stock Exchanges, 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 Exchanges, the RoC and/or any other governmental, statutory or regulatory authorities while granting their approval for the Issue.

THE ISSUE

The Issue comprises of a Fresh Issue by our Company. The fees and expenses for the Issue shall be borne by our Company in the manner specified in "*Objects of the Issue – Issue related expenses*" on page 148.

RANKING OF EQUITY SHARES

The Equity Shares being issued/Allotted in the Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares in all respects including voting, right to receive dividend and other corporate benefits. For further details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 552.

MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Equity Shareholders, as per the provisions of the Companies Act, the Memorandum of Association and Articles of Association, the SEBI Listing Regulations and any other guidelines, regulations or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted or transferred Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" on pages 350 and 552, respectively.

FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Issue Price and the minimum Bid Lot size for the Issue will be decided by our Company, in consultation with the BRLM, and advertised in all editions of [●], a widely circulated English national daily newspaper and in all editions of [●], a widely circulated Hindi national daily newspaper (Hindi also being the regional language of Rajasthan, where our Registered Office is located), each with wide circulation, 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 the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager, after the Bid/Issue Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

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 provisions of the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- 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 or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act 2013, the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission, consolidation or sub-division, see *"Description of Equity Shares and Terms of Articles of Association"* on page 552.

ALLOTMENT OF SECURITIES IN DEMATERIALISED FORM

In terms of Section 29 of the Companies Act 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, tripartite agreements had been signed among the Company, the respective Depositories and the Registrar to the Issue:

1) Tripartite agreement dated 10 October, 2025 amongst our Company, NSDL and the Registrar to the Issue;
2) Tripartite agreement dated 10 October 2025 amongst our Company, CDSL and the Registrar to the Issue.

Our Company's Equity Share bear ISIN no. INE0LLZ01011.

For details in relation to the Basis of Allotment, see "*Issue Procedure*" beginning on page 519.

JURISDICTION

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Rajasthan, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (as defined in Regulation Sunder 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 are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MARKET LOT AND TRADING LOT

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Issue will be only in electronic form in multiples of one Equity Shares of face value ₹10 each, subject to a minimum Allotment of [●] Equity Shares. For further details, see the chapter titled *"Issue Procedure"* beginning on page 519.

JOINT HOLDER

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTORS

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner.

A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during minority.

A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who made the nomination, by giving a notice of such cancellation or variation to our Company. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the Registrar and transfer agent of our Company.

Further, any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or
b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

BID/ ISSUE PROGRAMME

BID/ISSUE OPNES ON	[●](1)
BID/ISSUE CLOSES ON	[●](2)(3)

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

(2) Our Company in consultation with the BRLM may, consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

(3) UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Date.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Closing Dtae	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to dematerialised accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher in accordance with applicable law. For (i) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock,; (ii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iii) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking, in accordance with applicable law. The Bidders shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable. The BRLM shall, in its sole discretion, identify and fix liability on such intermediary or entity responsible for such delay in unblocking.*

**The processing fees for applications made by the 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 Master Circular.*

The above timetable other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company, or the BRLM.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on 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 confirmation to the BRLM and the Registrar on the daily basis in accordance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days of the Bid/Issure Closing Date or such other period as may be prescribed by 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 Exchanges and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue will be made under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from the SEBI after the date of this Draft 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.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Issue Period (except the Bid/Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time "IST")
Bid/Issue Closing Date*	
Submission of electronic applications (online ASBA through 3-in-1 accounts) for RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Application (Bank ASBA through online channels like Internet Banking, Mobile Banking and Syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is up to ₹ 0.50 million	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (Syndicate Non-Retail, Non-Individual applications of QIBs and NIBs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (syndicate non-retail, non-individual applications where Bid Amount is more than ₹ 0.50 million	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/Revision/cancelled of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/Issue Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

**UPI mandate end time shall be 5:00 p.m. on the Bid/ Issue Closing Date*
#QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

1. 4.00 p.m. IST for Bids by QIBs and Non-Institutional Investors:, and

2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and in any case no later than 1:00 p.m. IST on the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids and any revision in Bids will be accepted only during Working Days during the Bid/Issue Period. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company in consultation with the BRLM reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations. 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 but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, may 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 Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Self-Certified Syndicate Banks ("SCSBs"), other Designated Intermediaries and the Sponsor Bank, as applicable.

In case of discrepancy in data entered in the electronic book vis-vis data contained in the 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.

PERIOD OF OPERATION OF SUBSCRIPTION LIST

For details, see "*Terms of the Issue*" beginning on page 505.

MINIMUM SUBSCRIPTION

In the event our Company does not receive the minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR, the minimum subscription of 90% of the Fresh Issue on the date of closure of the Issue; or withdrawal of applications; or after technical rejection or any other reasons; or in case of devolvement of Underwriters, if any, in accordance with applicable law, within 60 days from the date of Bid/Issue Closing Date on the date of closure of the Issue or; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the Issue document, and our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. If there is a delay beyond two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

In the event of an undersubscription in the Issue, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Issue will be met through the issuance of balance part of the Fresh Issue. Undersubscription, if any, in any category except the QIB portion, would be met with spill-over from the other categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

WITHDRAWAL OF THE ISSUE

The Issue shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company, in consultation with the BRLM, reserves the right not to proceed with the issue in whole or in part thereof, to the extent of respective portion of the Issued Shares, after the Bid/ 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 advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance 423 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. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% p.a. of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

If our Company in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with a public issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of the Prospectus with the RoC.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue capital of our Company, lock-in of our Promoters' minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 113 and except as provided under the Articles of Association and under SEBI ICDR Regulations, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 552.

NEW FINANCIAL INSTRUMENTS

Our Company is not issuing any new financial instruments through this Issue.

ISSUE STRUCTURE

The Issue is being made through the Book Building Process, and in terms of Regulation 6(1) of the SEBI ICDR Regulations and Rule 19(2)(b) of the SCRR.

The Issue is of up to 14,300,000 Equity Shares of face value of ₹10/- each for cash at a price of ₹10 per Equity Share, including a premium of ₹[●] per Equity Share, aggregating up to ₹[●] million.

The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company.

Particulars	**QIBs[1]**	**Non-Institutional Bidders**	**Retail Individual Bidders**
Number of Equity Shares available for Allotment/allocation [2]	Not more than [●] Equity Shares.	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and RIBs.	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue Size available for Allotment/allocation	Not more than 50% of the Issue shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the other QIBs in the Net QIB Portion	Not less than 15% of the Issue or the Issue less allocation to QIBs and RIBs will be available for allocation, out of which: (i) One third of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million and (ii) two third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in	Not less than 35% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders will be available for allocation.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
		either of the sub-categories mentioned above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): a)up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. c)Up to 60% of the QIB Portion (of up to [●] Equity Shares of face value ₹10/- each) may be allocated on a discretionary basis to Anchor Investors of which of which forty per cent of the Anchor Investor Portion, within the limits specified , shall be reserved as under: (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds. Any under-subscription in the reserved category specified in clause (ii) above may be allocated	The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (a) one third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Biddings more than ₹0.20 million and up to ₹1.00 million; and (b) two third of the portion available to Non-Institutional Bidders being [●] Equity Shares are reserved for Bidders Bidding more than ₹1.00 million. The unsubscribed portion in either of the categories specified in (a) or (b) above, may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations The allotment of specified securities to	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For further details, see "*Issue Procedure*" on page 519.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	to domestic mutual funds.	each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the SEBI ICDR Regulations.	
Minimum Bid	[●] Equity Shares in multiples of [●] Equity Shares each such that the Bid Amount exceeds ₹0.20 million.	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹0.20 million.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, (excluding the Anchor portion) subject to applicable limits to each Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, (excluding the QIB portion) subject to limits applicable to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million.
Mode of Bidding^	Only through ASBA process (excluding the UPI Mechanism) except for Anchor Investors.	Only through ASBA process (Including the UPI Mechanism for an application size of up to ₹ 0.50 million.	Only through ASBA process (including the UPI Mechanism).
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.		
Mode of Allotment	Compulsorily in dematerialised form.		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter.		
Trading Lot	One Equity Share		
Who can apply[3][4]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the Karta) applying for Equity Shares such that the Bid amount does not exceed ₹0.20 million in value

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
	development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250.00 million, pension funds with minimum corpus of ₹250.00 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the Government, the 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. and accredited investors as defined in regulation 2(1)(ab) of the SEBI AIF Regulations, for the limited purpose of their investment in angel funds registered with SEBI, under the SEBI AIF Regulations	re-categorised as Category II FPIs and registered with SEBI.	
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids.(4) **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investor) or by the Sponsor Bank(s) through the UPI Mechanism (for UPI Bidders using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form		

**Assuming full subscription in the Issue.*

^SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI Master Circular, has mandated that ASBA applications in public issues shall be processed only after the application

monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NII 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.

(1) Our Company, in consultation with the BRLM, may allocate up to 60% of the said allocation of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. In accordance with the SEBI ICDR Notification no. SEBI/LAD-NRO/GN/2025/271 dated October 31 2025, 40 % of the Anchor Investor Portion, within the aforesaid limit shall be reserved as follows: (a) 33.33 % shall be allocated to domestic Mutual Funds and (b) 6.67 % shall be allocated to Life Insurance Companies and Pension Funds. Further in the event of under-subscription in the portion reserved for Life Insurance Companies and Pension Funds, the balance portion may be re-allocated to domestic Mutual Funds. Furthermore, in the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Issue Procedure" on page 519.

(2) Subject to valid Bids being received at or above the Issue Price. This is an Issue in terms of Rule 19(2)(b) of the SCRR in compliance with Regulation 6(1) of the SEBI ICDR Regulations.

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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. The signature of only such 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. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor pay-in date as indicated in the CAN. 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.

Bids By FPIs with certain structures as described under "*Issue Procedure – Bids by Foreign Portfolio Investors*" on page 530 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The equity Shares Allocated and Allotted such successful Bidder (with the same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the members of the Syndicate, 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.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis.

ISSUE PROCEDURE

All Bidders should read the General Information Document for investing in public offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (**"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, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, including in relation to the process for Bids by UPI Bidders. The investors should note that the details and process provided in the General Information Document should be read along with this section.

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 ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and the consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for UPI Bidders applying through Designated Intermediaries was made effective along with the timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with the existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March

16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

SEBI vide the SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public issues and redressing investor grievances. The SEBI RTA Master Circular has consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs. 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). In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI ICDR Master Circular and the SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLM shall, in its 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 ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus, and the Prospectus.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI ICDR Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023, issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. Pursuant to the aforementioned circulars, Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Issue Opening Date.

SEBI vide its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 ("**AV Circular**") has introduced the disclosure of audiovisual presentation of disclosures made in Issue Documents. Pursuant to the AV Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online websites/social media platforms/micro-blogging platforms by finfluencers.

Our Company, the BRLM, Syndicate Member do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

BOOK BUILDING PROCEDURE

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulations 31 and 32(1) of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process and is in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein in terms of Regulation 32(1) of the SEBI ICDR Regulations, not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis in accordance with the SEBI ICDR Regulations, 40 % of the Anchor Investor Portion, within the aforesaid limit shall be reserved as follows: (a) 33.33 % shall be allocated to domestic Mutual Funds and 6.67 % shall be allocated to Life Insurance Companies and Pension Funds. Further in the event of under-subscription in the portion reserved for Life Insurance Companies and Pension Funds, the balance portion may be re-allocated to domestic Mutual Funds. Further, in the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, subject to availability of Equity Shares in the respective categories, not less than 15% of the Issue shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million ; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to RIBs 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, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

In accordance with Rule 19(2)(b) of the SCRR, the Issue will constitute at least [●] % of the post Issue paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Tax (CBDT) notification dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for Retail Individual Bidders Bidding through 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 rematerialised subsequent to Allotment of the Equity Shares in the Issue, in compliance with Applicable Laws.

PHASED IMPLEMENTATION OF UPI MECHANISM

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days 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 payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIBs had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three month or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3**

Notification"). In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue. 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 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 III of the UPI Circular (on mandatory basis).

The Issue will be advertised in all edition of [●] (a widely circulated English national daily newspaper), all edition of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Bhilwara, Rajasthan, India) each with wide circulation on or prior to the Bid/Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Issue BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for such application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

ELECTRONIC REGISTRATION OF BIDS

1. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue, subject to applicable laws.

2. On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

3. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 p.m. IST for Retail Individual Bidders 4:00 p.m. for Non-Institutional Bidders and QIBs, on the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

4. QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

5. The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/ unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/ bearing on the Issue bidding process.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Issue Opening Date. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. UPI Bidders shall Bid in the Issue through UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. UPI Bidders shall Bid in the Issue through UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

UPI Bidders submitting their ASBA Form to any Designated Intermediary (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the ASBA Form. ASBA Forms for such UPI Bidders, that do not contain the UPI ID are liable to be rejected. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centers only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. UPI Bidders using UPI Mechanism, will be required to submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the 341 SCSBs. Bidders, using the ASBA process to participate in the Issue, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked.

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 with the BRLM.

Since the Issue is made under Phase III, (on a mandatory basis) ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders 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 in1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(iv) The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis (1)	[●]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis (1)	[●]
Anchor Investors (2)	[●]

*_Excluding electronic Bid cum Application Forms_

Notes:

[(1)] *Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of the Stock Exchanges (www.nseindia.com and https://www.bseindia.com/).*
[(2)] *Bid cum Application Forms for Anchor Investors shall be available at the office of the BRLM.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) 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 Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI ICDR Master Circular.

Pursuant to BSE Circular No: 20220803-40 and NSE circular No. 25/2022 dated August 3, 2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

a) Cut-off time for acceptance of UPI Mandate shall be up to 5:00 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and depository participants shall continue till further notice.
b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.
c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 p.m. on the initial public offer closure day.
d) Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

Further, Intermediaries shall retain physical bid cum application forms submitted by Retail Individual Bidders with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of electronic forms, "printouts" of such Bids need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be Issued or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

Accordingly, the Equity Shares are being issued and sold outside the United States in offshore transactions as defined and in compliance with Regulation S and the applicable laws of the jurisdiction where those Issues 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 issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Important Information for Investors – Eligibility and Transfer Restrictions

Until the expiry of 40 days after the commencement of the Issue, an Issue or sale of the Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act, unless made pursuant to available exemptions from the registration requirements of the U.S. Securities Act and in accordance with applicable securities laws of any state or other jurisdiction of the United States. The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investor must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved.

ELIGIBLE INVESTORS

The Equity Shares are being issued and sold outside the United States, in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those issues and sales occur and who are deemed to have made the representations set forth immediately below.

Each purchaser that is acquiring the Equity Shares issued pursuant to the Issue outside the United States, by a declaration included in the Bid cum Application Form and its acceptance of the Red Herring Prospectus and of the Equity Shares issued pursuant to the Issue, will be deemed to have acknowledged, represented and warranted to and agreed with our Company and the BRLM that it has received a copy of the Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

a) the purchaser is authorised to consummate the purchase of the Equity Shares issued pursuant to the Issue in compliance with all applicable laws and regulations;

b) the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly may not be issued 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;
c) the purchaser is purchasing the Equity Shares issued pursuant to the Issue in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;
d) the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
e) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
f) is not acquiring the Equity Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) under the U.S. Securities Act);
g) the purchaser acknowledges that our Company, the BRLM, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

PARTICIPATION BY THE PROMOTERS, THE MEMBERS OF THE PROMOTER GROUP, THE BRLM, THE SYNDICATE MEMBERS AND THEIR ASSOCIATES AND AFFILIATES AND THE PERSONS RELATED THERETO

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for 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 or in any other manner as introduced under applicable laws and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any persons related to the BRLM can apply in the Issue under the Anchor Investor Portion:

i. mutual funds sponsored by entities which are associate of the BRLM;
ii. insurance companies promoted by entities which are associate of the BRLM;
iii. Alternate Investment Funds sponsored by the entities which are associate of the BRLM;
iv. Foreign Portfolio Investors other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLM; or
v. pension funds sponsored by entities which are associate of the BRLM;

Further, our Promoters and the members of our Promoter Group will not participate in the Issue. Further, persons related to our Promoters and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of the above, a QIB who has the following rights shall be deemed to be a person related to our Promoters or Promoter Group of our Company:

a. rights under a shareholders' agreement or voting agreement entered into with the Promoters or the members of the Promoter Group of our Company;
b. veto rights; or
c. right to appoint any nominee director on the Board.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if:

1. either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
2. either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
3. there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid submitted.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

BIDS BY ELIGIBLE NON-RESIDENT INDIANS ("NRIs")

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI

Mandate Request (in case of UPI Bidders) to block their Non- Resident External ("**NRE**") accounts, or FCNR accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Issue through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRIs in the Issue shall be subject to compliance with the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share 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 will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

For further details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 548.

Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

BIDS BY HINDU UNDIVIDED FAMILIES ("HUFs")

Bids by Hindu Undivided Families or HUFs should be made, in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

BIDS BY FOREIGN PORTFOLIO INVESTORS ("FPIs")

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified 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.

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents ([●] 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, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and
(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Further, Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be regarded as multiple Bids:

(i) FPIs which utilise the multi-investment manager ("**MIM**") structure.

(ii) Offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments.
(iii) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration.
(iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
(v) Multiple branches in different jurisdictions of foreign bank registered as FPIs.
(vi) Government and Government related investors registered as Category I FPIs.
(vii) Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to the aforesaid seven structures and having same PAN may be 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, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilise any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation.

In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

BIDS BY SECURITIES AND EXCHANGE BOARD OF INDIA REGISTRED VENTURE CAPITAL FUNDS ("VCFs"), ALTERNATE INVESTMENT FUNDS ("AIFs") AND FOREIGN CAPITAL INVESTORS (FVCIs)

The SEBI AIF Regulations as amended, *inter alia*, prescribe the investment restrictions on AIFs, Post the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations 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 SEBI FVCI Regulations prescribe the investment restrictions on FVCIs. The holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in initial public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in an investee company directly or through investment in the units of other AIF. A Category III AIFs cannot invest more than 10% of the investible funds in an investee company directly or through investment in the units of other AIF. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking.

Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorised under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs. All such Bidders will be treated on the same basis with other categories for the purpose of allocation. Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), 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.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250.00 million and pension funds with a minimum corpus of ₹250.00 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company, in consultation with the BRLM in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof.

BIDS BY BANKING COMPANIES

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"). and the Master Direction - Reserve

Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, 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 banking company's own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, a banking company shall not be allowed to make any investment in Category III AIFs and any investment by a bank's subsidiary in a Category III AIF shall be restricted to the regulatory minima prescribed by SEBI.

The banking company 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 investment in a (i) subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed); (ii) non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a)(v)(c)(i) of the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended; and (iii) investment of more than 10% of the paid-up capital / unit capital in a Category I AIF or Category II AIF.

BIDS BY SELF-CERTIFIED SYNDICATE BANKS ("SCSBs")

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, read with the Investments – Master Circular dated October 27, 2022, each amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates.

Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENTION FUNDS

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250.00 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserve the right to reject any Bid, without assigning any reason thereof.

BIDS BY SYSTEMICALLY IMPORTANT NON- BANKING FINANCIAL COMPANIES

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, a certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Issue.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum 489 number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY ANCHOR INVESTORS

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below:

a. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the office of the BRLM.

b. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100.00 million. 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 ₹ 100.00 million.

c. 40% of the Anchor Investor Portion shall be reserved as follows:

(i) 33.33% shall be allocated to domestic Mutual Funds; and
(ii) 6.67% shall be allocated to Life Insurance Companies and Pension Funds.

In the event of under-subscription in the portion reserved for Life Insurance Companies and Pension Funds, the balance portion may be re-allocated to domestic Mutual Funds.

d. Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date, and will be completed on the same day.

e. Our Company, in consultation with the BRLM will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- minimum of 2 and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is up to ₹ 2500.00 million, subject to minimum allotment of ₹50.00 million rupees per Anchor Investor;

- In case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500.00 million, subject to a minimum allotment of ₹50.00 million per Anchor Investor.

f. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the Book Running Lead Manager before the Bid/ Issue Opening Date, through intimation to the Stock Exchanges.

g. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

h. 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 on the Anchor Investor Pay-In Date specified in the CAN. 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 and the difference amount shall not be refunded to the Anchor Investors.

i. Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: there shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to each of 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 each of the Anchor Investors from the date of Allotment.

j. Neither (a) the Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the Promoter Group shall apply under the Anchor Investors category.

k. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

The above information is given for the benefit of the Bidders. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus when filed. In accordance with RBI regulations, OCBs cannot participate in the Issue.

INFORMATION FOR BIDDERS

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding 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 BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges

GENERAL INSTRUCTIONS

QIB Bidders and Non-Institutional Bidders are not allowed to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. RIBs can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date.

Do's:

1. Ensure that your PAN is linked with Aadhaar and you are in compliance with the notification of the Central Board of Direct Taxes dated February 13, 2020 and press release dated June 25, 2021;
2. 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. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number) in the Bid cum Application Form if you are not an UPI Bidder in the Bid cum Application Form and if you are an UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
6. UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the GID;
8. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
9. If the First Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all ASBA Bidders other than UPI Bidders);
10. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
11. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
12. The ASBA bidders shall ensure that bids above ₹ 0.50 million, are uploaded only by the SCSBs;
13. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

14. UPI Bidders Bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
15. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;
16. UPI Bidders in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
17. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 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 beneficial 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;
20. Ensure that the Demographic Details are updated, true and correct in all respects;
21. 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;
22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
25. UPI Bidders who wish to Bid should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

26. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
27. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
28. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. IST of the Working Day immediately after the Bid/ Issue Closing Date;
29. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
30. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹0.20 million would be considered under the retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the non-institutional category for allocation in the Issue;
32. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form; and
33. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).
34. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank(s) issues the Mandate Request, the RIBs would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner.
35. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.
36. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid lot;
2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
5. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders, in the UPI-linked bank account where funds for making the Bid are available;
8. Do not submit the Bid for an amount more than funds available in your ASBA account;
9. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
10. In case of ASBA Bidders, do not submit more than one ASBA Form ASBA Account;
11. If you are an UPI Bidder, do not submit more than one Bid cum Application Form for each UPI ID;
12. Anchor Investors should not Bid through the ASBA process;
13. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
14. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
15. Do not submit the General Index Register (GIR) number instead of the PAN;
16. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
17. 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;
18. 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);
19. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
20. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
21. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
22. Do not Bid for Equity Shares more than what is specified for each category;
23. If you are a QIB, do not submit your Bid after 3 p.m. IST on the QIB Bid/Issue Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Issue Closing Date (for physical applications);
24. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder, do not submit the ASBA Form directly with SCSBs;
27. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
28. Do not Bid if you are an OCB;
29. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;
30. Do not submit the Bid cum Application Forms to any non-SCSB bank;
31. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidder);
32. Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by Retail Individual Bidders);
33. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders; and
34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million.
35. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time is liable to be rejected.

GROUNDS FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

a. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
b. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
c. Bids submitted on a plain paper;
d. Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
e. Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));
f. Anchor Investors should submit Anchor Investor Application Form only to the BRLM;
g. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
h. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
i. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

j. Bids submitted without the signature of the First Bidder or Sole Bidder;
k. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
l. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
m. GIR number furnished instead of PAN;
n. Bids by RIBs with Bid Amount of a value of more than ₹0.20 million;
o. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
p. Bids accompanied by stock invest, money order, postal order, or cash; and
q. Bids uploaded by QIBs after 4.00 p.m. on the QIB Bid/Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Issue Closing Date, unless extended by the Stock Exchanges. On Bid/Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

Further, in case of any post-Issue related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors can reach out the Company Secretary and Compliance Officer. For further details of the Company Secretary and Compliance Officer, see "*General Information*" and "*Our Management*" on pages 102 and 311, respectively.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI Master Circular (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The BRLM shall be the nodal entity for any issues arising out of public issuance process.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLM shall continue to coordinate with intermediaries involved in the said process.

For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Designated Stock Exchanges, 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.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares Issued through the Issue through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Issue may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

PAYMENT INTO ESCROW ACCOUNT(S) FOR ANCHOR INVESTORS

Our Company, in consultation with the BRLM 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 Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"
(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Banks and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

DEPOSITORY ARRANGEMENTS

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "*Terms of the Issue*" on page 505.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper (Hindi being the regional language of Rajasthan, where our Registered Office is located), each with wide circulation. 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.

ALLOTMENT ADVERTISEMENT

Our Company, the Book Running Lead Manager and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) all editions of [●], a widely circulated English national daily newspaper; and (ii) all editions of [●], a widely circulated Hindi national daily newspaper (Hindi being the regional language of Rajasthan, where our Registered Office is located).

The allotment advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the allotment advertisement shall be uploaded on the websites of our Company, the BRLM and the Registrar to the Issue, following the receipt of final listing and trading approval from all the Stock Exchanges.

The information set out above is given for the benefit of the Bidders/Applicants. Our Company, and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE FILING WITH THE ROC

Our Company intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the determination of the Issue Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and would be complete in all material respects.

UNDERTAKING BY OUR COMPANY

Our Company undertakes the following:

(i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

(ii) if Allotment is not made, refunds are not made to the Bidders or listing and trading approvals are not obtained 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, the SEBI ICDR Regulations and applicable law for the delayed period;

(iii) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/ Issue Closing Date or such other timeline as may be prescribed by SEBI;

(iv) That funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;

(v) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within four Working Days from the Bid/ Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where the refunds shall be credited along with the amount and the expected date of electronic credit of refund;

(vi) The decisions with respect to the Price Band and the Minimum Bid lot as applicable, revision of Price Band, Issue Price, will be taken by our Company, in consultation with the BRLM.

(vii) That if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements would be published. The Stock Exchanges shall be informed promptly;

(viii) That if our Company, in consultation with the BRLM withdraw the Issue after the Bid/ Issue Closing Date, our Company shall be required to file a fresh DRHP with SEBI, in the event our Company subsequently decides to proceed with the Issue;

(ix) Except for Equity Shares that may be allotted pursuant to the Pre – IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.; and

(x) That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Forms from Anchor Investor.

UTILISATION OF PROCEEDS FROM THE ISSUE

Our Board 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 utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
iii. details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

IMPERSONAMTION

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 –

a. ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
b. ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
c. ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."***

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1.00 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or 1% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly, Department of Industrial Policy and Promotion) ("**DPIIT**") issued the Consolidated FDI Policy Circular of 2020, ("**Consolidated FDI Policy**") which, with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations,(ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see section titled '*Issue Procedure – Bids by Eligible Non-Resident Indians*' and '*Issue Procedure – Bids by Foreign Portfolio Investors*' on page 529 and 530, respectively.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. 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 , 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 FDI 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. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 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. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

As per the Consolidated FDI Policy, read with FEMA Rules, 100% foreign direct investment is permitted under the automatic route in the sector in which our Company operates, however, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. 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 Bid/Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in the Issue.

INVESTMENT BY FOREIGN PORTFOLIO INVESTORS ("FPIS")

FPIs are permitted to subscribe to equity shares of an Indian company in a public issue without the prior approval of the RBI, provided the price offered is not less than that offered to resident investors. SEBI-registered FPIs have been permitted to purchase shares of an Indian company through issue, subject to total FPI investment being within the individual FPI investment limit of below 10% of the total paid-up equity capital of the Indian company 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, including any other direct and indirect foreign investments in the Indian company by the FPIs permitted under FEMA Rules shall not exceed 24% of the paid-up equity capital of the Indian company on a fully diluted basis. However, this aggregate 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 shareholders.

With effect from April 01, 2020, the aggregate FPI investment limit is aligned with the sectoral caps applicable to the Indian company as laid out in sub-paragraph (b) of paragraph 3 of Schedule I of the FEMA Rules, with respect to its paid-up equity capital on a fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. The aggregate limit as provided above may be decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of their Board of Directors and shareholders through a resolution and a special resolution, respectively before March 31, 2020. The Indian company which has decreased its aggregate limit to 24% or 49% or 74%, may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its Board of Directors and its general body through a resolution and a special resolution, respectively. However, once the aggregate limit has been increased to a higher threshold, it cannot be reduced thereafter.

SUBSCRIPTION BY NON-RESIDENT INDIAIN ("NRI") OR OVERSEAS CITIZEN OF INDIA ("OCI") ON REPATRIATION BASIS

As per Schedule III of the FEMA (Non-Debt Instruments) Rules, a NRI or OCI may purchase or sell equity shares of a listed Indian company on repatriation basis, through a recognised stock exchange in India, subject to the conditions that NRIs or OCIs may purchase and sell shares through a branch designated by an authorised dealer for the purpose. 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, preference shares, or share warrants issued by an Indian company. 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. The aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the shareholders of the Indian company.

INVESTMENT BY NRI OR OCI OR NON- REPATRIATION BASIS

As per Schedule IV of the FEMA (Non-Debt Instruments) Rules, 2019, purchase by an NRI/ OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs/OCIs, on non-repatriation basis of shares and convertible debentures or warrants issued by a company without any limit either on the stock exchange or outside, it will be deemed to be domestic investment at par with the investment made by residents. Such investment is, however, subject to applicable remittance channel restrictions. However, NRIs or OCIs, including companies, trusts and a partnership firms incorporated outside India and owned and controlled by NRIs/OCIs, is prohibited from making any investment, under Schedule IV, in capital instruments or units of a Nidhi company or companies engaged in agricultural/ plantation activities, real estate business, construction of farmhouses, or dealing in transfer of development rights.

INVESTMENT BY OTHER NON- RESIDENT INVESTORS

As per Schedule I of the FEMA (Non-Debt Instruments) Rules, 2019, a person resident outside India may purchase capital instruments of a listed Indian company on a recognised stock exchange in India provided the person resident outside India making the investment has already acquired control of such company in accordance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and continues to hold such control. The amount of consideration may be paid as per the mode of payment as prescribed by RBI i.e. Regulation 3 of Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instrument) Regulation 2019 under or out of the dividend payable by Indian investee company in which the person resident outside India has acquired and continues to hold the control in accordance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 provided the right to receive dividend is established and the dividend amount has been credited to a specially designated non-interest bearing rupee account for acquisition of shares on the recognised stock exchange.

Investors are advised to refer to the exact text of the applicable laws before making any investment, or subsequent purchase or sale transaction of Equity Shares of our Company.

No person shall make an application in the Issue, unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

INVESTMENT BY NON-RESIDENT ENTITIES IN INDIA UNDER FDI POLICY 2020

The FDI Policy, 2020 provides that a non-resident entity can invest in India, subject to the provisions of the FDI Policy except in those sectors/activities which are prohibited. However, an entity of a country, which shares a 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, can invest only under the Government route. Further, a citizen of Pakistan or an entity incorporated in Pakistan may invest only under the Government route, and in sectors /activities other than defence, space, atomic energy and those specifically prohibited for foreign investment.

In the event of the transfer of ownership of any existing or future FDI in an entity in India, whether directly or indirectly, resulting in the beneficial ownership falling within the scope of the aforementioned restrictions, such subsequent change in beneficial ownership will also require Government approval. This requirement is in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India and the Foreign Exchange Management (Non-debt instrument) Amendment Rules, 2020 notified by Central Government through notification dated April 22, 2020 in order to curb opportunistic takeovers or acquisitions of Indian Companies in light of the COVID-19 pandemic.

The Equity Shares to be issued in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act"), or any applicable U.S. state securities laws. Accordingly, the Equity Shares 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 such state laws. Accordingly, the Equity Shares are being issued (i) within U.S. to persons reasonably believed to be "qualified institutional buyers" (as defined in Section 230.144A of Part 230, Chapter II, Title 17 of the Code of Federal Regulations) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside U.S. in offshore transactions in reliance on Regulation S, under the U.S. Securities Act and the applicable laws of the jurisdictions where such issues occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Pursuant to Table F in Schedule I of the Companies Act, 2013, the SEBI ICDR Regulations and 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 and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in the Articles of Association. Certain defined terms used in the Articles of Association are set forth below. All other defined terms used in this section have the meaning given to them in the Articles of Association.

These Articles of Association were adopted by the Company in their EGM held on November 04, 2025.

S. No.	Particulars
1.	The clauses contained in Table 'F' of Schedule I of the Companies Act, 2013, as amended, shall apply to our Company only so far as they are not inconsistent or repugnant with any of the clauses contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles but the regulations for the management of the Company and for the observance of the Members there of and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its clauses by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.
	INTERPRETATION CLAUSE
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:
	In these regulations the Act means the Companies Act 2013 the seal means the common seal of the company. 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. The Company is a Public Company within the meaning of Section 2(71) of the Companies Act 2013 which- (a) is not a private company and (b) has a minimum paid-up share capital as may be prescribed Provided that a company which is a subsidiary of a company not being a private company shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles
	SHARE CAPITAL AND VARIATION OF RIGHTS
3.	The Authorised Share Capital of the Company shall be as specified in Clause V of Memorandum of Association of the Company with the power to increase or reduce such capital from time to time in accordance with the Articles and as per the applicable laws for the time being in force in this regard and also with the power to divide the Shares in the capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential qualified or special rights privileges or conditions in accordance with the provisions of the Act these Articles and other applicable laws. The Company may issue the following kinds of shares in accordance with these Articles the Act the Rules and other applicable laws i. Equity share capital ii. Preference share capital 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.
4.	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 one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. 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
5.	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 ma y 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. The provisions of Articles(2) and (3) shall mutatis mutandis apply to debentures of the company.
6.	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.
7.	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 rules made thereunder. 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. 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.
8.	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. To every such separate meeting the provisions of these regulations relating to 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.
9.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

10.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
11.	A. 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. B. The Board or the Company as the case ma y be may in accordance with the Act and the Rules issue further shares to (a) persons who at the date of offer are holders of equity shares of the Company such offer 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 or(b) employees under any scheme of employees stock option or(c) any persons whether or not those persons include the persons referred to in clause (a) or clause (b) above. C. Where at any time the Company proposes to increase its subscribed Capital by the issue of further shares such shares shall be offered(i) 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 (ii) to employees under a scheme of employees stock option (iii) to any Persons if it is authorised by a Special Resolution whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above either for cash or for a consideration other than cash if the price of such shares is determined by the valuation report of a registered valuer subject to the compliance with the applicable provisions of the Act and any other conditions as may be prescribed under Law. (iv) A further issue of securities may be made in any manner whatsoever as the boar d may determine including by way of preferential allotment or private placement subject to and in accordance with Companies Act and rules made thereunder with pricing method prescribed to listed entities under SEBI (Issue of Capital Disclosures and Requirements) Regulations as amended from time to time if applicable.(v) The Company may issue bonus shares by way of capitalization pr o fits or out of securities premium or otherwise in accordance with the Act and the Rules and other applicable provisions for the time being in force. D. The Company shall have power to issue sweat equity shares to its employees or directors for cash or against consideration (other than cash) for providing know- how or making available rights in the nature of intellectual property rights or value additions by whatever name called subject to the provisions of Section 54 of the Act and any other related provisions as may be required for the time being in force. E. The Company may issue shares to Employees including its directors other than independent directors and such other persons as the rules may allow under Employee stock option scheme Employee stock purchase scheme or any other scheme if authorised by the members in general meeting subject to the provisions of the Act the Rules applicable guidelines made there under and other applicable laws for the time being in force. DEBENTURES F. Any debentures debenture stock or other securities may be issued at a discount (subject to the compliance with the provision of Section 53 of the Companies Act 2013) premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination. G. Subject to applicable provisions of the Act the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription (whether absolutely or conditionally) for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of securities)

	Rules 2014 as amended from time to time. H. The Company may also on any issue of shares or Debentures pay such brokerage as may be lawful.
	LIEN
12.	The company shall have a first and paramount lien 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 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 Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The company's lien if any on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
13.	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. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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.
14.	To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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.
15.	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. 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
16.	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. Provided further that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting. 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. A call may be revoked or postponed at the discretion of the Board.
17.	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
18.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19.	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. The Boar d shall be at liberty to waive payment of any such interest wholly or in part.
20.	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. 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.
21.	The Board - a. 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 b. 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 but shall not in respect thereof confer a right to dividend or to participate in pr o fits.
	TRANSFER OF SHARES
22.	The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
23.	The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien. Provided that 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 Company on any account whatsoever.
24.	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 56b. 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.
25.	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
26.	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 sole holder shall be the only persons recognised by the company as having any title to his interest in the shares 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.

27.	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 to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could ha v e made. 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.
28.	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. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share. 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.
29.	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 shar e 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 been complied with.
30.	In case of a One Person Company on the death of the sole member the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member the nominee on becoming entitled to such shares in case of the members death shall be informed of such e vent by the Board of the company such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable on becoming member such nominee shall nominate any other person with the prior written consent of such person who shall in the e vent of the death of the member become the member of the company.
	FORFEITURE OF SHARE
31.	If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may ha v e accrued.
32.	The notice aforesaid shall 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 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.
33.	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.

34.	A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.
35.	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. 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.
36.	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 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 The transferee shall thereupon be registered as the holder of the share and 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.
37.	The provisions of these regulations as to forfeiture shall apply in the case of non-payment 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
38.	The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.
39.	Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum 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.
40.	Where shares are converted into stock 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. 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. 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.

41.	The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law it share capital any capital redemption reserve account or any share premium account.
	CAPITALISATION OF PROFITS
42.	A. The company in general meeting may upon the recommendation of the Board resolve 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 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. 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 paying up any amounts for the time being unpaid on any shares held by such members respectively 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 partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B) 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 The Board shall give effect to the resolution passed by the company in pursuance of this regulation. B. The Company in general meeting may decide to issue fully paid-up bonus share to the member in the manner and to the extent as recommended by the Board of Directors.
43.	Whenever such a resolution as aforesaid shall have been passed the Board shall 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 generally do all acts and things required to give effect thereto. The Board shall have power 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 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 Any agreement made under such authority shall be effective and binding on such members.
	BUY BACK OF SHARES
44.	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 MEETINGS
45.	All general meetings other than annual general meeting shall be called extraordinary general meeting.
46.	The Board may whenever it thinks fit call an extraordinary general meeting. 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
47.	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. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.
48.	The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.
49.	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.
50.	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.
51.	In case of a One Person Company the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member.
	ADJOURNMENT OF MEETINGS
52.	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. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. 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. 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
53.	Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and 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.
54.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
55.	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. For this purpose seniority shall be determined by the order in which the names stand in the register of members.
56.	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.
57.	Any business other than that upon which a poll has been demanded maybe proceeded with pending the taking of the poll.
58.	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

59.	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. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.
	PROXY
60.	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.
61.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
62.	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
63.	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 names of the first directors are as follows(a) Uma Nuwal (b) Harshil Nuwal (c) Subhash Chandra Nuwal.
64.	The remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. 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 in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.
65.	The Board may pay all expenses incurred in getting up and registering the company.
66.	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.
67.	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.
68.	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.
69.	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. 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. Subject to the provisions of Section 161 of the Act the Board shall have power at any time and from time to time to appoint a person as a Casual Director and Alternate Director.
	PROCEEDINGS AT THE BOARD
70.	The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.
71.	Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.
72.	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.
73.	The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within 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.
74.	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. 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.
75.	A committee may elect a Chairperson of its meetings. 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.
76.	A committee may meet and adjourn as it thinks fit. 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.
77.	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.
78.	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.
79.	In case of a One Person Company where the company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118 such minutes book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director.
	CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHEIEF FINANCIAL OFFICER
80.	Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such

	remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board A director may be appointed as chief executive officer manager company secretary or chief financial officer.
81.	A. 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. B. The Company shall have such number of Independent Directors on the Board of the Company as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules 2014 or any other Law as may be applicable. Further the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations. Every director present at any physical meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose. C. The Board of Directors may appoint such number of Independent Directors as may be required to be appointed under Act and under SEBI Listing regulations as amended from time to time. D. (i) Independent directors shall possess such qualification as required under the act and under SEBI Listing regulations as amended from time to time.(ii) Independent Director shall be appointed for such period as prescribed under relevant provisions Act Schedules thereof under SEBI Listing regulations as amended from time to time. POWERS TO BORROWE. (i) The Board of Directors may from time to time but with consent of the Company in general meeting as may be required under section 180 of the Companies Act 2013 read with rules made thereunder by a resolution passed at a Meeting of the Board raise any money or any monies or sums of money for the purpose of the Company provided that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not without the sanction of the Company at a General Meeting exceed the aggregate of the paid- up share capital of the Company and its free reserves that is to say reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 180 of the Act and the rules made thereunder. The Board may from time to time at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company at such times and in such manner and upon such terms and conditions as they deem fit by the issue of debt instruments debentures or perpetual annuities debenture stock promissory notes or by opening current accounts or by receiving deposits and advances with or without security or by issue of bonds and in security of any such money so borrowed raised or received to mortgage pledge or charge the whole or any part of the undertaking property rights assets or revenue of the Company present or future including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and give the lenders powers of sale and other powers as may be expedient and to purchase redeem or pay off any such securities in accordance with the acts rules and regulations as applicable to the Company.(ii) Provided that the Directors may by resolution at a meeting of the Board delegate the power to borrow money otherwise than on debentures to a Committee of Directors or the Managing Director or Whole-Time Director or Manager subject to the limits up to which the money may be so borrowed as may be specified in the said resolution.(iii) To the extent permitted under the

	applicable Law and subject to compliance with the requirements thereof the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interest of the Company.(iv) Any bonds Debentures debenture-stock or other Securities may if permissible in Law be issued at a discount premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company and on the condition that they or any part of them may be convertible into equity shares of any denomination and with any privileges and conditions as to the redemption surrender allotment of shares appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into equity shares shall not be issued except with the sanction of the company in General Meeting accorded by a Special Resolution.
	THE SEAL
82.	The Board shall provide for the safe custody of the seal. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.
	DIVIDENDS AND RESERVE
83.	The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
84.	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.
85.	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. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.
86.	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. 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. 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.
87.	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.

88.	Any dividend interest or other monies payable in cash in respect of shares may be 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
89.	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.
90.	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.
91.	(a) No dividend shall bear interest against the company. (b) Subject to the provisions of the Act no unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.
	ACCOUNTS
92.	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. 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.
	WINDING UP
93.	Subject to the provisions of Chapter XX of the Act and rules made thereunder 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. 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. 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
94.	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.
	OTHERS
95.	DEMATERIALIZATION OF SHARES A. In according with Section 29 read with Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules 2014 and other applicable provisions of the Act Company will get its existing shares converted into physical form to dematerialised form and in future will issue shares only in dematerialised form. Company should obtain ISIN for each type of security. Before making any offer for the issue of any securities by the Company the entire holding of securities of its promoters directors KMP shall be in dematerialised form. Every securities holder of Company shall get his securities in dematerialised form before transferring to any person or subscribing to any issue of securities. Company shall appoint a Registrar and Transfer Agent (RTA).

	After appointment of RTA the company shall file an application along with relevant documents with the depository for obtaining DEMAT connectivity. The company depository and RTA shall enter into Tripartite agreement or some other arrangement as agreed amount the parties in respect of securities that are to be declared as eligible to be held in dematerialised form. FURTHER ISSUE OF SHARES B. The Board of the company as the case may be may in accordance with the Act and the Rules issue further shares to(a) persons who at the date of offer are holders of equity shares of the company such offer shall be deemed to include a right exercisable by the persons concerned to renounce the shares offered to him or any of them in favour of any other person or(b) employees under any scheme of employees stock option or(c) any persons whether or not those persons include the persons referred to in clause (a) or clause (b) above. C. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement subject to and in accordance with the Act and the rules. D. Before the issue of any new shares the Company in the General Meeting may make provision as to the allotment and issue of the new shares and in particular may determine to whom the same shall be offered in the first instance and whether at par or at premium or subject the provision of section 53 of the Act at a discount.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

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/ Prospectus which will be filed with the RoC. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. to 5 p.m. IST on all Working Days and shall also be available on www.sonaselection.com from the date of the Red Herring Prospectus until the Issue Closing Date.

A. Material Contracts for the Issue

(a) Issue Agreement dated December 08, 2025, amongst our Company and the Book Running Lead Manager.

(b) Registrar Agreement dated December 08, 2025, between our Company and the Registrar to the Issue.

(c) Tripartite Agreement dated October 10, 2025 amongst CDSL, our Company and the Registrar to the Issue.

(d) Tripartite Agreement dated October 10, 2025 amongst NSDL, our Company and the Registrar to the Issue.

(e) Cash Escrow and Sponsor Bank Agreement dated [●] amongst our Company and the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Members and the Escrow Collection Bank(s), Public Issue Bank, Sponsor Bank(s), Refund Bank(s).

(f) Syndicate Agreement dated [●] amongst our Company, the Book Running Lead Manager, Registrar to the Issue and Syndicate Members.

(g) Monitoring Agency Agreement dated [●] entered into between the Company and the Monitoring Agency.

(h) Underwriting Agreement dated [●] between our Company, the Registrar to the Issue and the Underwriters.

B. Material Documents

(a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;

(b) Certificate of incorporation dated February 11, 2022, issued by the Registrar of Companies, Central Processing Centre in the name of '*Sonaselection India Limited*';

(c) Resolution of our Board of Directors dated October 28, 2025, authorising the Issue and other related matters;

(d) Resolution of our Shareholders passed at the Extra Ordinary General Meeting dated November 04, 2025, authorising the Issue and other related matters;

(e) Resolution of our Board of Directors dated December 11, 2025 for approval of this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges;

(f) Resolution of our Board of Directors dated [●] for approval of the Red Herring Prospectus;

(g) Resolution of our Board of Directors dated [●] for approval of the Prospectus;

(h) Copies of annual reports of our Company for the preceding three Fiscals i.e., 2025, 2024 and 2023;

(i) The examination report dated December 05, 2025, of our Statutory Auditors on our Restated Financial Information, included in this Draft Red Herring Prospectus;

(j) Statement of Special Tax Benefits dated December 08, 2025 issued by our Statutory Auditors included in this Draft Red Herring Prospectus;

(k) Certificate dated December 11, 2025, from Pokharna Somani & Associates, Chartered Accountants, issued with respect to the Key Performance Indicators (KPIs) of the Company;

(l) Consent of our Promoters, Directors, the BRLM, the Legal Counsel to the Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Banks(s), Sponsor Bank, Public Issue Account Bank, the Bankers to our Company, the Company Secretary and Compliance Officer and the Chief Financial Officer, Underwriters, Monitoring Agency and Syndicate Members as referred to act in their respective capacities;

(m) Consent of our Statutory Auditor dated December 08, 2025, to include their name in this Draft Red Herring Prospectus and as an "expert" defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013, for inclusion of their examination report dated December 05, 2025, on examination of our Restated Financial Information and the statement of special tax benefits dated December 08, 2025, and various certifications issued by them included in this Draft Red Herring Prospectus;

(n) Consent of independent chartered engineer dated December 06, 2025 to include their name in this Draft Red Herring Prospectus and as an "expert" defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013, in respect of the reports on production capacity of plant & machinery, included in this Draft Red Herring Prospectus.

(o) Industry Report titled '*Textile Research Report* dated December, 2025, prepared by CareEdge Analytics & Advisory, exclusively commissioned and paid for by our Company in connection with the Issue and is available on our Company's website at www.sonaselection.com.

(p) Consent letter from Care Analytics & Advisory Private Limited dated December 09, 2025, to include contents or any part thereof from their report titled '*Textile Research Report*', in this Draft Red Herring Prospectus;

(q) In relation to the acquisition of running manufacturing facility from Sona Processors (India) Limited: (i) Business Transfer Agreement dated June 17, 2022, executed between our Company and Sona Processors (India) Limited; (ii) Valuation report dated February 19, 2022 issued by 'Er. Hemant Singh' Sr. Engineer & Registered Valuer, in relation to the land/site and building of unit-2 of the Sona Processors (India) Limited; (iii) Valuation report dated March 03, 2022 issued by 'B.M. Consultancy', in relation to the plant & machinery of unit-2 of the Sona Processors (India) Limited; (iv) consent from registered valuer 'Er. Hemant Singh'; and (v) consent from valuer 'B.M. Consultancy'.

(r) Resolution dated December 11, 2025 passed by the Audit Committee approving KPIs;

(s) Certificate on Capitalization Statement dated December 08, 2025, from Statutory Auditors.

(t) Certificate on Weighted Average Price and Cost of Acquisition of Equity Shares by the Promoters dated December 11, 2025, from the Statutory Auditors.

(u) Certificate on Related Party Transactions dated December 08, 2025 , from the Statutory Auditors.

(v) Certificate on Outstanding Dues to Creditors dated December 08, 2025, from the Statutory Auditors.

(w) Certificate on Financial Indebtedness dated December 09, 2025, from the Statutory Auditors.

(x) Certificate on Statutory Dues & Contingent Liabilities dated December 11, 2025, from the Statutory Auditors.

(y) Certificate on statement of utilization of loan for the purpose availed dated December 09, 2025, from the Statutory Auditors.

(z) Certificate on Weighted Price Primary and Secondary Issuance dated December 11, 2025, from the Statutory Auditors.

(aa) Exemption Application dated July 10, 2025 filed with SEBI.

(bb) SEBI letter bearing dated September 05, 2025 (bearing reference number SEBI/HO/CFD/RAC-DIL3/P/OW/2025/23744/1) rejecting the Exemption Application.

(cc) Due diligence certificate dated December 11, 2025, addressed to the SEBI from the BRLM;

(dd) In-principle listing approvals each dated [●] from the BSE and the NSE;

(ee) SEBI final observation letter bearing reference number [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act 1956, the Securities Contract (Regulation) Rules 1957, and Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in the Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/-

Subhash Chandra Nuwal

(Chairman, Non-Executive & Non-Independent Director)

Date: December 11, 2025

Place: Bhilwara, Rajasthan, India

DECLARATION

I hereby certify declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act 1956, the Securities Contract (Regulation) Rules 1957, and Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in the Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/-

Harshil Nuwal
(Managing Director)

Date: December 11, 2025
Place: Bhilwara, Rajasthan, India

DECLARATION

I hereby certify declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act 1956, the Securities Contract (Regulation) Rules 1957, and Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in the Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/-

Uma Nuwal
(Whole-time Director)

Date: December 11, 2025
Place: Bhilwara, Rajasthan, India

DECLARATION

I hereby certify declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act 1956, the Securities Contract (Regulation) Rules 1957, and Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in the Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/-

Aditi Khakani
(Non-Executive & Independent Director)

Date: December 11, 2025
Place: Bhilwara, Rajasthan, India

DECLARATION

I hereby certify declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act 1956, the Securities Contract (Regulation) Rules 1957, and Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in the Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/-

Kamlesh Kumar Choudhary
(Non-Executive & Independent Director)

Date: December 11, 2025
Place: Bhilwara, Rajasthan, India

DECLARATION

I hereby certify declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act 1956, the Securities Contract (Regulation) Rules 1957, and Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in the Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/-

Kanhaiya Lal Acharya
(Non-Executive & Independent Director)

Date: December 11, 2025
Place: Bhilwara, Rajasthan, India

DECLARATION

I hereby certify declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act 1956, the Securities Contract (Regulation) Rules 1957, and Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in the Draft Red Herring Prospectus are true and correct.

SIGNED BY CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

Ramesh Chandra Vyas
(Chief Financial Officer)

Date: December 11, 2025
Place: Bhilwara, Rajasthan, India