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DRAFT RED HERRING PROSPECTUS

Dated: March 31, 2026

Please read Section 26 and 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing
with the RoC)
100% Book Built Offer

MILAN GINNING PRESSING LIMITED
(Formerly known as Milan Ginning Pressing Private Limited)
Corporate Identification Number: U17119GJ1995PLC025604

REGISTERED OFFICE & FACTORY	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Surendra Nagar, Limbdi - 363 421, Gujarat, India	Shah Yashesh Vijaykumar, Company Secretary and Compliance Officer	Email: cs@milangroupindia.com Tel: +91 02753-299001	www.milangroupindia.com

PROMOTERS OF OUR COMPANY - MOHAMMADHASNEIN HUSENALI NARSINH, HUSENALI YUSUFALI NARSINH AND MINAJBANU HUSENALI NARSINH

DETAILS OF THE OFFER

TYPE	FRESH ISSUE (₹ In Lakhs)	OFS SIZE (₹ In Lakhs)	TOTAL OFFER SIZE (₹ In Lakhs)	ELIGIBILITY
Fresh Issue and Offer for Sale (OFS)	Upto 66,74,400 Equity Shares of face value of ₹ 10 each aggregating Up to ₹ [●] lakhs	Upto 3,72,000 Equity Shares of face value of ₹ 10 each aggregating Up to ₹ [●] lakhs	Upto 70,46,400* Equity Shares of face value of ₹ 10 each aggregating Up to ₹ [●] lakhs	This Offer is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended as the Company's post issue paid-up capital would be more than ₹10.00 crores. For details of share reservation among QIBs, NIIs and IBs, see "Offer Structure" beginning on page 309 of Draft Red Herring Prospectus.

DETAILS OF OFFER FOR SALE, PROMOTER SELLING SHAREHOLDERS AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION*

NAME	TYPE	NUMBER OF EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OFFERED / AMOUNT IN ₹	WACA IN ₹ PER EQUITY SHARE*
Mohammadhasnein Husenali Narsinh	Promoter Selling Shareholder	Up to 1,86,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] lakhs	2.76
Husenali Yusufali Narsinh	Promoter Selling Shareholder	Up to 1,86,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] lakhs	12.80

*As certified by our Statutory Auditor M/s. Abhishek Kumar & Associates, Chartered Accountants, pursuant to a certificate dated March 31, 2026.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public Offer of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Offer Price as determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under "Basis for Offer Price" on page 118 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after Listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on page 22 of this Draft Red Herring Prospectus.


ISSUER'S AND PROMOTER SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, 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. Further, each of the Promoter Selling Shareholder, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Promoter Selling Shareholders in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Promoter Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Selling Shareholder, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the **SME Platform of BSE Limited ("BSE SME")** in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated [●] from BSE for using its name in this Offer Document for listing our shares on BSE SME. For the purpose of this Offer, the Designated Stock Exchange will be BSE.

BOOK RUNNING LEAD MANAGER

 FINSHORE Creating Enterprise Managing Values Finshore Management Services Limited	Mr. S. Ramakrishna Iyengar	Telephone: 033 – 2289 5101 / 4603 2561 Email ID: info@finshoregroup.com
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REGISTRAR TO THE OFFER

 KFINTECH EXPERIENCE TRANSFORMATION	Telephone: +91 40 6716 2222/18 0030 94001
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KFin Technologies Limited <i>(Formerly known as KFin Technologies Private Limited)</i>	M. Murli Krishna	E-mail: mgl.ipo@kfintech.com
BID/ OFFER PERIOD		
ANCHOR PORTION BIDDING DATE: [●]*	BID/OFFER OPENS ON: [●]	BID/OFFER CLOSES ON: [●]**^

**Subject to finalization of the Basis of Allotment*

**The Company in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*

***Our Company may in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations*

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.



MILAN GINNING PRESSING LIMITED

(Formerly known as Milan Ginning Pressing Limited)

Our Company was originally incorporated under the name 'Milan Ginning Pressing Private Limited', pursuant to a certificate of incorporation dated April 25, 1995, issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on April 1, 2024 and by the Shareholders in an Extraordinary General Meeting held on April 12, 2024 and a fresh certificate of incorporation dated June 21, 2024 was issued by the Registrar of Companies, Central Processing Centre. Consequent to such conversion, the name of our Company was changed to 'Milan Ginning Pressing Limited'. For details of change in Registered Office of our Company, please refer to the chapter titled "History and Certain Corporate Matters" on page 210 of this Draft Red Herring Prospectus.

Registered Office & Factory: Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Surendra Nagar, Limbdi - 363 421, Gujarat, India; **Tel:** +91 027 5329 9001;

E-mail: cs@milangroupindia.com; **Website:** www.milangroupindia.com; **Contact Person:** Shah Yashesh Vijaykumar, Company Secretary and Compliance Officer; **CIN:** U17119GJ1995PLC025604

OUR PROMOTERS - MOHAMMADHASNEIN HUSENALI NARSINH, HUSENALI YUSUFALI NARSINH AND MINAJBANU HUSENALI NARSINH

DETAILS OF THE OFFER

INITIAL PUBLIC OFFER OF UPTO 70,46,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF THE COMPANY AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS ("PUBLIC OFFER") COMPRISING A FRESH ISSUE OF UPTO 66,74,400 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UPTO 3,72,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH COMPRISING OF 1,86,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH BY MOHAMMADHASNEIN HUSENALI NARSINH AND UPTO 1,86,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH BY HUSENALI YUSUFALI NARSINH ("THE SELLING SHAREHOLDERS OR "PROMOTER SELLING SHAREHOLDERS") ("OFFER FOR SALE") AGGREGATING TO ₹ [●] LAKHS, OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF FACE VALUE OF ₹ 10/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS IS HERINAFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER AND [●] EDITIONS OF THE GUJARATI DAILY NEWSPAPER, [●] (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED (BSE SME) FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

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

This Offer 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 229(2) of the SEBI ICDR Regulations and in compliance with Regulation 253(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided provided that our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which at least one-third shall be reserved for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allotment is made to the Anchor Investor ("Anchor Investor Allocation Price"). However, effective November 30, 2025, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025, of the 40% Anchor Investor Portion, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act, 1938 and pension funds registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013 at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one third of such portion was reserved for applicants with Bid cum application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10 lakhs and (b) two-third of such portion was reserved for applicants with Bid cum application size of more than ₹ 10 lakhs provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations. All Bidders are required to participate in the Offer by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 315 of this Draft Red Herring Prospectus.

All potential investors shall participate in the Offer through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Offer Procedure" on page 315 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST OFFER

This being the Offer of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the equity shares is ₹ 10/-. The Offer Price/Floor Price/Price Band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Issuer nor regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled “**Risk Factors**” beginning on page 22 of this Draft Red Herring Prospectus.

ISSUER’S AND PROMOTER SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, 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. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Promoter Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Selling Shareholder, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the **SME Platform of BSE Limited (“BSE SME”)** in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated [●] from BSE SME for using its name in this offer document for listing our shares on BSE. For the purpose of this Offer, the Designated Stock Exchange will be BSE.

BOOK RUNNING LEAD MANAGER TO THE OFFER**REGISTRAR TO THE OFFER****FINSHORE MANAGEMENT SERVICES LIMITED**

Anandlok, 2nd Floor, Block – A, 227, A.J.C. Bose Road, Room No. 207, Kolkata - 700020, West Bengal, India,

Telephone: 033 – 2289 5101 / 4603 2561

Facsimile: N.A.

E-mail: info@finshoregroup.com

Investor Grievance : investors@finshoregroup.com

Website: www.finshoregroup.com

Contact Person: Mr. S. Ramakrishna Iyengar

SEBI Registration Number: INM000012185

CIN: U74900WB2011PLC169377

KFin TECHNOLOGIES LIMITED

(Formerly known as KFin Technologies Private Limited)

Selenium, Tower B, Plot No-31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi – 500 032, Telangana, India

Telephone: +91 40 6716 2222/18 0030 9400

Facsimile: +91 40 6716 1563

E-mail: mgl.ipo@kfintech.com

Investor grievance: einward.ris@kfintech.com

Website: www.kfintech.com

Contact Person: M. Murli Krishna

SEBI Registration No.: INR000000221

CIN: L72400TG2017PLC117649

OFFER PROGRAMME

**ANCHOR PORTION OFFER
OPENS/CLOSES ON*: [●]**

BID/OFFER OPENS ON: [●]

BID/OFFER CLOSES ON^{^}: [●]**

*The 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/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

**Our Company may in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations

[^]UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date

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SECTION I – 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, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

*Notwithstanding the foregoing, terms in “**Statement of Special Tax Benefits**”, “**Industry Overview**”, “**Key Industry Regulations**”, “**Restated Financial Information**”, “**Outstanding Litigation and Material Developments**” and “**Description of Equity Shares Related Terms of the Articles of Association**”, beginning on pages 125, 128, 195, 236, 269 and 350, respectively, will have the meaning ascribed to such terms in those respective sections.*

GENERAL AND COMPANY RELATED TERMS

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, “MGPL”, “Milan Ginning Pressing Limited” or “Milan”	Milan Ginning Pressing Limited, a company incorporated under the Companies Act, 1956, having its Registered Office and Factory at Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Surendra Nagar, Limbdi - 363 421, Gujarat, India.
Our Promoters	Mohmmadhasnein Husenali Narsinh, Husenali Yusufali Narsinh and Minajbanu Husenali Narsinh. For further details, please see the section entitled “ <i>Our Promoters and Promoter Group</i> ” on page 229 of this Draft Red Herring Prospectus.
Promoter Group	Companies, individuals and entities as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page 229 of this Draft Red Herring Prospectus.

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors is constituted in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, For details refer section titled “ <i>Our Management</i> ” on page 214 of this Draft Red Herring Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	The Statutory Auditor of our Company, currently being M/s. Abhishek Kumar & Associates, Chartered Accountants , (FRN:130052W) holding a valid Peer Review Certificate bearing no. 021459 as mentioned in the Chapter titled “ <i>General Information</i> ” on page 70 of this Draft Red Herring Prospectus.
Bankers to the Company	Banker to our Company, namely State Bank of India.
Board of Directors / Board/BOD	The Board of Directors of the Company, including all duly constituted Committees thereof unless otherwise specified.
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company, Devendra Kumar Yadav .
CIN	Corporate Identification Number of our Company i.e. U17119GJ1995PLC025604
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Shah Yashesh Vijaykumar .
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its Current liabilities.
Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time

Term	Description
	to time, being National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director(s)	Director(s) on the board of our Company, as appointed from time to time. For details of our Directors, see the chapter titled 'Our Management' beginning from Page No. 215 of this Draft Red Herring Prospectus.
DIN	Director Identification Number
DP ID	Depository's Participant's Identity Number.
EBITDA	EBITDA provides a clearer view of a company's operating profitability by excluding non-operating expenses like depreciation and amortization. It helps assess a company's ability to generate cash from its core operations
EBITDA Margin (%)	This metric is the percentage of EBITDA in relation to the total revenue from operations. It indicates the portion of revenue that translates into EBITDA and is a measure of operating efficiency.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Director/ ED	Executive Director are the Managing Director and Whole Time Directors of our Company
Group Companies	In terms of the Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, "Group companies" shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions in accordance with the Accounting Standard 18 as disclosed in the Restated Financial Statements covered under the applicable accounting standards, and as disclosed in chapter titled "Our Group Companies" beginning from Page No. 281 of this Draft Red Herring Prospectus.
General Reserve	It is comprises of credit balance of profit and loss account and securities premium account
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see the chapter titled "Our Management" beginning on Page No. 215 of this Draft Red Herring Prospectus
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	INE0T0Y01017.
Key Managerial Personnel / Key Managerial Employees	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations, which includes key managerial personnel in terms of the Companies Act, as described in the chapter titled "Our Management" beginning from Page No. 214 of this Draft Red Herring Prospectus.
Key Performance Indicators/ KPIs	Key financial and operational performance indicators of our Company, as included in " <i>Basis for the Offer Price</i> ", " <i>Business Overview – Key Performance Indicators</i> " and " <i>Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators</i> " on pages 117, 166 and 238, respectively.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on May 23, 2025, in accordance with the requirements of the SEBI ICDR Regulations.
Managing Director / MD	The Managing Director of our Company, namely Mohmmadhasnein Husenali Narsinh.
MOA/Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA, and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled " <i>Our Management</i> " on page 214 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director, not being an Executive Director. For further details of the Non-

Term	Description
	Executive Director, see “Our Management – Board of Directors” beginning from Page No. 214.
NRI / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Offer / Issue	For the sake of clarity, the Offer or Issue is read as the same as and when written in this Draft Red Herring Prospectus
PAT for the year/period	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of business.
Registered Office	The Registered Office of our Company, which is situated at Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Surendra Nagar, Limbdi - 363 421, Gujarat, India.
Restated Financial Information	<p>Restated Financial Information comprises of the "Restated Consolidated Financial Information" and "Restated Standalone Financial Information".</p> <p>The "Restated Consolidated Financial Information" comprises of the Restated Consolidated Statement of Assets and Liabilities of the company and its subsidiaries (the company and its subsidiaries together referred to as the "Group") as at September 30, 2025, March 31, 2025, March 31, 2024 and the restated Consolidated Statement of Profit and Losses and the Restated Consolidated Statement of Cash Flows for the six months period ended September 30, 2025 and for the year ended March 31, 2025, March 31, 2024 and the Significant Accounting Policies and Notes annexure thereto.</p> <p>The "Restated Standalone Financial Information" comprises of the Restated Standalone Statement of Assets and Liabilities of the company and the Restated Standalone Statement of Profit and Losses and the Restated Standalone Statement of Cash Flows as at September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, and the Significant Accounting Policies and Notes annexure thereto.</p>
Revenue from Operations	Revenue from Operations is used by management to track the revenue profile of the business and in turn helps assess the overall financial performance of Company and size of business.
ROC / Registrar of Companies	Registrar of Companies, Gujarat at Ahmedabad.
ROE	RoE provides how efficiently Company generates profits from shareholders' funds.
ROCE	ROCE provides how efficiently Company generates earnings from the capital employed in the business.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI (Takeover) Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
Senior Management/ Senior Managerial Personnel	Senior management of our Company determined in accordance with Regulation 2 (1) (bbbb) of the SEBI ICDR Regulations. For details, see “Our Management” on page 215 of this Draft Red Herring Prospectus.
Selling shareholder(s)	The Selling Shareholder participating in the Offer being Mohmmadhasnein Husenali Narsinh and Husenali Yusufali Narsinh. For further details, please refer to section titled “Capital Structure” beginning on page 83 of this Draft Red

Term	Description
	Herring Prospectus.
Shareholders	Shareholders of our Company, from time to time.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “Our Management” on page 214 of this Draft Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, it refers to, SME Platform of BSE Limited (“BSE SME”).
Subscribers to MOA	Subscribers to MoA are Husenali Yusufali Narsinh and Yusufali Khushal Narsinh
Subsidiaries	K R Solvent LLP and MAH Textiles Private Limited, are the subsidiaries of our Company.
Total Equity	Where total shareholders’ equity + other equity (including security premium and surplus/(deficit)
Total Debt	Sum of Long & Short-Term Borrowings.
Total Debt / Equity	Debt-to-equity (D/E) ratio is used to evaluate a company’s financial leverage.

OFFER RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment	Offer of the Equity Shares pursuant to the Offer to the successful applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been offered.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	₹ [●]/- per equity share i.e. the price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which was decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Offer Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/ Offer Period	[●], being one working day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors was submitted and allocation to the Anchor Investors was completed.
Anchor Investor Offer Price	₹ [●]/- per equity share being the final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Portion	Up to [●]% of the QIB Portion consisting of [●] Equity Shares which were allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bid	A Bid made by ASBA Bidder.
Bankers to the Offer / Public Issue Bank/ Refund Banker	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●].
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Offer and which is described in paragraph titled " <i>Basis of allotment</i> " under chapter titled " <i>Offer Procedure</i> " starting from page 315 of this Draft Red Herring Prospectus.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Bid Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter.
Bid/ Offer Period	<p>The period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager & may consider closing the Bid/Offer Period for the QIB Portion One Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days.</p>
Bid/Offer Closing Date	<p>Except in relation to Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of the Gujarati Daily newspaper, [●] (Gujarati being the regional language of Gujarat where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate</p>

Terms	Description
	Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of the Gujarati Daily newspaper, [●] (Gujarati being the regional language of Gujarat where our Registered Office is located).
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Offer, in this case being Finshore Management Services Limited
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE	BSE Limited
BSE SME	SME platform of BSE Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares.
CAN or confirmation of Allocation Note	The Note or advice or intimation sent to each successful Bidder indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price will not be finalized and above which no Bids will be accepted.
Cut-Off Price	The Offer Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Individual Bidders Bidding in the Individual Investors 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.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	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.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Offer and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.

Terms	Description
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Offer.
Designated Locations	CDP Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. https://www.bseindia.com/
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. https://www.bseindia.com/
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited (“BSE SME”).
DP ID	Depository Participant’s Identity Number.
Draft Red Herring Prospectus/DRHP	Draft Red Herring Prospectus dated March 31, 2026, filed with BSE SME in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Offered thereby and who have opened demat accounts with SEBI registered qualified depository participants.
SME Platform of BSE Limited (BSE SME)	The SME Platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Escrow Account	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.

Terms	Description
Fresh Issue / Issue	The Fresh Issue of up to 66,74,400* Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] Lakhs. <i>*subject to finalization of basis of allotment</i>
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document (GID)	The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchange, and the Book Running Lead Manager.
GIR Number	General Index Registry Number.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE.
Market Maker	The Market Maker to the Offer, in this case being [●].
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹ 10 each at an Offer price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Offer.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, the Promoter Selling Shareholder, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion, (other than anchor allocation), which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Net Offer	The Offer excluding the Market Maker Reservation Portion of [●] Equity Shares of face value of ₹ 10 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Net Proceeds	The Gross Proceeds less our Company's share of the Offer-related expenses applicable to the Fresh Issue. For details about use of the Net Proceeds and the Offer related expenses, see " <i>Objects of the Offer</i> " on page 100.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not less than [●]% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price or through such other method of allocation as may be introduced under applicable law.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all Individual payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Offer Agreement	Agreement dated March 28, 2026 entered amongst our Company, the Promoter Selling Shareholders and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Offer.
Offer Closing	Our Offer shall close on [●].
Offer Document	Includes this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Offer for Sale	Sale upto 3,72,000 Equity Shares of face value of ₹ 10/- each, by the Promoter Selling Shareholders for cash at a price of ₹ [●] per Equity Share (including a premium of ₹. [●] per Equity Share) aggregating ₹ [●] Lakhs.
Offer Opening	Our Offer shall open on [●].
Offer Period	The periods between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding

Terms	Description
	application.
Offer Price	The price at which the Equity Shares are being issued by our Company through this Draft Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).
Offer Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Offer</i> ” page 100 of this Draft Red Herring Prospectus.
Offer/ Offer Size/ Initial Public Offer/ Initial Public Offering/IPO	The Initial Public Offer of 70,46,400 Equity shares of ₹ 10/- each at an Offer Price of ₹ [●] /- per Equity share, including a premium of ₹ [●] /- per equity share aggregating to ₹ [●] lakhs comprising a Fresh Issue of 66,74,400 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs and the Offer for Sale of up to 3,72,000 Equity Shares of face value of ₹ 10 each by Promoter Selling Shareholder.
Offered Shares	Offer of up to 3,72,000 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] lakhs being offered for sale by the Promoter Selling Shareholders in the Offer.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of the Gujarati Daily newspaper, [●] (Gujarati being the regional language of Gujarat where our Registered Office is located), at least two working days prior to the Bid / Offer Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Offer Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account Agreement/Banker to the Offer Agreement/Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into by our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the Book Running Lead Manager, and the Public Offer Bank/Banker to the Offer for collection of the Application Amounts.
Public Offer Account	Account to be opened with the Banker to the Offer to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Offer Account Bank	The bank with whom the Public Offer Account shall be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being [●].
Qualified Institutional Buyers /QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Category/ QIB Portion	The portion of the Net Offer (including the Anchor Investor Portion) being not more than [●]% of the Net Offer, consisting of [●] Equity Shares of face value of ₹ 10 each which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Offer Price.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Offered and the size of the Offer, including any addenda or corrigenda thereto.

Terms	Description
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on https://www.bseindia.com/
Registrar / Registrar to the Offer/ RTA	Registrar to the Offer being KFin Technologies Limited.
Registrar Agreement	The registrar agreement dated March 27, 2026 entered into between our Company, the Promoter Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Individual Investors /(II)	Individual investors who apply for minimum application size (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000.
Portions	Portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to IBs (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Portion, and the remaining Equity Shares to be Allotted on a proportionate basis.
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s).
SEBI Master Circular	Master circular dated February 9, 2026 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place.
Sponsor Bank	The Banker to the Offer registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Selling Shareholders or Promoter Selling Shareholders	Mohmmadhasnein Husenali Narsinh and Husenali Yusufali Narsinh are the Selling Shareholders of our Company.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely [●].
Share Escrow Agreement	The agreement dated [●], entered into between our Company, the Promoter Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
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 Agreement	The agreement dated [●] entered into amongst our Company, the Promoter Selling Shareholder, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Offer.
Syndicate Member(s)	Syndicate member(s) as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations, namely [●].
Underwriting	The Agreement dated [●] entered into between the Underwriter, our Company and

Terms	Description
Agreement	the Promoter Selling Shareholder.
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Individual Bidder to such Mobile App) to the Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter and Fraudulent Borrower	Company or person, as the case may be, categorized as a wilful defaulter(s) or fraudulent borrower(s) by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI and in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Offer Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Offer Closing Date and the listing of Equity Shares on BSE, working day means all trading days of BSE, excluding Sundays and bank holidays, as per circulars issued by SEBI.

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
APEDA	Agricultural & Processed Food Products Export Development Authority
ATUFS	Amended Technology Upgradation Fund Scheme
BCI	Better Cotton Initiative
CAD	Computer Aided Designs
CAGR	Compound Annual Growth Rate
C&A	Clemens and August Brenninkmeijer
CCI	Cotton Corporation of India
CEPA	Comprehensive Economic Partnership Agreement
CIN	Company Identification Number

CPI	Consumer Price Index
CY	Calendar Year
DGCI&S	Directorate General of Commercial Intelligence and Statistics
DGFT	Directorate General of Foreign Trade
DR	Double Roller
EU	European Union
Etc	Etcetera
FDI	Foreign Direct Investment
FOB	Free on Board
FY	Financial Year
G7	Group of Seven (US, Japan, Germany, France, Italy, UK, Canada)
GDP	Gross Domestic Product
GM	Genetically Modified
GMO	Genetically Modified Organism
GNDI	Gross National Disposable Income
GOTS	Global Organic Textile Standard
GPL	General Purpose Level
GRS	Global Recycled Standard
GVA	Gross Value Added
H&M	Hennes & Mauritz
HSN	Harmonized System of Nomenclature
ICAC	International Cotton Advisory Committee
IMF	International Monetary Fund
IIP	Index of Industrial Production
INR	Indian Rupee
IPDS	Integrated Processing Development Scheme
KG	Kilogram
MENA	Middle East and North Africa
MGPL	Milan Ginning Pressing Limited
MMF	Man-Made Fibers
MSP	Minimum Support Price
MSME/MSMEs	Micro, Small and Medium Enterprises
MT	Metric Tonnes
NOP	National Organic Program
NPOP	National Programme for Organic Production
No.	Number
NSO	National Statistical Office
OCS	Organic Content Standards
OEKO-TEX	International Association for Research and Testing in the Field of Textile and Leather Ecology
PESTEL	Political, Economic, Social, Technological, Environmental, and Legal
PFCE	Private Final Consumption Expenditure
PLI	Production Linked Incentive

PKVY	Paramparagat Krishi Vikas Yojana
PMI	Purchasing Managers' Index
PVH	Phillips-Van Heusen Corporation
QRRs	Quarterly Review Reports
RBI	Reserve Bank of India
RCMC	Registration-cum-Membership Certificate
RFD	Ready For Dyeing Fabric
RMG	Ready-Made Garments
RoDTEP	Remission of Duties and Taxes on Exported Products
SEBI	Securities and Exchange Board of India
TEXPROCIL	The Cotton Textiles Export Promotion Council
TUFS	Technology Upgradation Fund Scheme
UAE	United Arab Emirates
UK	United Kingdom
US	United States
USD	United States Dollar
UV	Ultra-Violet
VAT	Value Added Tax
WEO	World Economic Outlook
ZLD	Zero Liquid Discharge

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020.
“Financial Year” or “Fiscal Year” or “FY”	Period of 12 months ending March 31 of that particular year.
“OCBs” 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 beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA.
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
BSE	Bombay Stock Exchange
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.

Term	Description
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations.
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations.
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CFO	Chief Financial Officer
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
CS	Company Secretary
CSR	Corporate Social Responsibility
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI.
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA.
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FIR	First information report
FPIs	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations.
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax

Term	Description
HUF(s)	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India.
ICSI	The Institute of Company Secretaries of India.
IFRS	International Financial Reporting Standards.
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time.
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
Mn / mn	Million
MOF	Ministry of Finance, Government of India.
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares.
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
NRE	Non- residential external
NRE Account	Non- residential external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016.
NRO	Non- resident ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments

Term	Description
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
SAT	Securities Appellate Tribunal
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended.
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a state in India
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America

Term	Description
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION, 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 herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on page 236 of this Draft Red Herring Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Information comprises of “Restated Consolidated Financial Information and Restated Standalone Financial Information”. Restated Consolidated Financial Information of our company comprises of the Restated Consolidated Statement of Assets and Liabilities of the company and its subsidiaries (the company and its subsidiaries together referred to as the "Group") as at September 30, 2025, March 31, 2025, March 31, 2024 and the restated Consolidated Statement of Profit and Losses and the Restated Consolidated Statement of Cash Flows for the six months period ended September 30, 2025 and for the year ended March 31, 2025, March 31, 2024 and the Significant Accounting Policies and Notes annexure thereto and Restated Standalone Financial Information of our company comprises of the Restated Standalone Statement of Assets and Liabilities of the company, the restated standalone Statement of Profit and Losses and the Restated standalone Statement of Cash Flows for the period September 30, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, and the Significant Accounting Policies and Notes annexure thereto prepared in accordance with the requirements of Section 26(1) of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations as amended; and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by the ICAI, as amended from time to time. For further details, see “*Restated Financial Information*” on page 236. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Years are to the twelve-month period ended March 31 of that year. In this Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding off.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this 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, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 22, 166 and 238 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in

accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Business Overview*” on pages 22, 128 and 166 respectively, this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.
- “SGD” are to Singapore Dollar, the official currency of Singapore.
- “GBP” are to Great British Pound, the official currency of the United Kingdom.

Our Company has presented all numerical information in is Draft Red Herring Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange rate as on (in ₹)			
	September 30, 2025 [#]	March 31, 2025 [*]	March 31, 2024 ^{**}	March 31, 2023
1 USD	88.79	85.58	83.37	82.22

(Source: www.rbi.org.in and www.fbil.org.in)

^{**}Data for March 29, 30 and 31, 2024 is not available.

^{*}Data for March 29, 30 and 31, 2025 is not available.

The reference rates are rounded off to two decimal places.

In case the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been considered. The reference rates are rounded off to two decimal places.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “*Basis for Offer Price*” on pages 117 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 22 of this Draft Red Herring Prospectus.

FORWARD – LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements 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, 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 Company’s expectations include, but are not limited to, the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in laws and regulations relating to the Sectors in which we operate;
3. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
4. Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
5. Increased competition in industries/sector in which we operate;
6. Our ability to expand our geographical area of operation;
7. Our inability to capitalise the opportunities and growth in the textile industry;
8. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner and
9. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 22, 166 and 238, respectively, of this Draft Red Herring Prospectus. 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 gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. If any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Draft Red Herring Prospectus, including the chapters titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Financial Information” beginning on page 166, 238, 128 and 236 respectively, together with all other financial information contained in this Draft Red Herring Prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus.

Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Information for six months period ended September 30, 2025, and the Fiscal 2025, 2024 and 2023 as included in “Restated Financial Information” beginning on page 237 of this Draft Red Herring Prospectus.

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled “Cotton Industry” dated March 30, 2026 prepared by Infomeric Analytics and Research Private Limited (“Infomeric”), which was appointed by our Company vide engagement letter dated December 30, 2025 and has been exclusively commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Infomeric Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

INTERNAL RISK FACTORS

- 1. We operate our manufacturing facility from a concentrated geography; any localized social unrest, natural disasters, breakdown of services or disruption in production at, or shutdown of, our manufacturing facility could have a material adverse effect on our business, results of operations and financial condition.***

Our corporate headquarters and manufacturing facility are located at Survey No. 555/P, Near Chorania 440 KV Sub Station, National Highway-8, Untadi, Limbdi, Surendranagar-363421, Gujarat, India. As our operations are concentrated in a single geography, any adverse social, political or economic developments, natural calamities, civil disturbances, or changes in policies of the state or local authorities in Gujarat could disrupt our manufacturing operations and adversely affect our business.

Our business is dependent on our ability to effectively manage our manufacturing activities, which are subject to various operating risks, including breakdown or failure of equipment, industrial accidents, disruption in power or water supply, labour disruptions, compliance with regulatory requirements and factors beyond our

control such as severe weather conditions, natural disasters or pandemics. Any such disruption may result in delays in production, increased costs and an inability to meet customer requirements.

We have experienced fire incidents at our production plants at Survey No. 555/P, Near Chorania 440 KV Sub Station, National Highway-8, Untadi, Limbdi, Surendranagar-363421, Gujarat, India during the Financial Years 2021-22 and 2022-23, resulting in loss of fixed assets and stock, and recognition of exceptional items in our financial statements and we have also faced a fire incident in FY 2017-18 in our registered office which led to destruction of certain historical records and documents. There can be no assurance that such incidents will not recur in the future. Any such events could adversely affect our operations and financial condition.

Further, our subsidiary is in the process of setting up a manufacturing facility at Village Untadi, Limbdi, Surendranagar, Gujarat. Any delay in implementation or disruption at such facility may also adversely impact our future operations.

Any significant malfunction or breakdown of machinery may require substantial repair and maintenance costs and could lead to operational delays. Additionally, any labour unrest, work stoppages or other workforce-related issues could hinder our operations. If such disruptions are not resolved in a timely manner, they may adversely impact our business, results of operations, financial condition and cash flows.

2. *Cotton and our finished products are highly flammable, and any fire, accident or mishap at our facilities or premises could result in significant property damage, business interruption and financial loss.*

Cotton, being inherently flammable and combustible, poses a significant fire risk across all stages of our operations, including procurement, storage, ginning, processing, transportation and trading. This risk is particularly elevated in operational areas such as ginning units and storage facilities, where cotton fibres and dust may accumulate and increase the likelihood of ignition due to sparks, friction, overheating or electrical short circuits. The use of machinery and material-handling systems may further heighten the risk, as even a minor incident could spread rapidly across production lines and storage areas.

Any outbreak of fire or similar accident at our manufacturing facilities, storage godowns or other premises could result in substantial damage to raw materials, finished goods, plant and machinery and other assets. Such incidents may also lead to injury or loss of life, business interruption, regulatory actions, insurance-related disputes, and potential liabilities. Prolonged disruption may adversely affect our ability to meet customer requirements, impact customer relationships and materially affect our business, results of operations, financial condition and cash flows.

We have experienced fire-related incidents in the past. In January 2022, a fire occurred at our manufacturing facility located at Survey No. 555/P, Near Chorania 440 KV Sub Station, National Highway-8, Untadi, Limbdi, Surendranagar-363421, Gujarat, India, resulting in damage to cotton bales and certain property, for which we filed an insurance claim of ₹2,65,70,713. Further, in February 2023, a fire incident at the finished goods storage godown at the same facility resulted in loss of finished cotton yarn inventory, for which we filed an insurance claim of ₹3,06,87,948.18. Additionally, a fire at our erstwhile registered office on April 27, 2017 led to destruction of certain historical records and documents for which we have not filed for any insurance claim.

While we maintain insurance coverage and have implemented safety measures and fire prevention systems, there can be no assurance that such measures will be adequate to prevent or mitigate future incidents. Any failure to effectively respond to or recover from such events in a timely and cost-effective manner could result in operational disruptions, under-utilisation of facilities and have a material adverse effect on our business, results of operations, financial condition and prospects.

3. *Our business is subject to seasonal volatility which contributes to fluctuations in our production capacity.*

Our company primarily relies on cotton as the major raw material for production. Due to its seasonal availability, our production is affected for a few months each year. The period of higher revenue fluctuates from season to season, and on average, our production facilities operate for approximately eight months annually. During the crop season, we can procure cotton in large quantities and at reasonable prices. However, in the off-season, its availability decreases, and price fluctuations occur. As a result, our revenue in any given quarter may not accurately represent the overall financial year's trend. Given the seasonal and cyclical nature of the industry, the consistent availability of cotton at favourable terms and in required quantities are uncertain. Consequently, this may have an adverse impact on our operational results and financial condition. We aim to maintain adequate inventory during the peak procurement season to ensure smooth operations during the off-season. We also monitor market trends closely and engage in forward planning to optimise our procurement strategy and cost management, although such measures may not fully eliminate the risks associated with raw material volatility.

4. *Our Company has significant sales and purchases of goods from the related parties. The higher dependency on sales and purchases with related parties exposes our Company to risk related to business.*

Our Company has significant sales and purchases of goods from the related parties. Our Company transacts with the related parties in the normal course of its business in the arm's length price. Our company has transacted more than [20%] of its total sales and purchases with its related parties in the past. The said significant transactions with the related parties exposes our Company with the following risks:

- Potential Conflict of Interest: Transactions with related parties may not always be based purely on market driven terms, potentially leading to conflicts of interest.
- Business Concentration Risk: Dependence on related parties for significant procurement could expose the Company to operational disruptions if these parties alter their business terms or discontinue their relationship.
- Regulatory Risk: Higher volumes of related party transactions may attract closer scrutiny from regulatory authorities, resulting in possible penalties or reputational harm if found non-compliant.
- Limited Bargaining Power: Over-reliance could reduce our ability to negotiate favourable terms, impacting profitability and operational flexibility. For revenue bifurcation of related parties refer to the chapter titled "*Restated Financial Information*" on page 236

Our Promoters and Directors are associated with other entities, including companies and enterprises engaged in businesses similar to or potentially competitive with that of our Company. Currently, there is no formal non-compete agreement or contractual arrangement in place restricting them or the entities promoted by them from engaging in activities that may conflict with the interests of our Company. As a result, there can be no assurance that they will not engage in competing businesses or that potential conflicts of interest will not arise. Such conflicts, if not managed effectively, could adversely impact our business operations, prospects, financial condition, and results of operations. The Company ensures that all related party transactions are undertaken in the ordinary course of business and at arm's length prices, in accordance with applicable laws and internal policies. Wherever required, such transactions are supported by third-party benchmarking or market-based pricing analysis. The Audit Committee and Board of Directors periodically review and approve related party transactions to ensure transparency and compliance with regulatory requirements. Additionally, the Company continues to explore opportunities to diversify its supplier base and reduce dependency on related parties over time, thereby strengthening its operational independence and bargaining position

5. *We have availed long term and short term borrowings from commercial banks and any non-compliance with repayment and other covenants in our financial agreements could adversely affect our business and financial condition.*

Our company, along with its subsidiaries, has obtained financial assistance from the State Bank of India ("**SBI**") to support our existing operational facilities. As of February 28, 2026, the cumulative outstanding loan amount for our company and subsidiaries, i.e., K R Solvent LLP and MAH Textiles Private Limited, stands at ₹ 4,019.64 Lakhs. These loans have been sanctioned against the security of assets and the personal guarantee of our Promoters. Any default, non-renewal, or renewal on unfavourable terms could create challenges in securing funds for repayment, potentially impacting our operations and financial stability. In

the event of default, the invocation of personal guarantees provided by our Promoters and Promoter Group Members could negatively affect their reputation and net worth, which may, in turn, impact our business performance and financial condition. For further details on credit limits and banking facilities, please refer to the chapter titled “*Financial Indebtedness*” on page no. 256 of the Draft Red Herring Prospectus.

6. *Pricing pressure from customers may adversely affect our profitability, which may in turn have an adverse effect on our business, results of operations, financial condition and cash flows.*

Our business operates in a highly competitive industry, where pricing pressure from customers and market participants is prevalent. The prices of our products are largely influenced by demand and supply dynamics in the cotton industry, as well as negotiations with customers. Customers may seek price reductions, particularly in periods of high supply or competitive intensity, which may adversely impact our realizations and margins.

Further, the prices of raw cotton and finished products are subject to fluctuations due to various factors including changes in crop output, weather conditions, government policies, export-import regulations and global market trends. While we endeavour to pass on increases in input costs to our customers, we may not always be able to do so in a timely manner or at all, which may result in margin pressures.

Additionally, our ability to maintain profitability is dependent on our capability to manage our operating costs efficiently. Any inability to achieve cost efficiencies through improved processes, better procurement strategies or operational optimization may adversely affect our margins. Further, given the capital-intensive nature of our operations, we incur significant fixed costs, and our profitability is dependent on achieving adequate capacity utilization to absorb such costs.

In periods of increased production or higher sales volumes, customers may seek more competitive pricing or volume-based discounts, which may further impact our margins. Moreover, certain of our products may be required to meet specific customer requirements, which may involve additional costs that may not always be fully recoverable.

If we are unable to effectively manage pricing pressures, pass on cost increases, or achieve sufficient operational efficiencies, our business, results of operations, financial condition and cash flows may be adversely affected.

7. *Our business is working capital intensive. Any insufficient cash flows from our operations or inability to raise adequate financing to meet our working capital requirements may materially and adversely affect our business and results of operations.*

Our business operations are working capital intensive in nature, as there is typically a time gap between the procurement of raw materials and the realization of revenue from the sale of finished goods. We are required to maintain adequate levels of inventory to support our manufacturing operations and meet customer demand, which increases our working capital requirements.

We currently meet our working capital requirements through a combination of internal accruals and borrowings from banks and financial institutions. For further details of our borrowings, please refer to the chapter titled “*Financial Indebtedness*” on page 256 of this Draft Red Herring Prospectus. However, there can be no assurance that our cash flows from operations will be sufficient to meet our working capital requirements in the future or that we will be able to obtain additional financing on commercially acceptable terms, or at all.

In the event of any shortfall in working capital, we may be required to incur additional indebtedness or utilize internal accruals, which may impact our liquidity and financial position. Any additional debt financing may subject us to restrictive covenants and increase our interest costs, thereby affecting our profitability and financial flexibility. Further, any equity financing may result in dilution of shareholding.

Our ability to manage our working capital requirements depends on several factors, including timely collection of receivables, efficient inventory management, maintenance or renewal of credit facilities, and the availability of funds on acceptable terms. Additionally, our future capital requirements may vary due to

unforeseen circumstances such as changes in input prices, delays in receivables, economic conditions, regulatory changes or other factors.

Any inability to effectively manage our working capital requirements or to secure adequate financing in a timely manner may adversely affect our operations, liquidity and growth plans, and may have a material adverse effect on our business, results of operations, financial condition and cash flows.

8. ***We have not yet placed orders for certain plant and machinery proposed to be funded from the Net Proceeds of the Offer. Any delay in placing such orders or failure by vendors to supply and install the equipment in a timely manner, or at all, may result in time and cost overruns and may adversely affect our business, results of operations, financial condition and cash flows.***

We propose to utilise a portion of the Net Proceeds aggregating up to ₹[•] lakhs towards procurement of plant and machinery. As of the date of this Draft Red Herring Prospectus, we have not placed orders for such equipment nor have we entered into any definitive agreements with vendors in this regard. The estimated cost of such equipment is based on quotations received from third parties, which are subject to change and may not be binding.

The implementation of our proposed expansion is dependent on third-party vendors for the supply, installation and commissioning of such machinery and equipment. Any delay in placing orders, or any failure or delay on the part of such vendors in delivering or installing the equipment, may lead to project delays and cost overruns. Further, we may not be able to identify suitable alternate vendors on commercially acceptable terms within the required timelines.

Additionally, the quotations received by us are valid only for a limited period and may be subject to revisions due to changes in market conditions, raw material prices, foreign exchange fluctuations, technological changes or other commercial factors. Consequently, the actual cost of procurement may exceed our current estimates.

Further, the actual amount and timing of our capital expenditure may vary due to unforeseen circumstances, including delays in implementation, changes in project scope, regulatory approvals, engineering modifications and other unanticipated expenses. Any such delays or increase in costs may result in deferment or variation in the deployment of the Net Proceeds.

In the event we are unable to procure and install the proposed machinery in a timely and cost-effective manner, it may adversely affect our expansion plans, operational efficiency and our ability to generate the anticipated benefits from such investments, which may have a material adverse effect on our business, results of operations, financial condition and cash flows.

9. ***A significant portion of our revenue from our top ten customers contributed as is derived from our top customers, and any loss of such customers or reduction in their business could adversely affect our business, results of operations and financial condition.***

We derive a substantial portion of our revenue from a limited number of customers. Revenue from our top ten customers on a consolidated basis contributed 59.81%, 28.34%, 34.17% and 62.07% of our total revenue from operations for the stub period ended September 30, 2025 and Financial Years 2025, 2024 and 2023, respectively. Refer chapter titled - *Our Business* on page 167 for the Top 10 Customers for the period ended September 30, 2025 and Financial Years 2025, 2024 and 2023, respectively.

Our dependence on key customers exposes us to risks such as reduction in order volumes, loss of customers, delays in payments, changes in procurement policies or adverse changes in their financial condition. Any inability to retain our existing customers or attract new customers may result in a decline in our revenues and profitability. While we have not experienced any material adverse impact on our business due to loss of key customers in the past years, there can be no assurance that such relationships will continue in the future.

Any adverse developments affecting our key customers or our relationships with them, including reduction in demand for our products or shift to alternative suppliers, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

10. Significant decline in export sales to Bangladesh and exposure to geopolitical risks may adversely impact our business

Our export sales to Bangladesh have declined significantly in Fiscal 2025. This sharp decline poses a substantial risk to our export revenue, given our high dependence on the Bangladesh market. The decline can be attributed to ongoing geopolitical and macroeconomic challenges in Bangladesh, including currency depreciation, rising import restrictions, political unrest, reduced availability of U.S. dollars, and inflationary pressures impacting domestic demand and payment cycles. Our business operations involving Bangladesh are also significantly influenced by the diplomatic and trade relationship between India and Bangladesh. Any deterioration in the bilateral relations, changes in trade policies, imposition of tariffs or restrictions, or political or economic instability in either country could adversely impact our cross-border transactions, disrupt supply chains, and negatively affect our business, financial condition, and results of operations. Any further deterioration in the political or economic environment in Bangladesh may disrupt trade flows, delay payments, or result in the loss of key customers, which could materially impact our business operations, cash flows, and overall financial performance. Moreover, limited geographic diversification in our export markets further amplifies this risk. The below table shows the exports in the last three years and stub period:

(₹ in Lakhs)

Particulars	Consolidated			Standalone
	For Period Ended September 30, 2025,	For Year Ended March 31, 2025	For Year Ended March 31, 2024	For Year Ended March 31, 2023
Export	4,072.19	14,520.75	27,257.65	21,741.89
Bangladesh	3,548.48	10,786.02	23,694.89	19,812.95
Export sales to Bangladesh Vs. overall export sales (%)	87.14%	74.28%	86.93%	91.13%

We are actively exploring new export markets to reduce overdependence on any single geography and enhance our global footprint. We are also strengthening our domestic sales network and diversifying our product offerings to cushion against external shocks in any specific market.

11. Geographic concentration of domestic sales may adversely affect business in the event of regional disruptions

Our domestic sales are significantly concentrated in three states Gujarat, Maharashtra, and Tamil Nadu. Such a high geographic concentration exposes us to region-specific risks, including adverse weather conditions, political or social unrest, changes in regional regulatory policies, infrastructure disruptions, or economic slowdowns in any of these states. Any material adverse development in these key markets could negatively impact our sales, distribution capabilities, and overall financial performance.

(₹ In Lakhs)

Particulars	Consolidated			Standalone
	For Period Ended September 30, 2025	For Year Ended March 31, 2025	For Year Ended March 31, 2024	For Year Ended March 31, 2023
Domestic	46,112.89	68,055.60	62,930.77	46,533.13
Gujarat	35,316.82	39,589.14	39,748.36	36,322.10

Maharashtra	4,263.44	7,539.36	7,233.96	4,070.11
Tamil Nadu	5,481.39	15,990.08	8,273.64	3,034.28
Total of above 3 states	45,061.65	63,118.57	55,255.96	43,426.48
Domestic Sales to three states above Vs. overall domestic sales (%)	97.72%	92.75%	87.80%	93.32%

We are working to expand our presence in other states by exploring new distribution channels, strengthening our dealer and customer network, and participating in industry events to reach untapped markets. We also monitor regional developments closely and maintain flexible logistics and supply chain strategies to respond promptly to any disruption in these key regions. Over time, we aim to achieve a more balanced geographic distribution of our sales to enhance business resilience.

12. High working capital requirements may strain our liquidity and impact operations

Our business operations are subject to significant working capital requirements, primarily due to the nature of our industry, procurement cycles, high trade receivables and inventory holding periods. To support our day-to-day operations, we rely on internal accruals, cash flows from operations, and credit facilities from financial institutions. Any inability to maintain adequate cash flows or secure timely and sufficient funding whether through working capital borrowings or other financial support could impair our ability to meet operational expenses, pay debts, or fulfil financial obligations. This may result in delays in production, disruption in supply chain, increased financing costs, or an adverse impact on our profitability and overall financial performance. Persistent working capital constraints could also limit our ability to pursue growth opportunities and may negatively affect our reputation with suppliers and creditors.

We closely monitor our working capital cycle and maintain adequate credit lines to support operational liquidity. We optimise inventory levels and receivables management to ensure smooth cash flows, enabling us to meet financial obligations and sustain business operations effectively.

13. Significant dependence on cotton and market-linked pricing may adversely impact our operations and profitability

Our operations are significantly dependent on raw cotton, which accounts for approximately 60–70% of our total input costs and is critical to the production of cotton bales and related products. Any adverse developments affecting the availability, quality, or pricing of cotton such as unfavourable weather conditions, pest infestations, changes in government policies, or logistical disruptions may result in increased procurement costs, production delays, or compromised product quality.

Additionally, our revenues are influenced by global market-linked pricing for cotton yarns and a considerable portion of our earnings comes from exports, making us vulnerable to foreign exchange rate fluctuations. In the absence of structured risk management strategies, sudden and adverse shifts in cotton prices or exchange rates may adversely impact our operating margins, financial stability, and long-term profitability. The Company closely monitors market trends, weather patterns, and pricing dynamics to make informed procurement decisions and manage inventory more efficiently. We also maintain strong relationships with a diverse base of suppliers to ensure flexibility and continuity in raw material sourcing. The Company endeavours to make prudent procurement decisions based on prevailing market conditions, weather outlooks, and supplier inputs. We attempt to manage volatility by maintaining adequate inventory levels during favourable pricing periods and diversifying our supplier base to avoid over-reliance on any single source. The management continues to explore options for strengthening its risk management practices in a phased manner, including the possible introduction of basic hedging tools and improved forecasting methods. However, given the inherent unpredictability of commodity and currency markets, some level of exposure to these risks may persist.

14. Non-availability of multiple quotations and non-placement of purchase orders may affect the transparency and accuracy of cost estimates

Our Subsidiary, MAH Textiles Private Limited has obtained only a single quotation for procurement or cost estimation purposes for the proposed project setting up of machinery etc. The absence of multiple quotations may impact the transparency, competitiveness, and reliability of the cost benchmarks used for determining the estimated project or procurement costs. This could lead to questions regarding the reasonableness of pricing, and any deviation from standard procurement practices may affect the credibility of our disclosures and may have implications on fund utilisation, cost efficiency, or regulatory compliance.

The Company is yet to place firm purchase orders for the proposed capital expenditure (capex) and is currently relying solely on vendor quotations for estimating the capex requirements. There is no assurance that the actual costs incurred will align with the quoted prices, especially in light of potential market fluctuations, changes in specifications, or delays in order placement. Any significant deviation from the estimated costs may lead to budget overruns, affect the intended use of IPO proceeds, and delay the implementation of the project. This could adversely impact the Company's business operations, financial condition, and projected timelines.

We intend to seek additional vendor quotations and conduct market validations before finalising procurement to ensure transparency and cost efficiency. We will also closely monitor price movements and procurement timelines to manage project costs effectively and ensure prudent utilisation of IPO proceeds.

15. *Our business is dependent on the performance of the textile and related industries, and any slowdown in such industries may adversely affect our business, results of operations and financial condition.*

Our revenue is primarily derived from the sale of cotton bales, cotton yarn and related products, and accordingly, our business is closely linked to the performance of the textile and allied industries in India and globally. Any slowdown or adverse developments in these industries may reduce demand for our products and adversely affect our business.

Any slowdown in the textile industry, including reduced demand for yarn, fluctuations in export demand, or changes in consumption patterns, may adversely impact the demand for our products. Further, the textile industry is cyclical in nature and is affected by various factors such as changes in global and domestic demand, availability and pricing of raw materials, government policies, export-import regulations, foreign exchange fluctuations, and overall economic conditions.

Our customers' businesses are also influenced by factors such as consumer demand, disposable income levels, inventory management practices, and changes in their production or sourcing strategies. Any decline in the business performance of our customers may lead to a reduction in demand for our products.

While we have not experienced any material adverse impact due to fluctuations in demand from such industries in the past years, there can be no assurance that such stability will continue in the future. Any sustained decline in demand or adverse industry conditions may result in reduced sales volumes, pricing pressure and increased competition, which could have a material adverse effect on our business, results of operations and financial condition.

16. *Our ginning operations are seasonal in nature, which may result in variability in production, inventory management challenges, and lower in-house consumption of cotton bales, thereby exposing us to operational and financial risks.*

Raw cotton, the primary raw material for our ginning operations, is a seasonal crop available largely between October and March each year. Consequently, our ginning unit typically operates only for a period of approximately six to seven months during the cotton season, commencing in mid-September or October and continuing until March. During this period, we procure cotton in bulk from a large number of farmers and traders to meet both our in-season production requirements and to maintain stock for off-season sales.

The seasonal concentration of ginning operations creates several risks. First, we are required to make significant procurement commitments during the harvest period, which increases our dependence on availability of working capital and exposes us to fluctuations in cotton prices. Second, storing large inventories of cotton bales for off-season sales involves costs, requires robust storage infrastructure, and exposes us to risks of quality deterioration, pest infestation, or obsolescence during prolonged holding. Third, variations in the quality of raw cotton procured directly affect the grade of cotton bales produced. While superior quality cotton enables us to produce higher-grade cotton bales, such quality may not always align

with the specifications required by our spinning unit, where consumption depends on yarn count and technical parameters. As a result, in-house utilization of cotton bales produced by our ginning unit is relatively lower, and a significant portion of the bales are sold in the market.

This seasonality and quality mismatch may lead to variability in production planning, reduced efficiency in vertical integration between our ginning and spinning operations, and reliance on external sales for monetization of cotton bales. Any disruption in the cotton season, whether due to adverse weather conditions, government policy interventions, or pricing volatility, may impair our ability to procure raw cotton, operate our ginning unit efficiently, or monetize the output. Such developments could adversely affect our operational performance, working capital cycle, cash flows, and overall financial condition

- 17. *If we are unable to maintain optimal capacity utilization at our manufacturing facilities, our business, results of operations and profitability may be adversely affected. Further, any disruption, slowdown or shutdown of our manufacturing operations could materially impact our financial condition and cash flows.***

Our business operations are dependent on efficient utilization of our manufacturing facilities. Any inability to maintain optimal levels of capacity utilization in the future may adversely affect our margins and profitability due to the relatively fixed nature of certain operating costs. For further details of our manufacturing facilities and capacity utilization, please refer to the chapter titled “*Our Business*” on page 167 of this Draft Red Herring Prospectus.

Our manufacturing operations may be affected by various factors beyond our control, including breakdown or failure of machinery, interruptions in the supply of power, fuel or water, obsolescence of equipment, labour unrest, industrial accidents, natural disasters, adverse weather conditions, and reduced workforce productivity. Any such events may lead to partial or complete disruption of our manufacturing activities.

Further, any prolonged under-utilization of our manufacturing capacities or significant short-term disruptions could increase our per unit costs and adversely affect our ability to operate efficiently. In the event of any slowdown or shutdown, our inability to promptly restore operations in a cost-effective manner may impact our ability to meet customer demand and fulfil contractual obligations, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

- 18. *Our Promoter has extended personal guarantee in connection with some of our debt facilities granted to our Company and one of our Promoter Group entities. There can be no assurance that such personal guarantees will continue to be provided by our Promoters in the future or may be invoked at any time, which may adversely affect our financial arrangements.***

Our Promoters have extended personal guarantees in connection with certain of our existing debt facilities availed from lenders. Such guarantees have been provided, inter alia, to secure borrowings including working capital facilities and term loans. For further details of our borrowings, please refer to the chapter titled “*Financial Indebtedness*” on page 256 of this Draft Red Herring Prospectus.

In the event of any default in repayment or breach of covenants under such facilities, the lenders may invoke the personal guarantees provided by our Promoters or may require us to provide additional collateral or third-party guarantees. There can be no assurance that such personal guarantees will continue to be available in the future or that our Promoters will be willing or able to extend further support.

Further, if we are unable to meet the requirements of our lenders or provide alternative security to their satisfaction, we may be required to seek alternative sources of funding. Such funding may not be available on commercially acceptable terms or at all and may impose more restrictive covenants, which could adversely affect our operational and financial flexibility.

Additionally, in the event the guarantees are invoked, our Promoters may be required to fulfil such obligations, which may adversely impact their financial position. This may, in certain circumstances, lead to dilution of their shareholding in our Company or otherwise affect promoter control.

Any invocation of such guarantees or withdrawal of promoter support may adversely affect our ability to raise or service debt, and may have a material adverse effect on our business, results of operations, financial condition and cash flows.

19. *The shortage or non-availability of power may adversely affect our business, results of operations, financial condition and cash flows.*

Our manufacturing operations are dependent on the availability of adequate and uninterrupted power supply. Power costs constitute a part of our operating expenses, and any disruption in power supply may impact our production processes and operational efficiency. For details of our power expenses, please refer to the chapter titled “Our Business” on page 166 of this Draft Red Herring Prospectus.

We rely primarily on electricity supplied by state utilities and, in certain cases, on alternative sources such as solar power, wind mill and diesel generator sets to ensure continuity of operations during power outages. However, there can be no assurance that such arrangements will be sufficient to meet our future power requirements.

Any shortage, interruption or disruption in power supply, including due to grid failures, infrastructure constraints, natural calamities or regulatory restrictions, may lead to production delays, reduced capacity utilization and increased operational costs. Further, any increase in electricity tariffs or fuel costs may result in higher power expenses, which may adversely affect our margins. Additionally, changes in government policies relating to power supply, availability of fuel for captive or backup power generation, or local shortages of electricity or water may adversely impact our manufacturing operations. Any prolonged disruption or suspension of our production activities due to power shortages could have a material adverse effect on our business, results of operations, financial condition and cash flows.

20. *We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.*

Our Company had reported certain negative cash flows from its operating activities, investing activities and financing activities in the previous years as per the restated financial statements and the same are summarised as under:

(₹ In Lakhs)

Particulars	For the Six Months period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from Operating Activities	366.14	1,310.53	(2,192.60)	913.72
Cash flow from Investing Activities	(73.06)	(291.62)	(345.08)	(1527.14)
Cash flow from Financing Activities	(304.69)	(915.31)	2,425.91	739.00
Net increase/(decrease) in cash and cash equivalents	(11.60)	103.60	(111.76)	125.57

There can be no assurance that our net cash flows shall be positive in the future. Any negative cash flows in the future over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. While challenges may persist in certain periods due to market dynamics or seasonal fluctuations, the Company remains committed to improving its cash flow position through disciplined financial management and operational improvements.

For further please refer chapter titled “Financial Information of our Company” beginning on Page 236 of this Draft Red Herring Prospectus.

21. ***We are unable to trace certain historical corporate records, including forms filed with the Registrar of Companies, and there can be no assurance that such records will be available in the future, which may expose us to regulatory, legal, or compliance risks.***

Certain of our Company's corporate regulatory filings and records are not traceable and not available in the records maintained by our Company or in the physical records of the RoC. The following documents in relation to certain corporate actions undertaken by our Company as mentioned hereunder are untraceable:

Annual Filing Records:

- (i) *Annual Filing Records - Annual Report and Annual Return:* Non-availability of Annual Reports (including financial statements) from the Company's incorporation Period March 31, 1995 to financial year March 31, 2005, and Annual Returns of the Company from March 31, 1995 to financial year March 31, 2002.

Appointment and Resignation of Directors:

- (i) *Director Appointment and Resignation (Form-32):* Non-availability of return of appointment of directors pertaining to the appointment of Hemendrakumar Balvantrai Dubal, Balvantrai Khushaldas Dubal, Nirav Kumar Suresh Kothari and Minajbanu Husenali Narsinh, who were appointed as Directors with effect from September 14, 1995, pursuant to the Extraordinary General Meeting held on the same date.

Share Capital Related Documents:

- (i) *Share Capital Related Documents (Form 2):* Non-availability of either physical or electronic copies of Form-2 (Return of Allotment) relating to the allotment of 9,800 equity shares of face value of ₹10 each dated March 29, 1996.
- (ii) *Allotment of share during the year 1996-2013:* Non-availability of transactional records such as bank statements, payment proofs, or acknowledgments for verification for allotments made during 1996 till 2013. The Company has undertaken ten (10) allotments aggregating to 59,80,500 equity shares, amounting to ₹5,98,05,000, during the period from financial year 1996 to 2013.
- (iii) *Share Transfer Deeds (Form 7B):* Non-availability of share transfer documents pertaining to the transfers executed during the period March 31, 1999, to March 27, 2012, are not available for verification.

We engaged an independent firm of practicing company secretaries, Murtuza Mandorwala & Associates, Company Secretaries, to conduct a physical search of our records at office of ROC, Ahmedabad. Pursuant to such search, the firm issued a report dated December 17, 2025 (the "**PCS Search Report**"), which records the non-availability of certain documents, including annual reports and annual returns, forms relating to the appointment and resignation of directors, share allotment forms (Form 2) in respect of allotments made in 1996, share transfer deeds (Form 7B). As such documents could not be retrieved, reliance has been placed on the PCS Search Report and other supporting documents available in the Company's records, including resolutions passed by the Board of Directors or shareholders, as applicable, and the statutory registers of the Company.

In this context we have also filed an intimation letter to ROC submitted March 30, 2026 at Ahmedabad, Gujarat with the above details of records not traceable either at the offices of the ROC, MCA Portal or the offices of the Company.

In this context, as evidenced by a certificate issued by Limdi Nagarpalika bearing Seni Vashi No. 609/2017 dated May 18, 2017, a fire broke out at the Company's registered office premises on April 27, 2017. The fire affected various areas, including the server room, and resulted in the destruction of certain secretarial records, including forms physically filed with the Registrar of Companies, Ahmedabad, share transfer forms, and other secretarial records for the period from 1995 to 2014, which has contributed to the non-availability of the aforesaid documents.

As of the date of this Draft Red Herring Prospectus, no legal proceedings or regulatory action has been initiated by any regulatory or statutory authority (including the RoC) in respect of the untraceable secretarial and other corporate records. However, we cannot assure you that no proceedings may be initiated in this regard in the future.

22. *There have been certain instances of discrepancies/ delays in corporate records filings and non-compliance with provisions of the Companies Act, 2013 and Companies Act, 1956, including with respect to certain secretarial/regulatory filings for corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties for any such non-compliance/ discrepancies and our business, financial position and reputation may be adversely affected*

In the past, our Company has made certain inadvertent clerical errors, delays, and inaccuracies in documents and forms filed with the Registrar of Companies, as well as certain other instances of non-compliance under applicable laws. The table below sets forth details of such instances:

S. No	Non-Compliance	Error / Discrepancies and Corrective Measures
1.	Delay and Inaccurate Filing of DIR-12 for Regularization of Director	<p>The Company did not file Form DIR-12 in a timely manner in respect of the regularisation of Mehvis Husenali Narsinh, who was appointed on January 31, 2019, and subsequently regularised as a Director at the annual general meeting held on September 30, 2019, for a continuous period covering the financial years 2018–2019 and 2019–2020.</p> <p>Subsequently, Form DIR-12 (SRN: F51126035) was filed on December 1, 2024; however, the effective date was inadvertently stated as September 30, 2022, instead of September 30, 2019. This discrepancy did not relate to, or affect, the underlying event of regularisation, which validly took effect on September 30, 2019. As the concerned Director has since ceased to be associated with the Company and due to system-related constraints on the MCA portal, the said Form DIR-12 cannot presently be revised or rectified</p> <p><i>Corrective Measure:</i> In this regard, we have also revised Form MGT-7 for the financial year 2022-23 to rectify the said discrepancy.</p>
2.	The Auditor appointment details as per Form 23B do not match the auditor who has signed the financial statements for F.Y 2008-2009	<p>As per Form 23B (Information by Auditor to the Registrar of Companies) available on the records of the Ministry of Corporate Affairs, M/s Hitesh V. Shah & Associates are reflected as having been appointed as the statutory auditors of the Company at the Annual General Meeting held on September 30, 2008. However, as recorded in the minutes of the relevant meeting of the Board of Directors, M/s Hitesh V. Shah & Associates did not provide their consent to act as statutory auditors for the subsequent financial year and were therefore not re-appointed for FY 2008–2009. The Board accordingly appointed M/s Deepak Shah & Associates in their place, and such appointment was duly approved by the shareholders at the Annual General Meeting held on September 30, 2008. M/s Deepak Shah & Associates thereafter conducted the audit and issued the audit report for the relevant financial year, and the financial statements were signed by them in their capacity as statutory auditors.</p> <p>It is further clarified that Form 23B for FY 2007–2008 was independently filed by M/s Hitesh V. Shah & Associates in their capacity as auditors, as the filing of Form 23B was the statutory responsibility of the auditor and not of the Company. In respect of the appointment of M/s Deepak Shah & Associates for FY 2008–2009, no Form 23B or challan evidencing such filing could be traced from the Company’s records or from the filings available on the MCA portal.</p>

3.	<p>Certain discrepancies were identified in the Compliance Certificates (Form 66) issued under the Companies Act, 1956 for previous financial years, which may subject us to regulatory scrutiny.</p>	<p>There were certain discrepancies observed in the Compliance Certificates (Form 66) issued under Section 383A of the Companies Act, 1956 by the Practicing Company Secretary for the financial years 2008–2009, 2009–2010 and 2011–2012. Certain Board Meeting dates disclosed in the Board’s Reports for the financial years 2008–2009 and 2009–2010 were not reflected in the corresponding Compliance Certificates. Further, the Compliance Certificate for the financial year 2011–2012 incorrectly stated that no Extraordinary General Meeting (“EGM”) was held during the year and that there was no alteration in the capital clauses of the Memorandum of Association, whereas the Company had in fact convened an EGM on July 15, 2011 for increasing its authorised share capital from ₹160 lakhs to ₹180 lakhs.</p> <p>Such discrepancies arose due to typographical and clerical errors on the part of the Practicing Company Secretary while issuing the Compliance Certificates. The Company confirms that all requisite Board Meetings and the aforesaid EGM were duly convened and conducted in accordance with applicable provisions of the Companies Act, 1956, and that the minutes and statutory records have been properly maintained. Further, the alteration of the authorised capital was validly carried out and all necessary statutory filings and compliances were duly completed.</p> <p>However, any such discrepancies in statutory records or certifications may attract regulatory scrutiny or observations from regulatory authorities. While these discrepancies do not affect the validity of the underlying corporate actions or the integrity of our statutory records, there can be no assurance that no action or inquiry will be initiated in this regard in the future. Any such action may have an adverse effect on our reputation and could result in additional compliance costs.</p>
4.	<p>Inconsistency Between Share Allotment Records and Compliance Certificate (2011-12)</p>	<p>The Company made an allotment of 2,00,000 equity shares on October 25, 2011, as evidenced by the available records and statutory forms. However, in the Compliance Certificate issued under Section 383A of the Companies Act, 1956 by the Practicing Company Secretary for the financial year 2011–2012, Point No. 19 states that “the Company has not issued any shares during the year,” which contradicts the actual transaction.</p> <p>The inconsistency arose due to a typographical/clerical oversight by the Practicing Company Secretary during the preparation of the Compliance Certificate. There are relevant Forms, supporting documents, and a certified true copy of the Board Resolution for the allotment of 2,00,000 equity shares dated October 25, 2011.</p> <p>The omission in the Compliance Certificate does not affect the accuracy or integrity of the Company’s statutory records and was not intentional</p>
5.	<p>Non-Appointment of Company Secretary under Section 203 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Period 2014 to 2019</p>	<p>As per the audited financial statements for the year ended March 31, 2014, the paid-up share capital of the Company exceeded ₹5 crore, thereby attracting the applicability of Section 203 of the Companies Act, 2013, read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which mandates the appointment of a Whole-Time Company Secretary. However, no Whole-Time Company Secretary was appointed by the Company during the period financial year 2014–15 to financial year 2018–19.</p> <p><i>Corrective Measure:</i> To address this non-compliance, the Company has initiated the process of regularizing the aforesaid non-compliance by filing Form GNL-1 (SRN N31332067 dated June 14, 2025), in connection with a adjudication application before the Registrar of</p>

		Companies, Ahmedabad. However, the adjudication proceedings are presently under consideration with the Registrar of Companies, and no adjudication order or further communication has been issued by the RoC as on date.
6.	Inconsistencies in dates between the signed financial documents, Board Meeting approvals, and XBRL filing Dates for the financial year 2014-15	<p>Certain discrepancies were observed between the signed Board Report, the Balance Sheet, and the Board Meeting approval dates, as well as in the XBRL filing, due to inadvertent clerical errors.</p> <p>The followings inconsistencies exists:</p> <ul style="list-style-type: none"> • The signed Board Report is dated September 24, 2015, whereas the Board Meeting in which the Board Report was approved was held on September 04, 2015. • The signed Balance Sheet is dated May 30, 2015, while the Board Meeting approving the financial statements took place on May 30, 2015. • In the XBRL filing, the Board Report is shown as signed on September 04, 2015 and the Balance Sheet on September 02, 2015 <p>The discrepancies in the dates arose due to typographical and clerical errors during the preparation and filing of the relevant documents and were purely inadvertent and unintentional. There was no intention to conceal, misrepresent, or derive any undue advantage as a result of such errors, and no shareholder, investor, or other stakeholder has suffered any harm or prejudice arising therefrom. The Board meetings were duly convened and held on the stated dates, and the related records have been maintained in accordance with applicable statutory requirements.</p>

In this context we have also filed an intimation letter to ROC submitted on March 30, 2026 at Ahmedabad, Gujarat with respect to these historical discrepancies which are not capable of rectification due to circumstances beyond the control of the Company.

Also on August 18, 2022, our company had undertaken a rights issue to existing promoters and directors issued through adjustment of unsecured loan extended by them. The relevant loan agreement dated January 11, 2021 approved by the shareholders by way of a special resolution passed at a general meeting held on June 14, 2025, permits the Company, subject to prior members' approval, to accept loans from director-shareholders with an option to convert or adjust such loans (secured or unsecured) into equity shares. However, the option relating to conversion or adjustment of such unsecured loans into equity shares was not disclosed in the PAS-3 dated August 18, 2022. Our Company has subsequently filed a revised Form PAS-3 (SRN AB8329438) correctly reflecting the conversion of loans into equity shares. The revised filing includes a revised Board Resolution compliant with Section 62(3) of the Companies Act, 2013, and a clarification letter requesting the Registrar of Companies to disregard the earlier Form PAS-3 filed on August 18, 2022.

Our Company also in the past have made delay in filings of some RoC forms as per the stipulated timelines prescribed under the Companies Act, 2013. Our Company has paid requisite late fees for such filings, and no show cause notice in respect of the same has been received by our Company till date. The details of ROC Late Filings are as follows:

Name of the Form	Date of Filing	Due date	No. of days of delay	Description
Form ADT -1 SRN F90549171	18.01.2024	04.01.2024	14	Form ADT-1 must be file within 15 days of the meeting in which the auditor is appointed and the appointment date is 20.12.2023

Form AOC-4 XBRL SRN N25673815	30.12.2024	30.10.2024	60	Form Must be filed within 30 days from the date of the Annual General Meeting (AGM) and AGM date is 30.09.2024
Form MGT-7 SRN N26748020	13.01.2025	30.11.2024	43	Every company shall file with the Registrar a copy of the annual return, within 60 days from the date on which the annual general meeting is held. And AGM was held on 30.09.2024
Form AOC-4 XBRL SRN F39198932	02.11.2022	30.10.2022	2	Form Must be filed within 30 days from the date of the Annual General Meeting (AGM) and AGM date is 30.09.2022
Form MGT-7 SRN F51942464	06.12.2022	30.11.2022	6	Every company shall file with the Registrar a copy of the annual return, within 60 days from the date on which the annual general meeting is held. And AGM was held on 30.09.2024
Form DIR-12 SRN F51126035	01.12.2022	30.10.2019	31	Filing of Form DIR 12 of Mr. Mehvis Husenali Narsinh, date of change in designation is 30.09.2022
Form CHG -1 SRN S42477695	01.07.2021	09.01.2021	173	Charge modification must be file 30 days of the creation or modification of the charge, Modification of charge date is 10/12/2020
Form ADT -1 SRN T28933851	27.10.2015	15.10.2015	12	Form ADT-1 must be file within 15 days of the meeting in which the auditor is appointed and the appointment date is 30.09.2015
Form 23 –AC and Form - 23ACAXBRL SRN Q47992268	25.11.2024	30.10.2014	26	Form Must be filed within 30 days from the date of the Annual General Meeting (AGM) and AGM date is 30.09.2014
Form 23 –AC and Form - 23ACAXBRL SRN Q27706233	30.12.2013	30.10.2013	60	Form Must be filed within 30 days from the date of the Annual General Meeting (AGM) and AGM date is 30.09.2013
Form 20-B SRN Q47732250	23.11.2014	30.11.2013	358	Every company shall file with the Registrar a copy of the annual return, within 60 days from the date on which the annual general meeting is held. And AGM was held on 30.09.2013
Form 23 AC and Form 23ACA SRN P80897333	27.11.2011	30.10.2011	27	Form Must be filed within 30 days from the date of the Annual General Meeting (AGM) and AGM date is 30.09.2011

Form 23 AC and Form 23ACA SRN P67525303	25.05.2011	30.10.2010	206	Form Must be filed within 30 days from the date of the Annual General Meeting (AGM) and AGM date is 30.09.2010
Form 20-B SRN P66019076	13.02.2011	30.11.2010	44	Every company shall file with the Registrar a copy of the annual return, within 60 days from the date on which the annual general meeting is held. And AGM was held on 30.09.2010
Form 23 AC and Form -23ACA SRN P45348323	20.01.2010	30.10.2009	81	Form Must be filed within 30 days from the date of the Annual General Meeting (AGM) and AGM date is 30.09.2009
Form 20-B SRN P45343803	20.01.2010	30.11.2009	51	Every company shall file with the Registrar a copy of the annual return, within 60 days from the date on which the annual general meeting is held. And AGM was held on 30.09.2009
Form MGT-14 SRN AB9969084	20/12/2025	12/10/2025	68	The Company is required to file Form MGT-14 with the Registrar of Companies within 30 days of passing the Board Resolution approving the Consolidated Annual Accounts and Board's Report
Form MGT-14 SRN AB9965181	20/12/2025	05/10/2025	75	The Company is required to file Form MGT-14 with the Registrar of Companies within 30 days from the date of passing the Board Resolution dated 06.09.2025 approving the Standalone Annual Accounts and for the appointment of the Secretarial Auditor and Internal Auditor.
Form PAS-3 SRN AB8329438	30/10/2025	17/09/2022	1138	The Company is required to file Form PAS-3 with the Registrar of Companies within 30 days from the date of Allotment which is 16.08.2022
Form ADT-1 SRN AC0103859	23/12/2025	14/10/2022	1164	The Company is required to file Form ADT-1 with the Registrar of Companies within 15 days from the date of Appointment.

We acknowledge that there were certain discrepancies in the records maintained by the Company. To prevent such incidents in the future, the Company has implemented a maker/checker system to ensure the accuracy of our filings. The Company has taken note of this discrepancy and assures that appropriate measures will be taken to avoid such clerical errors in future filings.

We have also taken steps to improve internal compliance processes and documentation practices going forward. However, as some of the issues relate to historical periods and missing records, full rectification may not be feasible in all cases. Also, we are making reasonable efforts to enhance compliance and reduce the likelihood of similar lapses in the future.

While no legal proceedings or regulatory action has been initiated against us in relation to the unavailable filings and statutory lapses as of the date of this Draft Red Herring Prospectus, we cannot assure you that such proceedings or regulatory actions will not be initiated against us in the future in relation to the missing filings and corporate records. We cannot assure you that any such proceedings will not have a material adverse effect on our financial condition or reputation.

23. *Our dependence on procuring raw cotton from farmers and traders directly and cotton bales from other ginning units and traders, without formal arrangements, exposes us to supply and price risks that may materially impact our operations, revenues, and financial performance.*

While cotton bales are the principal raw material for our manufacturing of cotton yarn, we procure raw cotton from farmers and traders, which is then ginned and converted into cotton bales for further processing in-house or trading in the market. Additionally, we procure cotton bales from other ginning units and traders. We do not have any formal arrangements or long-term agreements with farmers or traders for the supply of such raw cotton and cotton bales. As a result, our procurement is subject to prevailing market conditions and availability at the time of purchase. This dependence increases our exposure to risks relating to timely supply, consistency of quality, and fluctuations in pricing.

The availability and pricing of raw cotton and cotton bales depend on several factors beyond our control, including crop yields, weather conditions, pest infestations, government procurement policies, global demand-supply dynamics and availability and pricing of cotton bales. Since our procurement relies on spot market purchases directly from farmers, traders and other ginning units, any adverse developments in these factors may lead to shortages, higher procurement costs, or delays in supply. Such disruptions could reduce our capacity utilization, increase our cost of production, and impair our ability to meet customer demand on time. If we are unable to pass on such increased costs to customers, our margins and profitability may be adversely affected.

While we maintain relationships with multiple traders and adopt procurement planning strategies, there can be no assurance that such measures will always be effective. Any inability to secure adequate quantities of raw cotton and cotton bales at competitive prices, or within the required timeframe, may materially and adversely affect our business, financial condition, and results of operations. For further details on our procurement operations and cost structure, refer to the chapters titled “*Our Business*” and “*Financial Statements as Restated*” beginning on page 166 and 236 of this Draft Red Herring Prospectus.

24. *There may be problems with the products we manufacture that could result in liability claims against us, reduced demand for our products and damage to our reputation.*

We are engaged in the manufacturing and supply of our products based on customer specifications and industry requirements. While we undertake quality control and assurance measures, there can be no assurance that defects or deficiencies in our products will not arise in the future. Such issues may occur due to manufacturing defects, use of sub-standard raw materials, operational errors, or factors beyond our control, including defects in inputs supplied by third parties.

Any failure on our part to deliver products in accordance with agreed specifications or quality standards may result in claims from customers, including claims for damages, replacement costs, or rejection of goods. Additionally, our customers may delay or cancel orders, or reduce future business with us, which may adversely affect our revenues and business relationships.

Further, in certain cases, we may be required to repair or replace defective products, or bear costs associated with product recalls or other liabilities. Even if such claims are not ultimately successful, we may incur significant costs in defending such claims and may face disruptions in our operations.

Moreover, any real or perceived quality issues with our products may harm our reputation in the market and adversely affect customer confidence, which may result in loss of existing or potential customers. Although we have not experienced any material product liability claims in the past, we cannot assure you that such claims will not arise in the future. Any such claims or defects, whether actual or alleged, may have a material adverse effect on our business, results of operations, financial condition and cash flows.

25. Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.

Our business operations require us to obtain and periodically renew various approvals, licenses, registrations, and permits. Some of these have fixed validity periods, necessitating timely renewal applications. Failure to maintain compliance with regulatory requirements may lead to fines, suspension, or cancellation of these approvals, potentially impacting our business. Additionally, there is no assurance that authorities will issue or renew the necessary permits on time or at all. Regulatory bodies may also impose additional terms and conditions, and any non-compliance could result in the cancellation of licenses or authorizations, disrupting our operations. The Company makes reasonable efforts to track and manage the renewal timelines of its key licenses and approvals through internal monitoring processes. While we do not have a fully automated compliance system in place, designated team members are tasked with overseeing renewals and coordinating with regulatory authorities as needed. Although delays or oversights may still occur due to practical constraints or evolving regulatory expectations, the Company remains committed to maintaining overall compliance and addressing any gaps as they arise. For further details on applicable approvals required, please refer to the chapter titled “Government And Other Statutory Approvals” on page no. 276 of this DRHP.

26. We have withdrawn our Draft Red Herring Prospectus in the past, and there can be no assurance that we will not withdraw or delay this Offer again, which may adversely affect investor perception and the success of this Offer.

We had previously filed a draft red herring prospectus with BSE SME for undertaking an initial public offering; however, such draft red herring prospectus was subsequently withdrawn vide a Board Resolution dated September 16, 2025 and the intimation was given vide letter dated September 17, 2025. The withdrawal was based on commercial considerations, market conditions and there can be no assurance that similar circumstances will not arise in connection with this Offer.

Any withdrawal, postponement or delay in the completion of this Offer may adversely impact investor confidence, market perception and our ability to successfully complete the Offer on favourable terms, or at all. Further, repeated filings and withdrawals may subject us to increased regulatory scrutiny and may result in additional costs, including professional fees and administrative expenses, without any corresponding benefits.

Additionally, the timing of this Offer is subject to various external factors, including market volatility, economic conditions, investor sentiment and regulatory developments, which are beyond our control. If we are unable to proceed with this Offer as currently contemplated, or if the Offer is delayed or withdrawn again, it may have a material adverse effect on our reputation, financial condition and ability to raise capital in the future.

27. Past instances of non-timely compliance with statutory and regulatory filing requirements

In the past there have been certain delays in filing of statutory & regulatory dues with respect to GSTR 1, GSTR 3B, provident fund (PF), 26Q, 27EQ & 24Q. While such delays were not material and have since been regularized, there can be no assurance that similar instances will not occur in the future. Any continued or repeated non-compliance with statutory or regulatory requirements may attract penalties or other regulatory actions, which could adversely affect our reputation, business operations, and financial condition.

Below is a table detailing the instances of past delays in the payment of statutory dues and the filing of statutory forms along with reasons for delay:

Statutory Dues/Forms	Month/Quarter	Due Date	Actual Filing Date	Delays (Days)
Goods and Services Tax				
GSTR-3B	April, 2022	May 20, 2022	May 24, 2022	4
GSTR-3B	May, 2022	June 20, 2022	June 30, 2022	10
GSTR-3B	June, 2022	July 20, 2022	July 21, 2022	1

GSTR-3B	February, 2023	March 20, 2023	March 25, 2023	5
GSTR-3B	March, 2023	April 20, 2023	April 29, 2023	9
GSTR-3B	May, 2023	June 20, 2023	June 21, 2023	1
GSTR-3B	June, 2023	July 20, 2023	July 21, 2023	1
GSTR-3B	August, 2023	September 20, 2023	September 29, 2023	9
GSTR-3B	September, 2023	October 20, 2023	October 21, 2023	1
GSTR-3B	October, 2023	November 20, 2023	November 25, 2023	5
GSTR-3B	February, 2024	March 20, 2024	March 22, 2024	2
GSTR-3B	March, 2024	April 20, 2024	May 01, 2024	11
GSTR-3B	December, 2024	January 20, 2025	January 22, 2025	2
GSTR-3B	February, 2025	March 20, 2025	March 25, 2025	5
GSTR-3B	March, 2025	April 20, 2025	April 29, 2025	9
GSTR-3B	May, 2025	June 20, 2025	June 21, 2025	1
GSTR-3B	September, 2025	October 25, 2025	October 27, 2025	2
Provident Fund				
Provident Fund	April, 2022	May 15, 2022	May 18, 2022	3
Provident Fund	May, 2022	June 15, 2022	June 21, 2022	6
Provident Fund	June, 2022	July 15, 2022	July 20, 2022	5
Provident Fund	July, 2022	August 15, 2022	August 22, 2022	7
Provident Fund	August, 2022	September 15, 2022	September 24, 2022	9
Provident Fund	September, 2022	October 15, 2022	November 01, 2022	17
Provident Fund	October, 2022	November 15, 2022	November 16, 2022	1
Provident Fund	November, 2022	December 15, 2022	December 22, 2022	7
Provident Fund	December, 2022	January 15, 2023	January 20, 2023	5
Provident Fund	March, 2023	April 15, 2023	April 18, 2023	3
Provident Fund	April, 2023	May 15, 2023	May 17, 2023	2
Provident Fund	December, 2023	January 15, 2024	January 17, 2024	2
Provident Fund	January, 2024	February 15, 2024	February 26, 2024	11
Provident Fund	March, 2024	April 15, 2024	April 16, 2024	1
Provident Fund	April, 2024	May 15, 2024	May 17, 2024	2
Provident Fund	May, 2024	June 15, 2024	June 20, 2024	5
Provident Fund	July, 2024	August 15, 2024	September 02, 2024	18
Provident Fund	January, 2025	February 15, 2025	February 19, 2025	4
TDS				
TDS Form 24Q	Quarter-IV, 2024-25	May 31, 2025	June 13, 2025	13
TDS Form 26Q	Quarter-I, 2022-23	July 31, 2022	September 03, 2022	34
TDS Form 26Q	Quarter-II, 2022-23	October 31, 2022	January 06, 2023	67
TDS Form 26Q	Quarter-III, 2022-23	January 31, 2023	February 02, 2023	2
TDS Form 26Q	Quarter-IV, 2022-23	May 31, 2023	June 24, 2023	24
TDS Form 26Q	Quarter-I, 2023-24	July 31, 2023	November 10, 2023	102
TDS Form 26Q	Quarter-II, 2023-24	October 31, 2023	November 11, 2023	11
TDS Form 26Q	Quarter-III, 2023-24	January 31, 2024	February 24, 2024	24
TDS Form 26Q	Quarter-IV, 2024-25	May 31, 2025	June 13, 2025	13
TDS Form 27EQ	Quarter-I, 2022-23	July 15, 2022	February 03, 2023	204
TDS Form 27EQ	Quarter-II, 2022-23	October 15, 2022	February 04, 2023	112
TDS Form 27EQ	Quarter-III, 2022-23	January 15, 2023	February 04, 2023	20
TDS Form 27EQ	Quarter-IV, 2022-23	May 15, 2023	June 24, 2023	40
TDS Form 27EQ	Quarter-I, 2023-24	July 15, 2023	November 08, 2023	116
TDS Form 27EQ	Quarter-II, 2023-24	October 15, 2023	November 08, 2023	24
TDS Form 27EQ	Quarter-III, 2023-24	January 15, 2024	March 22, 2024	67

TDS Form 27EQ	Quarter-IV, 2023-24	May 15, 2024	June 27, 2024	43
TDS Form 27EQ	Quarter-I, 2024-25	July 15, 2024	July 16, 2024	1
TDS Form 27EQ	Quarter-IV, 2024-25	May 15, 2025	June 10, 2025	26
TDS Form 27EQ	Quarter-I, 2025-26	July 15, 2025	July 29, 2025	14
Professional Tax				
[Form 5A]	NA	NA	NA	NA

In the past, the Company has experienced certain delays in the payment of statutory dues and the filing of statutory forms with regulatory authorities. These delays were not intentional and were primarily due to a combination of operational and external challenges, as outlined below:

1. Temporary Unavailability of Key Employees

At certain points in time, delays occurred due to the non-availability of accounting or compliance personnel, including during transitions or employee exits. This led to disruptions in the timely preparation and filing of statutory forms and returns.

2. Incomplete or Unprepared Financial Data

In some instances, the delay in statutory filings was due to the non-finalisation of necessary financial data or supporting documentation, which is required to ensure accurate and compliant filings. Internal reconciliation and verification sometimes took longer than expected, leading to deferrals.

3. Financial Constraints During COVID-19 and Other Periods

The Company faced liquidity and working capital challenges, especially during the COVID-19 pandemic, which impacted timely payments of certain statutory dues such as GST, TDS, and employee-related contributions. The pandemic also disrupted regular business operations, affecting compliance timelines.

4. Unforeseen Circumstances and External Dependencies

Delays also occurred due to factors such as technical glitches in government portals, dependency on third-party consultants, or delays in audit finalization, which impacted timely form filing or payment.

The Company has addressed the identified non-compliances by filing the requisite statutory returns and remitting the applicable late fees or penalties for delays in filing, as detailed in the table above, in accordance with the relevant laws and regulations. Consequently, all delays in the payment or filing of statutory dues have been duly regularized as of the date.

Instances of non-compliance may lead to regulatory observations, which could affect the Company's normal course of operations if material. While the Company seeks to strengthen its compliance processes, any such lapses in the future may result impact on the cash flows and profitability of the Company.

28. Negative remarks by the Statutory Auditor of our Company under CARO 2020 relating to discrepancies in stock statements may indicate lapses in financial reporting and could impact the Company's credibility.

In the Company's Annual Reports for FY 2023–24 and FY 2022–23, the Statutory Auditor has reported a negative remark under Clause (ii)(b) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"). The Auditor stated that the quarterly returns and stock statements submitted by the Company to financial institutions and banks for the months of March 2024 and March 2023 were not in agreement with the books of account. Additionally, the Auditor was unable to comment on the returns and statements for the remaining months of the respective financial years due to the unavailability of necessary details and documents for verification. Such discrepancies and lack of verifiable information may indicate deficiencies in internal controls or financial reporting practices. Any continued non-alignment between submitted returns and actual records may affect the Company's ability to secure or maintain credit facilities, invite regulatory scrutiny, and adversely impact its reputation and stakeholder confidence. The Company is working toward improving the documentation and availability of supporting records to enable better verification and auditability in the

future. However, given the historical nature of some discrepancies, complete rectification of past inconsistencies may not be feasible.

29. *Shared use of registered office premises with our subsidiaries and group companies may result in operational interdependencies and potential conflicts of interest*

We share a portion of our registered office premises with MAH Textiles Private Limited our wholly owned subsidiary and entities forming part of our Promoter Group. As these premises are used jointly, there may be limited physical demarcation and overlapping use of infrastructure, personnel, and other resources. This arrangement could lead to potential conflicts of interest, especially in matters relating to confidentiality, resource allocation, or operational priorities. Additionally, any disruptions, disputes, or compliance issues involving the shared premises or other occupants may indirectly impact our day-to-day operations. The Company has implemented internal protocols to manage the shared use of office space, including the segregation of key functions and restricted access to confidential information. Wherever feasible, operational activities, personnel, and infrastructure are functionally delineated to avoid overlap and reduce the risk of conflict or misuse.

30. *Our company, along with its subsidiaries, has obtained unsecured loans that can be recalled by the lenders at any time.*

As of February 2026, an outstanding amount of ₹363.79 lakhs is due to our Directors, Promoters, or their relatives. Since there are no formal agreements governing these loans, lenders may request repayment at short notice. If such a demand arises, our company may need to secure alternative financing, which may not always be available on favourable terms or at all. The inability to arrange replacement funding in a timely manner could strain our cash flows, disrupt business operations, and negatively impact our financial stability. Furthermore, the unpredictability associated with unsecured loans poses a potential risk to our liquidity and long-term financial health. Over time, the Company intends to reduce reliance on such unsecured loans by exploring more formalised funding arrangements and strengthening its internal accruals. However, the risk of short-notice repayment cannot be entirely ruled out. For more details on our unsecured financing arrangements, please refer to the chapter titled “*Financial Indebtedness*” on page no. 256 of the DRHP.

31. *None of our Directors have any prior experience of being a director in any other listed company in India.*

Our Company is not a publicly listed entity and has not historically been subject to the level of regulatory oversight, corporate governance requirements and public scrutiny that is typically associated with listed companies. As of the date of this Draft Red Herring Prospectus, none of our Directors have prior experience of serving as a director on the board of any listed company in India.

While our Directors possess relevant qualifications and industry experience, the absence of prior experience in a listed company environment may present certain challenges in adapting to enhanced corporate governance standards, regulatory compliances, disclosure requirements and stakeholder expectations applicable to listed entities. This may require additional time and resources to ensure full compliance with applicable laws and regulations, including those prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, any inability to effectively implement and adhere to such governance practices and regulatory requirements in a timely manner may impact investor perception, as well as our credibility and reputation among shareholders, regulators and other stakeholders.

For further details of our Board of Directors, please refer to the chapter titled “*Our Management*” on page 214 of this Draft Red Herring Prospectus.

32. *We currently propose to establish a new facility at Village Untadi, Limbdi, Surendranagar, Gujarat and undertake expansion of our existing manufacturing facility at Survey No. 555/P, Near Chorania 440 KV Sub Station, National Highway-8, Untadi, Limbdi, Surendranagar-363421, Gujarat, India. Any delays in*

setting up such facilities due to unforeseen events may adversely affect our business, results of operations, financial condition and cash flows.

We propose to establish a new facility through our subsidiary at Village Untadi, Limbdi, Surendranagar, Gujarat and undertake expansion of our existing manufacturing facility located at Survey No. 555/P, Near Chorania 440 KV Sub Station, National Highway-8, Untadi, Limbdi, Surendranagar-363421, Gujarat, India. The successful implementation of such projects is subject to various risks and uncertainties, including delays in obtaining necessary approvals and permits, procurement and installation of plant and machinery, availability of utilities, contractor performance and other project execution risks.

Any delay in the completion or commissioning of such facilities due to unforeseen events, including regulatory delays, supply chain disruptions, cost overruns, labour shortages, adverse weather conditions or other factors beyond our control, may result in postponement of our operational timelines and expected benefits from such projects. Further, the costs associated with such projects may exceed our current estimates due to changes in market conditions, increase in input costs, design modifications or other unforeseen expenses. Any such delays or cost overruns may impact our return on investment and may require additional funding.

In the event we are unable to complete such projects within the anticipated timelines or budget, or if the facilities do not operate at expected levels of efficiency or capacity, our growth plans and operational performance may be adversely affected. Accordingly, any delay in setting up the proposed facility or expanding our existing plant may have a material adverse effect on our business, results of operations, financial condition and cash flows.

33. *Volatility in cotton prices, driven by external factors, may adversely affect our margins and financial performance*

As a ginning and spinning company, our business is highly sensitive to fluctuations in cotton prices, which constitute a substantial portion of our raw material costs. Cotton prices in India are influenced by various external factors, including procurement operations by the Cotton Corporation of India (CCI), changes in Minimum Support Prices (MSP) set by the government, as well as global supply-demand trends and price movements in international markets such as the New York Cotton Exchange (NYCE) and Intercontinental Exchange (ICE) futures.

These external influences are beyond our control and may cause significant volatility in the price of cotton. Any sharp increase in cotton prices without a corresponding and timely rise in the prices of our output products such as cotton bales or yarn can result in a mismatch in input and output pricing, leading to margin compression. Conversely, a steep decline in cotton prices may affect the valuation of inventory and impact revenues, especially if output prices also fall.

Prolonged or unexpected volatility in cotton prices due to global trade dynamics, weather-related disruptions, or policy interventions could adversely impact our profitability, cash flows, and overall financial stability.

Additionally, several government schemes and incentives, including the Textile PLI (Production Linked Incentive) scheme, the Technology Upgradation Fund Scheme (TUFS), National Textile Policy, 2000 and Gujarat Textile Policy, 2024, are critical for maintaining competitiveness in the spinning and textile value chain. A rollback, reduction, delay, or uncertainty in the implementation of such schemes could increase operating costs or reduce profitability across the industry. Conversely, the introduction of new subsidy schemes could intensify competition, as existing and new players may undertake fresh capital investments, thereby increasing overall industry capacity and putting pressure on margins.

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

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

34. *The success of our business depends substantially on our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel and our permanent employees. Our inability to retain them, or to recruit skilled personnel necessary for our business could adversely affect our business.*

Our business operations and future growth are significantly dependent on the continued services, experience and expertise of our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel and other key employees. Our Promoters play a critical role in providing strategic direction and overseeing our business operations, while our management team is instrumental in the execution of our business strategies and day-to-day operations.

The loss of services of any of our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel or other key employees, or our inability to attract and retain qualified and skilled personnel in a timely manner and on commercially reasonable terms, may adversely affect our business operations and growth prospects. Further, we may not be able to identify suitable replacements with equivalent expertise and experience within a reasonable timeframe, which may lead to disruption in our operations.

Additionally, our operations require personnel with relevant industry knowledge and technical expertise. The loss of such personnel may require us to incur additional costs and time in recruiting and training new employees. Further, in order to attract and retain skilled personnel, we may be required to offer higher compensation or other incentives, which may increase our employee costs and impact our profitability. The industry in which we operate is competitive in terms of attracting and retaining skilled manpower. Our competitors may offer more attractive compensation packages and growth opportunities, which may result in increased attrition levels. Any inability to retain our existing personnel or recruit new talent may adversely affect our operational efficiency and our ability to execute our business strategies.

Although we have not experienced any material attrition in our key managerial and senior management personnel in recent periods, there can be no assurance that we will be able to retain such personnel in the future. Any such loss of key personnel or inability to attract and retain skilled employees may have a material adverse effect on our business, results of operations, financial condition and cash flows.

35. *Our funding requirements with respect to working capital requirements and proposed deployment of the Net Proceeds are based primarily on management estimates and assumptions and have not been appraised by any bank or financial institution or any other independent agency. The utilization of the Net Proceeds may be subject to change based on various factors, some of which are beyond our control, and such utilization may not generate expected future revenues or profits. Further, any change or variation in the utilization of Net Proceeds from the terms stated in this Draft Red Herring Prospectus shall be subject to applicable approvals, including prior shareholders' approval.*

Our proposed deployment of the Net Proceeds is based on internal management estimates, current market conditions and historical experience, and has not been independently appraised by any bank, financial institution or any other external agency. Accordingly, such estimates may be subject to revisions based on various internal and external factors.

We intend to utilize a portion of the Net Proceeds towards funding working capital requirements and for other purposes as set out in the chapter titled "*Objects of the Offer*" on page 100 of this Draft Red Herring Prospectus. Pending utilization, the Net Proceeds may be temporarily invested in deposits with scheduled commercial banks or in other permitted instruments, as approved by our Board. The actual utilization of the Net Proceeds may vary from the proposed deployment due to several factors, including changes in business strategy, variations in cost estimates, delays in project implementation, changes in market conditions, regulatory requirements or other factors beyond our control. Any such variation may require compliance with applicable legal and regulatory requirements, including obtaining prior approval of our shareholders.

Further, there can be no assurance that the deployment of the Net Proceeds will result in the intended benefits, including growth in our business, improved operational performance or enhanced profitability. Various risks and uncertainties, including those described in this section, may adversely affect our ability to utilize the Net Proceeds effectively. Accordingly, the failure to utilize the Net Proceeds in the manner currently envisaged, or to achieve the expected benefits from such utilization, may have a material adverse effect on our business, results of operations, financial condition and cash flows.

36. ***We rely on third-party transportation and logistics service providers for procurement of raw materials and supply of our products, and any disruption or inefficiency in such services may materially and adversely affect our business, results of operations, and financial condition.***

We do not maintain an in-house transportation fleet and depend entirely on third-party service providers for the movement of raw materials to our manufacturing facility, as well as for the delivery of our products to our customers. These services are typically engaged on a transactional, needs-based basis, and we do not generally enter into long-term contractual arrangements with such logistics providers.

This reliance exposes us to risks such as limited availability of vehicles during peak cotton procurement season, rising fuel and freight costs, delays in transit, accidents, strikes, natural calamities, regulatory restrictions, and congestion at ports or warehouses. Moreover, the value of cotton bales and yarn transported is significantly higher than the freight charges paid, making it difficult to recover adequate compensation in the event of loss, damage, or delay of goods in transit.

Any disruption in transportation services or delays in delivery of raw materials or products could impact our production schedules, lead to order cancellations, contractual penalties, or rejection of consignments, and damage customer relationships. Such events may materially and adversely affect our revenues, profitability, and overall business operations. In past, there has been no such instance. However, we cannot assure that any disruption or inefficiency in such services may not materially and adversely affect our business, results of operations, and financial condition.

37. ***The requirement to obtain statutory approvals for our proposed project by MAH Textiles Private Limited in the future may result in delays in project implementation and may adversely affect our business, financial condition and cash flow.***

Our subsidiary, MAH Textiles Private Limited, may be required to obtain certain statutory and regulatory approvals, permissions and clearances in connection with the implementation of its proposed project, including approvals related to environmental compliance, construction, utilities and other operational requirements. Although certain approvals required at the current stage have been obtained, additional approvals, consents and renewals may be required prior to commencement of construction, installation of machinery and commencement of operations.

The timeline for receipt of such approvals is subject to the discretion of the relevant governmental and regulatory authorities. Any delay in filing, processing or receipt of such approvals, or the imposition of additional conditions by regulatory authorities, may result in delays in project implementation, cost overruns or deferment of operational timelines.

Further, there can be no assurance that such approvals will be obtained within the anticipated timelines or on terms acceptable to us. Any delay in obtaining or renewing such approvals may impact the commencement of operations of the proposed facility and the expected benefits from the project, which may adversely affect the business, results of operations, financial condition and cash flows of our subsidiary and consequently of our Company.

38. ***We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Offer. Further we have not identified any alternate source of financing the “Objects of the Offer”. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and the results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details

please refer to the chapter titled “Objects of the Offer” beginning on page 100 of this Draft Red Herring Prospectus.

39. Thin profits/Financial losses incurred by our group entities may adversely impact our reputation and perceived group strength.

Our group entities have reported thin profit margins and incurred financial losses in the past. Although some of the entities are in early stages of development and we are actively working towards scaling its operations and improving profitability, there is no assurance that these efforts will yield the desired results within the expected timeframe. Continued financial underperformance by these group entities may adversely affect the overall perception of our group’s financial health, business acumen, and management capabilities. We remain dedicated to scaling the company’s operations, enhancing revenue streams, and driving profitability. While we are actively implementing strategies to achieve these objectives, there is no absolute guarantee that our efforts will yield the desired financial outcomes. Thin profit margins or financial losses may adversely affect our reputation and the perceived strength of our group. Below is the table.

(₹ in Lakhs)

Particulars	Standalone		
	For Year Ended March 31, 2025	For Year Ended March 31, 2024	For Year Ended March 31, 2023
Sustainable Spinning And Commodities Private Limited - Associate Concerns	138.49	120.14	140.53
Sustainable Knitting LLP-Associate Concerns-PAT	23.86	23.79	7.97
Sustainable Smart Wear Private Limited-Associate Concerns-PAT	4.12	(11.26)	0

40. Lower profitability margins may adversely affect the Company’s financial resilience and competitiveness.

The Company operates at relatively thin Profit After Tax (PAT) and EBITDA margins for the financial years 2022–23, 2023–24, 2024-25 and the six months period ended September 30, 2025. Operating at low profitability levels may limit the Company’s ability to absorb cost escalations, invest in growth initiatives, withstand market fluctuations, or respond effectively to competitive pressures. Furthermore, sustained low margins may impact investor perception, valuation, and the Company’s ability to attract external financing on favourable terms. There can be no assurance that the Company will be able to improve its margins in the future or maintain operational efficiency.

(₹ in Lakhs)

Particulars	Consolidated			Standalone
	For Period Ended September 30, 2025	For Year Ended March 31, 2025	For Year Ended March 31, 2024	For Year Ended March 31, 2023
Revenue from Operations	50,185.08	82,576.35	90,188.41	68,275.02
EBITDA	1,327.66	2,156.93	2,140.20	1,434.98
EBITDA Margin (%)	2.65%	2.61%	2.37%	2.10%
Profit After Tax	755.61	1,111.40	1,145.92	628.78
PAT Margin (%)	1.51%	1.35%	1.27%	0.92%

The Company is taking steps to improve operational efficiency and optimise cost structures through better procurement planning, increased automation, and tighter control over overheads. In addition, efforts are underway to enhance the product mix, focus on higher-margin segments, and explore new domestic and export markets to boost overall profitability.

41. ***Our Company does not have any litigation pending against it. However, certain litigations are pending against our subsidiary, and any adverse outcome of such litigations may adversely affect our business, reputation, and results of operations.***

Our subsidiary i.e. K R Solvent LLP is involved in ongoing tax proceedings with the Deputy Commissioner of Income Tax, Surendranagar Circle, Commissioner of Income Tax (Appeals), New Delhi, and Assessment Unit, Income Tax Department. We cannot assure you that the outcome of this litigation will be favourable.

We monitor and address all pending litigations through timely legal actions and professional advice to mitigate potential adverse outcomes. We are in the process of retrieving and maintaining complete documentation for ongoing cases to assess financial impact accurately and remain committed to complying with legal and regulatory requirements.

A summary of outstanding matters set out below includes details of civil proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company, Directors, Promoters, Group Entities, KMPs and SMPs as at the date of this Draft Red Herring Prospectus.

A summary of the pending tax proceedings and other material litigations involving our Company, our Subsidiaries, our Promoters, our Directors and our Group Companies is provided below:

Name of Entity	Criminal Proceedings	Claims related to Direct and Indirect Taxes	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoters	Other Material civil litigations	Aggregate amount involved (to the extent ascertainable) (₹ in Lakhs)
Company						
By our Company	Nil	Nil	Nil	Nil	1	1025.00
Against our Company	Nil	Nil	Nil	Nil	Nil	Nil
Directors and Promoters						
By our Directors and Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors and Promoters	Nil	2	Nil	Nil	Nil	0.05
Group Companies						
By our Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against our Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against our Subsidiaries	Nil	2	Nil	Nil	Nil	2.12

Note: The amount mentioned above may be subject to additional interest, rates or Penalties being levied by the concerned authorities for delay in making payment or otherwise.

A summary of outstanding criminal litigation proceedings and actions by statutory or regulatory authorities involving our KMPs and Senior Management as on the date of this Draft Red Herring Prospectus, is provided below:

Name of the person	Criminal proceedings	Statutory or regulatory proceedings	Aggregate amount involved* (₹ in lakhs)
KMPs (other than our Directors)			
By our KMPs	Nil	Nil	Nil
Against our KMPs	Nil	Nil	Nil
Senior Management (other than our Directors and Promoters)			
By our Senior Management	Nil	Nil	Nil
Against our Senior Management	Nil	Nil	Nil

**To the extent ascertainable and quantifiable*

For further details, please refer to the chapter “*Outstanding Litigations and Material Development*” beginning on page 269 of the Draft Red Herring Prospectus

42. *Our manufacturing operations rely significantly on the availability of both skilled and unskilled labour.*

The production cycle of our products to some extent involves labour-intensive production process, hence, maintaining an adequate workforce is essential for ensuring smooth and efficient operations. Managing a large workforce requires effective oversight and fostering a positive work environment to maintain productivity and operational stability. Any shortage of skilled or unskilled labour, whether due to external factors such as workforce migration, industry demand fluctuations, or socio-economic conditions, could disrupt our production capabilities. Additionally, labour disputes, conflicts with management, or disruptions due to regulatory changes in labour laws may negatively impact our operations, potentially leading to delays, increased costs, or reduced output. The Company maintains ongoing engagement with its workforce and strives to foster a positive and compliant work environment. We also work with local labour to maintain a steady supply of both skilled and unskilled labour as needed.

43. *Absence of credit ratings may affect investor confidence and access to capital*

As of the date of this DRHP, there are no outstanding credit ratings available for our Company or any of our subsidiaries. Credit ratings, when available, serve as an independent assessment of a company’s creditworthiness and provide an additional layer of comfort to investors, lenders, and other stakeholders regarding the financial stability and risk profile of the entity.

In the absence of such ratings, potential investors and lenders may perceive a higher degree of uncertainty in evaluating our credit risk, which could affect their investment or lending decisions. Furthermore, the lack of credit ratings may limit our ability to access certain forms of debt financing or capital markets instruments, particularly those that require a minimum rating threshold for participation.

This may adversely impact our financial flexibility, cost of borrowing, and our ability to raise funds in a timely and efficient manner, which could, in turn, affect our operations, growth plans, and overall financial performance. The Company relies on internal financial discipline, prudent capital management, and cash flow monitoring to ensure continued financial stability and operational continuity.

44. *Impact of regulatory changes, environmental compliance, and industry cyclicality on our business operations and export eligibility*

Our business is subject to a wide range of regulatory and industry-related risks, including frequent changes, local and central revenue policies, and industry-specific guidelines. Amendments to import duties, trade

policies, environmental norms, tax laws such as GST and income tax, or the withdrawal of sector-specific exemptions and export incentives may lead to increased compliance costs, operational restrictions, or impact our cost structure and pricing strategies. Moreover, the inherently cyclical nature of the textile industry driven by global economic conditions, fashion trends, and consumer preferences exposes us to fluctuations in demand, which may adversely affect our revenue and profitability.

We are also required to comply with various EHS regulations, including those issued by the Gujarat Pollution Control Board (GPCB), State Pollution Control Boards (SPCBs), and other statutory authorities. These pertain to air emissions, water usage, wastewater discharge, solid waste disposal, and workplace safety. Failure to obtain, maintain, or renew necessary environmental clearances, consents to establish (CTE) and operate (CTO), or comply with prescribed standards may result in penalties, operational shutdowns, or legal proceedings. Compliance necessitates ongoing capital and operational expenditure for pollution control infrastructure, training, audits, and monitoring systems. Any tightening of these norms or stricter enforcement could significantly increase our compliance burden and adversely impact operational flexibility. Furthermore, delays in input tax credit refunds or retrospective tax demands under evolving tax regimes could result in working capital constraints. Collectively, these factors may adversely affect our business operations, financial condition, cash flows, and future growth prospects. The Company makes reasonable efforts to stay informed of evolving regulatory requirements and industry developments. We aim to address regulatory changes proactively by updating our internal policies and procedures as needed, and by maintaining timely coordination with relevant authorities for approvals and renewals.

45. *Our trademark is not yet registered and is subject to further regulatory approvals*

Our Company has applied for the registration of its trademark under Application No. 6592257, which is currently at the stage of “Formalities Check Pass” as date of filing this DRHP. There can be no assurance that the trademark registration will be granted in a timely manner or at all, or that it will not be opposed by third parties. Failure to secure trademark registration may limit our ability to protect our brand identity and could adversely impact our competitive position, brand value, and business operations. We are actively pursuing the registration process for our trademark and are prepared to address any regulatory or third-party objections promptly. We also maintain operational safeguards to protect our brand identity through consistent quality and market presence until formal registration is secured.

46. *Outstanding receivables may adversely impact our liquidity and financial performance*

We have receivables that are outstanding from our debtors, and any delay or failure in the timely realization of these dues may have a material adverse effect on our cash flows, working capital cycle, and overall liquidity. For the period ended September 30, 2025 and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, our Trade receivables were ₹22,674.16 lakhs, ₹12,341.99 lakhs, ₹13,446.98 lakhs & ₹6,762.60 lakhs respectively. Our dependence on timely collections from customers is critical to sustaining daily operations and meeting financial obligations. Prolonged delays or defaults in payments could result in increased credit risk, provisioning requirements, and may adversely impact our reputation, business operations, and financial condition. Below table shows the details of outstanding receivables:

We are exposed to counterparty credit risk arising from our customers' ability and willingness to meet their payment obligations. Any delays in receiving payments or non-receipt of dues from customers could strain our working capital, disrupt cash flows, and adversely affect our financial condition. Persistent or significant defaults may also impact our profitability, limit our ability to fund ongoing operations, and hinder overall business performance and growth.

47. *Our financial performance may vary significantly between fiscal periods, making period-to-period comparisons difficult.*

Our revenues and expenses may fluctuate significantly between fiscal periods due to various factors such as seasonality in demand, changes in raw material prices, timing of order execution, foreign exchange rate fluctuations, and shifts in customer preferences. As a result, it may be difficult to make meaningful comparisons of our financial performance across different reporting periods. These variations may also affect the predictability of our results and could impact investors' ability to accurately assess our growth trajectory

and financial condition. We manage seasonality and demand fluctuations through flexible production planning and prudent inventory management. We also monitor market trends and customer preferences to align operations accordingly, supporting consistency in our financial performance across reporting periods.

48. Raw materials and finished goods stored at our factory premises are subject to deterioration and colour fading, which may lead to inventory losses

Raw unprocessed cotton, cotton bales, yarn, products are organic that are susceptible to quality deterioration over time, particularly when exposed to environmental factors such as moisture, humidity, and temperature variations. Prolonged storage or inadequate handling may lead to issues such as discolouration, fibre degradation, mould growth, musty odour, and microbial contamination, ultimately reducing the commercial value and usability of the goods. The raw materials and finished products stored at our factory premises are particularly vulnerable to such deterioration, colour fading, or quality degradation due to suboptimal storage or prolonged retention. Any such decline in quality may result in inventory losses, rejection of goods, increased wastage, or the need for reprocessing, thereby increasing our cost of production and adversely affecting profitability. Inability to manage and maintain inventory effectively could impact our operational efficiency, customer satisfaction, and financial results. We follow stringent inventory management practices, including proper storage, regular quality checks, and timely rotation of stock to minimise the risk of deterioration or colour fading. These measures help ensure the preservation of raw materials and finished goods, reducing wastage and supporting operational efficiency.

49. Our Company will not receive any proceeds from the offer for sale portion of the offer

The Offer includes an offer for sale of 3,72,000 Equity Shares by the Promoter Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders and we will not receive any such proceeds. The proceeds from the Offer for Sale will be transferred to each of the Selling Shareholders, in proportion to its respective portion of the Offered Shares transferred by each of them in the Offer for Sale (after deducting applicable Offer-related expenses and taxes) and will not result in any creation of value for us or in respect of your investment in our Company.

50. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price, which may affect investor perception of the valuation of our Company.

The average cost of acquisition of Equity Shares by our Promoters and the Promoter Selling Shareholders is lower than the Offer Price. As a result, they may realize substantial gains on any sale of Equity Shares in the Offer. Investors in the Offer may therefore be exposed to the risk of a potential disparity in cost and returns, and there can be no assurance that the market price of the Equity Shares will not decline post-Listing, which may adversely affect the investment value for new investors. Our Promoter's average cost of acquisition of Equity shares in our Company is as follows:

S. No.	Name of Promoter	No. of Equity Shares Held	Average Cost of Acquisition per equity share (in ₹)
1.	Mohmmadhasnein Husenali Narsinh	56,17,500	2.76
2.	Husenali Yusufali Narsinh	56,16,975	12.80
3.	Minajbanu Husenali Narsinh	33,07,500	3.33

The lower average acquisition cost for our Promoters reflects their early-stage investment and commitment to the Company's growth. Investors are encouraged to consider the Company's fundamentals, future prospects, and the benefits of listing when evaluating their investment decisions.

51. The property on which our MAH Textiles Private Limited's project is proposed to be developed is on leasehold basis

The property on which our proposed project for MAH Textiles Private Limited's to be developed is held on a leasehold basis which is taken from one of our Promoters Mrs. Minajbanu Husenali Narsinh for a period of 15 years. As we do not own the land, our rights are subject to the terms and conditions of the lease agreement, including its tenure, renewal terms, and compliance obligations. Any termination, non-renewal, or breach of the lease terms could adversely affect our ability to complete, operate, or derive intended benefits from the project. Further, the leasehold nature of the property may also impose limitations on its use or restrict our ability to raise financing against the asset, which could have a material adverse impact on our operations, asset ownership, and financial position.

We have secured a long-term lease agreement with clear renewal terms and compliance provisions to safeguard our rights over the project land. We ensure adherence to lease conditions to mitigate the risk of termination or disputes and will explore financing options compatible with the leasehold nature of the property to support the project.

52. *Failure to acquire new customers or to do so cost-effectively may adversely impact our revenue growth and profitability*

Our ability to increase revenue and maintain profitability is significantly dependent on our ability to acquire new customers and expand our customer base in a cost-effective manner. If we are unable to attract new customers due to increased competition, ineffective marketing strategies, shifting consumer preferences, or other external factors, our business growth could be adversely affected. Further, if the cost of acquiring customers increases disproportionately to the revenue generated from them, it may result in lower margins and reduced profitability, which could adversely impact our financial performance and long-term sustainability.

We will reduce our customer acquisition cost by prioritizing high-return channels such as referrals, retargeting, and content marketing, while also leveraging our strong domestic and international broker network and active participation in industry seminars to tap into trusted relationships and generate leads efficiently.

53. *Our actual results may differ materially from estimates and projections used in our financial statements*

The preparation of our financial statements involves the use of estimates, judgments, and assumptions that affect the reported amounts of income, expenses, assets, and liabilities. These estimates are inherently uncertain and are based on historical experience, current trends, and various other factors that may change over time. As a result, our actual results may differ materially from those reflected in such estimates and projections, which could lead to adjustments in future periods. Any such differences may impact investors' assessment of our financial condition and operating performance.

We follow prudent accounting practices and regularly review our estimates based on updated data and market conditions to ensure accuracy in our financial statements. We also engage statutory auditors to review our financials, helping minimise material deviations between estimates and actual results.

54. *Contingent liabilities and commitments may adversely impact our financial position*

As of the date of this DRHP, we have certain contingent liabilities and commitments disclosed in our financial statements, refer "*Restated Financial Statements*" at page no. 236 of this Draft Red Herring Prospectus. While these are not currently reflected as actual liabilities on our balance sheet, they represent potential obligations that may arise in the future depending on the outcome of uncertain events. If any of these contingent liabilities materialise or if the Company is required to fulfil any significant commitments, it could result in cash outflows, increased financial burden, or adverse accounting implications. This, in turn, may impact our liquidity position, profitability, and overall financial condition. There can be no assurance that such obligations will not arise or that we will have adequate resources to meet them without affecting our operations.

55. *Outstanding dues to creditors may adversely affect our business, reputation, and financial condition*

We have certain dues outstanding to our trade and other creditors. Delays or failure in settling these outstanding amounts in a timely manner may lead to strained relationships with suppliers and service providers, disruption in the supply chain, or withdrawal of credit support. Persistent or significant delays in payments could negatively impact our reputation, business operations, and creditworthiness. It may also result in legal claims, increased borrowing costs, or penalties, all of which could materially and adversely affect our financial condition and operational performance.

We actively manage our payables and maintain regular communication with creditors to ensure timely settlements. We align payment schedules with our cash flow planning to sustain healthy supplier relationships, ensuring supply chain stability and supporting our operational and financial performance.

Below table shows the details of outstanding Trade Payables of our Company:

(₹ In Lakhs)

Particulars	Consolidated			Standalone
	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Trade Payables / Creditors	22,392.30	10,015.81	14,584.79	7,608.19

56. Restrictive covenants imposed by lenders may limit our operational and financial flexibility

We are subject to various restrictive covenants under the terms of the loans, credit limits, and other banking facilities availed from banks and financial institutions. These covenants may include conditions related to maintaining certain financial ratios, restrictions on additional borrowings, capital expenditures, dividend distributions, or undertaking new projects without prior approval. Non-compliance with these covenants, whether actual or perceived, could result in the lenders accelerating repayment obligations, imposing penalties, or revoking credit facilities. Such restrictions may limit our ability to operate freely, respond to market opportunities, or manage our business as per strategic objectives, thereby adversely affecting our financial condition and growth prospects.

We monitor compliance with lender covenants closely and maintain regular communication with our lenders to address any potential issues proactively. We plan our operations and financial activities to align with these covenants, ensuring continued access to credit facilities while supporting our strategic objectives. For more information please refer to the chapter titled “Financial Indebtedness” on page 256

57. Inability to effectively source business opportunities may impact our growth and financial performance

Our ability to achieve our financial and strategic objectives is dependent on effectively identifying, sourcing, and executing business opportunities in a timely and efficient manner. Failure to do so whether due to market competition, lack of timely information, operational constraints, or strategic missteps may limit our growth, affect revenue generation, and hinder the achievement of our financial targets. If we are unable to consistently secure and convert viable business opportunities, it may adversely impact our market position, profitability, and long-term sustainability.

We actively monitor market trends and maintain strong industry networks to identify and secure business opportunities promptly. Our experienced management team evaluates potential projects carefully to align with our strategic goals, supporting consistent growth and financial performance.

58. Industry information presented in this Draft Red Herring Prospectus is based on third-party reports

This Draft Red Herring Prospectus includes information relating to the industry in which we operate, which has been derived from an industry report prepared by Infomerics Analytics and Research Private Limited (“Infomerics”) as well as other third-party publications. While we believe such information to be reliable, we have not independently verified the accuracy, completeness, or reliability of the data or the methodologies used in such reports. These industry publications are based on information available as of specific dates and may not reflect the most recent developments, market conditions, or trends.

Furthermore, the methodologies and assumptions adopted by Infomerics and other sources may differ from those used by other analysts or from our internal assessments, potentially resulting in inconsistencies. In some cases, the data may have been compiled using standards or definitions that differ from those applied in other jurisdictions, including India. Accordingly, the statistical and other industry-related information contained herein should not be relied upon as definitive or comprehensive. Any inaccuracy, or any change in the underlying assumptions or forecasts, could materially affect the industry data presented in this Draft Red Herring Prospectus and, consequently, have an impact on our business, financial condition, results of operations, and future prospects.

We reference third-party industry reports to provide context for our business environment while supplementing them with our internal assessments and market experience. We continuously monitor industry developments to align our strategies with current trends, ensuring informed decision-making despite potential limitations in third-party data.

59. *This DRHP contains forward-looking statements that are subject to risks and uncertainties*

This Draft Red Herring Prospectus contains certain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on various assumptions, estimates, expectations, and projections and are subject to known and unknown risks, uncertainties, and other factors, many of which are beyond our control. Actual results, performance, or achievements could differ materially from those expressed or implied by such forward-looking statements. These differences may arise due to various factors including, but not limited to, those discussed in the sections titled “*Forward-Looking Statements*” on page no. 20 in this Draft Red Herring Prospectus. Investors are cautioned not to place undue reliance on such statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required under applicable law.

60. *Our export operations are not backed by formal agreements with foreign distributors or agents, exposing us to business and revenue risks.*

The Company’s export operations are not supported by formal contracts or long-term agreements with its foreign distributors, agents, or customers. As a result, the Company is exposed to risks such as sudden order cancellations, changes in trading terms, inconsistent demand, or loss of business relationships without prior notice or recourse. This lack of contractual assurance may lead to volatility in export revenues and hinder the Company’s ability to plan and forecast its international operations effectively. Additionally, our business is dependent on aligning with the sustainability expectations of our customers and failure to do so could lead to a loss of business. Any disruption in export orders or relationships may adversely impact the Company’s financial performance, growth prospects, and overall business stability.

Our sales are typically based on purchase orders or short-term arrangements, and there is no assurance of continued business from these customers.

If any of our customers choose to reduce or discontinue sourcing their requirements from us, it could result in a significant loss of business. Such dependency on recurring orders without binding commitments may lead to unpredictability in revenue, impact our cash flows, and adversely affect our financial condition and results of operations.

We maintain strong relationships with our export customers and focus on delivering consistent quality and service to encourage repeat business. We are also exploring formalising agreements with key customers while diversifying our export base to reduce dependency and revenue volatility.

61. *Operational risks arising from windmill underperformance and machinery breakdown may adversely affect our business, financial stability, and sustainability goals*

Our Company relies on wind energy assets to partially reduce its operational costs and support sustainable operations. Any malfunction or underperformance of these windmills due to mechanical failures, irregular wind conditions, grid connectivity issues, inadequate maintenance, or natural calamities, may lead to higher operational costs. Delays in repairs, unavailability of spare parts, or reliance on third-party service providers for maintenance may further extend downtime and negatively impact our operational efficiency, profitability, and ability to meet internal sustainability targets or contractual obligations.

Additionally, our business operations are dependent on the smooth functioning of key plants and machinery. Any obsolescence, damage, theft, or unexpected breakdown of critical equipment may lead to interruptions in production, increased capital expenditure for replacements, higher depreciation charges, and reassessment of asset lifespans. Procuring new or specialized machinery, particularly those involving proprietary technology or original manufacturers, may be time-consuming and costly further exacerbated by inflation, supply chain disruptions, and shortages of essential components. Such events may adversely impact our cash flows, financial stability, and overall operational performance.

We conduct regular maintenance and performance monitoring of our windmills and critical machinery to minimise downtime and operational disruptions. We maintain contingency plans, engage reliable service providers, and explore alternative sourcing for spares to ensure operational efficiency, cost control, and alignment with our sustainability goals.

62. *Failure to stay updated with the latest technological trends may have adverse effects.*

Staying abreast with the latest technological advancements is crucial for maintaining our cost efficiency and ability to innovate. We operate in a highly technology-driven and competitive environment, given the dynamic and ever-evolving nature of technology, failing to adapt to emerging trends could put us at a disadvantage. An inability to keep pace with advancements may impact our operational efficiency, reduce our cost competitiveness, and hinder the development of high-quality, innovative products. Consequently, this could weaken our market position, affect customer demand, and ultimately lead to a decline in sales and profitability.

We regularly monitor industry developments and technological trends to align our operations with evolving market requirements. We invest in upgrading machinery, process automation, and employee training to enhance efficiency, maintain competitiveness, and ensure the consistent delivery of innovative, high-quality products.

63. *Our Promoters and members of the Promoter Group will continue to hold majority control over our Company post-issue, enabling them to influence key shareholder decisions.*

Following this Issue, our Promoters and Promoter Group will collectively retain [•] stake in our post-issue equity share capital. Consequently, they will continue to exert significant influence over the Company, including the ability to determine the outcome of matters requiring shareholder approval, such as the appointment of Board members, in accordance with the Companies Act, 2013, and our Articles of Association. This concentrated ownership structure may also delay, prevent, or discourage any potential change in control of the Company. Additionally, our Promoters may take actions that, while aligned with their interests, may not necessarily align with or may conflict with the interests of other shareholders, creditors, or stakeholders. We cannot guarantee that such decisions will not adversely impact our financial performance or the market value of our Equity Shares.

Our Company remains committed to upholding transparent governance and protecting minority shareholder interests despite our Promoter Group retaining majority control post-issue. Board decisions will continue to be made in compliance with the Companies Act, 2013, and SEBI Listing Regulations, ensuring alignment with stakeholder interests and adherence to regulatory norms.

64. *Any changes in the utilization of the Net Proceeds, as outlined in this DRHP, will require compliance with specific regulatory requirements, including prior approval from Shareholders.*

As per Section 27 of the Companies Act, 2013, any deviation in the planned utilization of the Net Proceeds from what is disclosed in this DRHP can only be undertaken after securing approval from Shareholders through a special resolution. If circumstances necessitate such a variation, there is no certainty that we will obtain the required Shareholders' approval in a timely manner, or at all. Any delay or inability to secure such approval may adversely impact our business operations.

Furthermore, under the SEBI (ICDR) Regulations, our Promoters or controlling shareholders must provide an exit opportunity to dissenting shareholders who do not agree with any proposed modification in the objects of the Issue. If a significant number of shareholders opt for such an exit, it could negatively impact our financial condition and business stability. Additionally, even if a variation in the utilization of funds is

deemed beneficial for our Company, regulatory constraints may prevent us from reallocating any unutilized proceeds, thereby limiting our flexibility in responding to changes in business dynamics. This could, in turn, affect our operational performance and financial results.

We have carefully planned the utilisation of Net Proceeds in alignment with our business objectives and regulatory requirements. In the event of any necessary deviations, we will seek shareholder approval as per the Companies Act, 2013, and SEBI (ICDR) Regulations, ensuring compliance while maintaining transparency and prioritising the best interests of the Company and its stakeholders.

For more details on the proposed utilization of Net Proceeds, please refer to the chapter titled “*Objects Of The Offer*” on page no. 100 of this DRHP.

65. *Our ability to distribute dividends in the future will be contingent on various factors, including our earnings, financial health, cash flow position, working capital needs, capital expenditure plans, and any restrictions imposed by our financing agreements.*

We may choose to retain all future earnings, if any, to support business operations and fuel expansion, which could result in no dividend declarations in the foreseeable future. Any decision regarding dividend distribution will rest with our Board of Directors, who will consider multiple factors such as our financial performance, liquidity position, growth prospects, and existing financial obligations. Company has not paid dividend in the last 3 fiscal years. Furthermore, our ability to declare dividends may be restricted by terms outlined in our loan agreements. If there is a default on such financing arrangements, or if certain conditions require us to clear outstanding dues before issuing dividends, our capacity to distribute earnings to shareholders may be limited. Consequently, investors seeking returns may primarily rely on potential appreciation in the value of our Equity Shares, for which there is no guaranteed assurance.

66. *Employee misconduct, human errors, or failures in internal control systems may result in financial losses, regulatory penalties, and reputational damage.*

We are exposed to risks arising from failures or material weaknesses in our internal control systems, including those related to financial reporting, compliance, and operational processes. Any inadequacy, lapse, or failure in these controls, whether due to human error, system limitations, or procedural shortcomings could result in errors, misstatements, regulatory non-compliance, or operational inefficiencies. Despite the implementation of preventive measures and internal monitoring systems, we cannot guarantee the complete detection or prevention of all instances of misconduct, fraud, or unintentional errors. Such actions, whether deliberate or accidental, may expose us to legal liabilities, compliance violations, and significant operational setbacks. Furthermore, lapses in oversight and internal controls could lead to negligence claims, legal proceedings, regulatory scrutiny, or reputational damage, all of which could materially and adversely affect our financial condition, business performance, and stakeholder trust. However, in past we have not incurred such misconduct, human errors, or failures in internal control system which have resulted in financial losses, regulatory penalties, and reputational damage.

We maintain robust internal controls and periodic audits to detect and prevent errors or misconduct, while also conducting regular staff training to reinforce compliance and ethical conduct, thereby mitigating operational and reputational risks.

67. *Potential penalties and demands from statutory authorities may impact our financial position*

As a company engaged in the production of cotton bales and cotton yarn, we are subject to various tax liabilities, including Goods and Services Tax (GST) and professional tax, as per applicable laws. While we have duly filed the required returns under relevant statutes, there remains a possibility that regulatory authorities may raise demands or impose penalties in the future for prior or current financial years. Any such penalties or demands could have an adverse impact on our financial position and overall business operations.

We ensure timely and accurate statutory filings, monitor compliance obligations, and engage qualified professionals to handle regulatory matters to minimise the risk of penalties and demands affecting our financial position.

68. *Compliance with public listing requirements may strain resources and impose additional obligations*

Becoming a publicly listed company entails increased scrutiny from shareholders, regulators, and the general public. Consequently, we will incur significant additional expenses related to legal, accounting, corporate governance, and compliance matters, which were not applicable to us before. Furthermore, we will be required to adhere to the provisions of listing agreements with stock exchanges, necessitating enhanced financial controls and disclosure mechanisms.

Meeting these obligations will demand considerable management oversight and resources, potentially diverting attention from core business activities. There is no assurance that we will be able to meet our reporting requirements or promptly disclose operational changes as efficiently as other listed entities. Additionally, to comply with public company regulations, we will need to strengthen our management team and recruit experienced legal and accounting professionals with expertise in corporate governance and financial reporting. Failure to meet stock exchange listing requirements may result in severe penalties, including potential trading suspensions, which could adversely affect our reputation, financial standing, and investor confidence.

We are strengthening our internal processes, financial controls, and compliance frameworks, while engaging experienced professionals to efficiently meet public listing and regulatory requirements, ensuring transparent governance and minimising disruptions to core business operations.

EXTERNAL RISK FACTORS

69. Our business and financial performance are influenced by various political, economic, and external factors beyond our control.

The Indian economy is interconnected with global economic developments, and any downturn or financial disruption in domestic, regional, or international markets could negatively impact our business, financial condition, and operational results. Periods of economic slowdown in India have previously affected demand for products and services, and any future economic downturn could similarly impact our growth prospects and profitability.

Several factors, including fluctuations in domestic consumption and savings, trade imbalances, global economic uncertainty, currency exchange rate volatility, and agricultural production affected by annual rainfall, play a crucial role in shaping economic growth. Additionally, changes in government policies, economic regulations, or high inflation rates could increase our operational costs without a proportional rise in revenues, thereby reducing our operating margins and affecting our overall business performance.

70. Dependence on a limited number of international logistics and customs clearing agents may disrupt export operations

Our export operations rely heavily on a limited number of third-party logistics providers and customs clearing and forwarding agents for the movement and clearance of goods across international borders. Any disruption in their services whether due to port closures, delays in customs clearance, container shortages, freight rate volatility, or inefficiencies in documentation may adversely affect the timely execution of export orders.

Furthermore, geopolitical developments, including trade restrictions, diplomatic tensions, or regulatory changes particularly in key trade routes such as those between India and Bangladesh may also lead to logistical bottlenecks. Such disruptions could result in shipment delays, increased logistics costs, penalties for delayed delivery, or even cancellation of orders, all of which may adversely impact our revenue recognition, customer relationships, and overall financial performance.

Given our reliance on a limited pool of logistics partners, our ability to quickly adapt to such external disruptions is constrained, thereby posing a material risk to our export-driven business operations.

71. Adverse climatic conditions and irregular monsoons may adversely affect the availability, quality and pricing of raw cotton, thereby impacting our business operations and financial performance

Our business operations are substantially dependent on the timely availability and consistent quality of raw cotton, which constitutes our principal raw material. Cotton is an agricultural commodity, and its production in India is significantly influenced by monsoon patterns and other climatic conditions. The Indian monsoon

is inherently unpredictable and any deviation from normal patterns such as delayed onset, early withdrawal, uneven distribution of rainfall, drought-like conditions, or excessive rainfall can adversely affect cotton cultivation, yield and quality.

A weak or erratic monsoon may result in reduced cotton sowing and lower yields, thereby leading to decreased market availability and increased procurement costs. On the other hand, excessive rainfall, particularly during the harvesting or post-harvest period, may result in crop damage, increased moisture content, and deterioration in the quality of cotton fibre, rendering it unsuitable or suboptimal for ginning and spinning. Additionally, such weather events may disrupt harvesting, transportation, and storage operations, and increase the risk of logistical delays.

Since our procurement strategy and processing capacities are calibrated to cotton availability during specific months of the year, any weather-related disruptions may adversely affect our operational efficiency, capacity utilization, and inventory planning. Furthermore, adverse climatic conditions may lead to speculative pricing, volatility in raw material costs, and challenges in maintaining consistent quality standards for our finished products.

Although we endeavour to mitigate such risks through supplier diversification, inventory controls, and staggered procurement, our operations and financial condition remain vulnerable to external agro-climatic factors beyond our control. Any sustained adverse impact on cotton availability or pricing due to irregular monsoon or other climatic events may materially and adversely affect our business, cash flows, and profitability.

72. *Dependence on global textile industry demand may adversely impact our export sales*

A significant portion of our revenue is derived from the export of yarn and related textile products, and as such, our business is exposed to fluctuations in global demand. Major export markets for Indian yarn include countries such as China, Bangladesh, Vietnam, and Turkey. The demand from these countries is influenced by a range of external factors, including global economic conditions, geopolitical tensions, trade policies, foreign exchange fluctuations, and import regulations.

Any slowdown in global textile consumption, trade restrictions, changes in import duties, or political instability in key importing nations may result in reduced order volumes, delayed shipments, or pricing pressures. In particular, tensions between major economies, disruptions in global supply chains, or restrictive trade practices could significantly affect demand for our products in international markets.

Additionally, global inflationary trends or recessionary conditions may dampen consumer spending on textiles, further impacting downstream demand. As a result, any sustained decline in demand from key export destinations could materially and adversely affect our revenue, profitability, and growth prospects.

73. *A slowdown in India's economic growth could have a negative impact on our business.*

As a company incorporated in India, with all our assets and employees based in the country, our operations are highly dependent on the overall economic environment. Any decline in economic activity could affect our ability to expand, maintain asset quality, and successfully execute our strategic plans.

Several factors could adversely impact the Indian economy and, consequently, our financial performance, including rising interest rates or inflation, limited access to credit, fluctuations in consumer and corporate income levels, changes in tax, trade, fiscal, or monetary policies, as well as political instability, terrorism, or geopolitical conflicts in the region. Additionally, global economic conditions, regulatory shifts, or volatility in commodity prices could negatively affect our borrowers and contractual counterparties, ultimately impacting our business, financial results, and the market value of our Equity Shares.

74. *Foreign investment restrictions under Indian law may limit our ability to attract foreign investors, potentially impacting the market price of our Equity Shares.*

Our company is subject to exchange controls under FEMA, which regulate foreign currency borrowings and may restrict our access to competitive financing for project development and debt refinancing. Additionally, required regulatory approvals may not always be granted or could come with stringent conditions, affecting our business growth and financial stability.

Under current foreign exchange regulations, share transfers between residents and non-residents are generally permitted, subject to pricing guidelines and reporting requirements set by the RBI. However, transactions falling outside these norms require prior RBI approval. Furthermore, shareholders converting Rupee proceeds from share sales into foreign currency for repatriation must obtain tax clearance. There is no assurance that necessary approvals from the RBI or other authorities will be granted on favourable terms or at all.

75. *A downgrade in India's credit rating by international agencies could significantly impact our ability to raise financing, particularly from overseas markets.*

Credit ratings play a crucial role in determining a country's creditworthiness, influencing investor confidence and the terms on which capital can be accessed. If India's debt rating is lowered, it may result in higher borrowing costs, reduced availability of foreign capital, and stricter lending conditions, all of which could adversely affect our ability to secure funds for expansion and operational needs.

Such a downgrade could lead to increased interest rates and less favourable commercial terms for international financing, making it more expensive and difficult for us to raise additional capital. This may, in turn, limit our capacity to invest in growth initiatives, refinance existing obligations, and sustain long-term business operations. Additionally, investor sentiment toward Indian companies could weaken, potentially affecting the market price of our Equity Shares. As a result, our financial performance, funding options, and overall business growth could face significant challenges due to unfavourable credit rating revisions.

76. *Impact of Political Instability and Policy Changes on Our Business*

Political instability or changes in economic liberalization and deregulation policies could significantly impact business and economic conditions in India, including our operations. The Indian government has historically influenced various sectors of the economy and continues to regulate key areas such as taxation, interest rates, and foreign investment. Any shift in government policies, particularly those affecting the technology sector and capital markets, could have a direct impact on our business growth, financial performance, and the market value of our Equity Shares.

77. *Foreign exchange rate fluctuations may adversely affect our export revenues and profitability.*

Our Company's export operations expose us to foreign exchange rate fluctuations, particularly in the INR–USD corridor. We do not presently have a comprehensive hedging policy, and a portion of our exports remain unhedged. Consequently, any adverse movement in exchange rates may lead to reduced realizations, lower margins, and volatility in our earnings. Further, in the absence of natural hedges or forward cover arrangements, prolonged currency volatility may adversely affect our financial condition and cash flows.

78. *Global economic and political conditions may adversely affect our business and stock price*

Our business operations and financial performance are subject to global economic, political, and social conditions that are beyond our control. Factors such as interest rate fluctuations, fiscal and monetary policies, inflation, exchange rate volatility, market instability, and employment trends can directly influence consumer confidence and spending patterns. Increased financial market volatility may amplify these risks, potentially affecting our operational costs and leading to fluctuations in our stock price.

79. *Natural Disasters Could Negatively Impact Our Business and the Indian Economy*

India is highly susceptible to natural disasters such as earthquakes, floods, cyclones, droughts, and landslides, which have historically caused widespread destruction and economic disruption. These calamities not only result in loss of life and property but also have far-reaching effects on industries, infrastructure, and overall economic stability. The severity and frequency of such disasters have increased in recent years due to climate change, making their impact more unpredictable and challenging to manage. Natural disasters can severely disrupt business operations by damaging production facilities, supply chains, transportation networks, and communication systems. For instance, extreme flooding may lead to logistical bottlenecks, delaying the procurement of raw materials and the delivery of finished goods, thereby affecting operational efficiency and revenue generation.

Additionally, earthquakes or cyclones can cause structural damage to key infrastructure, requiring significant financial resources for repairs and recovery. The economic impact of such disasters extends beyond immediate business disruptions. Prolonged adverse weather conditions can weaken consumer demand, disrupt labour markets, and lead to inflationary pressures due to supply shortages. If such disruptions persist, they can negatively influence investor sentiment, reduce foreign direct investment, and cause volatility in financial markets.

80. *Risks from Terrorism, Civil Unrest, and Geopolitical Conflicts*

Acts of terrorism, civil unrest, and geopolitical tensions involving India or other countries could negatively impact the economy and financial markets. Events such as terrorist attacks, international conflicts, and other forms of violence may reduce investor confidence, disrupt economic activities, and affect global trade relations. Such incidents could lead to stock market volatility, negatively affecting the performance of Indian equities, including the market price and liquidity of our Equity Shares.

SECTION IV – INTRODUCTION

THE OFFER

PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Offered through Public Offer⁽¹⁾⁽²⁾	Offer of up to 70,46,400* Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<i>The Offer Consists of:</i>	
<i>Fresh Issue</i>	Up to 66,74,400 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating upto ₹ [●] lakhs.
<i>Offer for sale⁽⁶⁾</i>	Offer for sale by existing shareholders up to 3,72,000 equity shares of ₹ 10 each at a price of ₹ [●] per equity share aggregating to ₹ [●] lakhs.
<i>Out of which:</i>	
Offer Reserved for the Market Maker	Up to [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
Net Offer to the Public	Up to [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<i>Out of which*</i>	
A. QIB Portion ⁽⁴⁾⁽⁵⁾	Not more than [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<i>Of which</i>	
i. Anchor Investor Portion	Up to [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<i>Of which</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
B. Non-Institutional Portion	<ol style="list-style-type: none"> 1. One-third of the Non-Institutional Portion reserved for applicants with an application size of more than two lots and up to ₹10.00 lakhs. 2. Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹10.00 lakhs
C. Individual Investor Portion	Not less than [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs
Pre and Post – Offer Equity Shares	
Equity Shares outstanding prior to the Offer	1,65,20,876 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹ 10 each

Use of Net Proceeds by our Company	Please see the chapter titled “ Objects of the Offer ” on page 100 of this Draft Red Herring Prospectus.
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* Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Offer price.

Notes:

- 1) The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Offer is being made by our Company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – Offer paid up equity share capital of our company are being offered to the public for subscription.
- 2) The present Offer has been authorized pursuant to a resolution of our Board dated March 06, 2026 and pursuant to a special resolution of our Shareholders passed in an Extra-Ordinary General Meeting dated March 09, 2026 under Section 62(1)(c) of the Companies Act, 2013.
- 3) The Promoter Selling Shareholders have consented to participate in the Offer for Sale in the following manner:

Name of the Promoter Selling Shareholder	Type	Date of Authorization Letter	Equity Shares of face value of ₹ 10 each held as of date of the DRHP	Equity Shares of face value of ₹ 10 each offered by way of Offer for Sale	% of the pre-Offer paid-up Equity Share capital
Mohammadhasnein Husenali Narsinh	Promoter	March 12, 2026	56,17,500	1,86,000	34.00
Husenali Yusufali Narsinh	Promoter	March 12, 2026	56,16,975	1,86,000	34.00

The Promoter Selling Shareholders have confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations, 2018 and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Promoter Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

- 4) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. Allocation to investors in all categories, except the Individual Investor Portion, shall be made on a proportionate basis subject to valid bids received at or above the Offer Price. The allocation to each Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investor Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- 5) Our Company in consultation with the Book Running Lead Manager may allocate up to 60% of the QIB Portion to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, pursuant to the SEBI (ICDR) (Third Amendment) Regulations, 2025, forty per cent of the anchor investor portion, within the limits specified in sub-paragraph (b) of paragraph 10 (d) of Part A of Schedule XIII of the SEBI ICDR Regulations, 2018, shall be reserved as under: (i) 33.33% for domestic mutual funds and (ii) 6.67% for life insurance companies and pension funds. Any undersubscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion, in accordance with the SEBI ICDR Regulations.
- 6) Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- 7) The Equity Shares being offered by the Promoter Selling Shareholders are eligible for being offered for sale as part of the Offer in terms of the SEBI ICDR Regulations. For details of authorizations received for the Offer, see “**Other Regulatory and Statutory Disclosures**” on page 284.

For details, including grounds for rejection of Bids, refer to “**Offer Structure**” and “**Offer Procedure**” on page 309 and 315, respectively. For details of the terms of the Offer, see “**Terms of the Offer**” on page 300.

Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “**Offer Procedure**” beginning on page 315 of this Draft Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

MILAN GINNING PRESSING LIMITED					
CIN:U17119GJ1995PLC025604					
SUMMARY OF RESTATED STATEMENT OF ASSETS AND LIABILITIES					
<i>(Amount in Lakhs)</i>					
SN	Particulars	Consolidated			Standalone
		As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A	Equity and Liabilities				
1	Shareholders' Funds				
	Share Capital	1,652.09	1,652.09	1,652.09	944.05
	Reserves & Surplus	4,209.23	3,487.68	2,382.81	1,732.16
	Minority Interest	84.68	83.62	92.16	-
2	Non-Current Liabilities				
	Long-Term Borrowings	1,257.15	1,299.47	2,180.87	1,078.76
	Long-Term Provisions	44.10	49.57	38.93	16.99
	Deferred Tax Liabilities (Net)	437.65	417.05	361.88	255.95
	Other Non-Current Liabilities	-	-	-	-
3	Current Liabilities				
	Short Term Borrowings	4,397.39	4,405.81	3,922.55	2,187.91
	Trade Payables:				
	(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	22,392.30	10,015.81	14,584.79	7,608.19
	Other Current Liabilities	1,847.50	3,389.07	1,817.09	709.32
	Short Term Provisions	537.45	471.56	515.69	189.18
	Total	36,859.54	25,271.73	27,548.46	14,722.51
B	Assets				
1	Non-Current Assets				
	Property, Plant and Equipment				
	Tangible Assets	4,030.02	4032.66	3,875.71	3,123.36
	Intangible Assets	-	-	-	-
	Capital WIP	-	-	-	175.68
	Non-Current Investments	0.03	0.03	0.03	0.03
	Deferred Tax Assets	-	-	-	-
	Long Term Loans & Advances	195.65	195.42	208.84	157.90
2	Current Assets				
	Current Investments	-	-	-	-
	Inventories	6279.16	5,400.24	5,833.17	1,741.37
	Trade Receivables	22,674.16	12,341.59	13,466.98	6,762.60
	Cash and Cash Equivalents	273.26	284.86	181.26	293.03
	Short-Term Loans and Advances	635.77	816.31	294.15	57.30
	Other Current Assets	2,771.49	2,200.22	3,708.31	2,411.24
	Total	36,859.54	25,271.73	27,548.46	14,722.51

MILAN GINNING PRESSING LIMITED					
CIN: U17119GJ1995PLC025604					
SUMMARY OF RESTATED STATEMENT OF PROFIT AND LOSS					
<i>(Amount in Lakhs)</i>					
SN	Particulars	Consolidated			Standalone
		As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A.	Revenue:				
	Revenue from Operations	50,185.08	82,576.35	90,188.41	68,275.02
	Other income	212.17	1,098.65	734.31	1,085.92
	Total Revenue	50,397.25	83,675.00	90,922.73	69,360.94
B.	Expenses:				
	Purchase of Stock in Trade	44,985.78	63,793.38	70,685.17	43,804.53
	Cost of Material Consumed	3,500.81	13,820.03	14,591.54	19,647.89
	Change in Inventories	(979.88)	(140.30)	(216.04)	1,498.50
	Employees Benefit Expenses	322.74	765.27	643.59	396.60
	Finance Costs	253.95	517.57	410.44	319.62
	Depreciation and Amortization	97.57	205.79	198.07	149.09
	Other Expenses	1,206.79	3,173.66	2,982.77	2,492.53
	Total Expenses	49,387.76	82,135.39	89,295.53	68,308.76
	Profit Before Exceptional And Extraordinary Items And Tax	1,009.49	1,539.61	1,627.20	1,052.18
	Exceptional Items	-	-	0.08	19.02
	Profit before extraordinary items and tax	1,009.49	1,539.61	1,627.12	1,033.16
	Extraordinary Items	-	-	(51.06)	-
	Profit Before Tax	1,009.49	1,539.61	1,678.18	1,033.16
	Tax Expense :				
	Current Tax	233.28	373.03	426.34	191.12
	Excess/Shortage of Taxes Paid	-	-	-	-
	Deferred Tax	20.60	55.17	105.92	213.27
	Profit (Loss) After Tax for the period from continuing operations	755.61	1,111.40	1,145.92	628.78
	Earning Per Equity Share (Face Value of ₹10/- per equity share)^:				
	Basic Earnings Per Share	4.57	6.73	6.94	4.14
	Adjusted Earnings Per Share	4.57	6.73	6.94	4.14

MILAN GINNING PRESSING LIMITED

CIN: U17119GJ1995PLC025604

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(Amount in Lakhs)

SN	Particulars	Consolidated			Standalone
		As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>				
	Profit/ (Loss) before tax	1,009.49	1,539.61	1,678.18	1,033.16
	Adjustments for:				
	Depreciation	97.57	205.79	198.07	149.09
	Finance Cost	253.95	517.57	410.44	319.62
	Interest Income	(22.10)	(57.69)	(8.44)	(6.06)
	Adjustment on Account of Consolidation	(3.23)	(15.08)	(338.60)	-
	Operating profit before working capital changes	1,335.68	2,190.19	1,939.64	1,495.81
	Movements in working capital :				
	Prior period for Item Adjustments	(29.77)	-	171.37	-
	(Increase)/Decrease in Inventories	(878.92)	432.93	(4,091.80)	810.78
	(Increase)/Decrease in Trade Receivables	(10,332.17)	1,104.99	(6,684.38)	1,465.89
	(Increase)/Decrease in Loans & Advances	180.54	(522.16)	(236.85)	(12.51)
	(Increase)/Decrease in Other Current Assets	(571.27)	1,508.09	(1,297.07)	586.56
	Increase/(Decrease) in Trade Payables	12,376.49	(4,568.98)	6,976.60	(2,593.58)
	Increase/(Decrease) in Other Current Liabilities	(1,541.57)	1,571.98	1,107.77	(769.26)
	Increase/(Decrease) in Long Term Provisions	(5.47)	10.64	21.94	11.25
	Increase/(Decrease) in Short Term Provisions	65.89	(44.13)	326.51	109.91
	Cash generated from operations	599.42	1,683.56	(1,766.26)	1,104.85
	Adjustment on Account of Income Tax Expense	(233.28)	(373.03)	(426.34)	(191.13)
	Net cash from operating activities (A)	366.14	1,310.53	(2,192.60)	913.72
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>				
	Sale/(Purchase) of Investments	-	-	-	-
	(Increase)/Decrease in Long Term Loans & Advances	(0.23)	13.42	(50.94)	(50.08)
	Interest Income	22.10	57.69	8.44	6.06
	Sale/(Purchase) of Fixed Assets	(94.93)	(362.73)	(302.58)	(1,483.12)
	Net cash from investing activities (B)	(73.06)	(291.62)	(345.08)	(1,527.14)
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>				
	Interest/Other expenses paid on borrowings	(253.95)	(517.57)	(410.44)	(319.62)
	Proceeds/(Repayment) of Long-Term Borrowings	(42.32)	(881.40)	1,102.11	596.11
	Increase/(Decrease) in Short Term Borrowings	(8.42)	483.66	1,734.24	116.50
	Increase/(Decrease) in Share Capital	-	-	-	346.00
	Net cash from financing activities (C)	(304.69)	(915.31)	2,425.91	739.00
	Net increase in cash and cash equivalents (A+B+C)	242.35	103.60	(111.76)	125.57
	Cash and cash equivalents at the beginning of the year	284.86	181.26	293.03	167.46
	Cash and cash equivalents at the end of the year	273.26	284.86	181.26	293.03

SUMMARY OF CONTINGENT LIABILITIES

(Amount in Lakhs)

Particulars	Consolidated		Standalone	
	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1. Bank LC Discounting	346.91	297.03	2,385.33	483.97
2. Capital Commitment	-	-	-	-
3. Income Tax Demand	3.03	3.79	3.79	3.79
4. TDS Demands	6.03	-	-	-
5. Export Obligation	-	-	-	-
Total	355.97	300.82	2,389.12	487.76

Note: The Company received an notice from the GST department under ASMT-10 stating a differential tax liability of Rs. 9.13 Lakhs before the date of approval of accounts of the company

SUMMARY OF RELATED PARTY TRANSACTIONS

Nature of Transactions	Name of Related Parties	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1. Directors Remuneration	Husenali Yusufali Narsinh	7.50	13.50	0.72	0.45
	Mehvis Mehndihasan Jamani	-	-	1.69	9.00
	Minajbanu Husenali Narsinh	3.75	6.75	-	-
	Mohmmadhasnein Husenali Narsinh	7.50	13.50	-	-
	Total	18.75	33.75	2.41	9.45
2. Director Sitting Fees	Kushi Giriraj Ladha	0.40	0.60	-	-
	Priyank S Shah	0.40	0.60	-	-
	Husenali Yusufali Narsinh	0.40	0.60	-	-
	Mohmmadhasnein Husenali Narsinh	0.40	0.60	-	-
	Minajbanu Husenali Narsinh	0.40	0.60	-	-
	Total	2.00	3.00	-	-
3. Salary paid to KMP / Relative of KMP	Devendrakumar Yadav	3.60	4.50	-	-
	Mayank Lashkari	-	4.03	-	-
	Yashesh Vijaykumar Shah	1.20	0.80	-	-
	Total	4.80	9.33	-	-
4. Loan Received (Paid) during the Year to Related Parties	Minajbanu Husenali Narsinh				
	Opening Balance	7.25	7.25	7.25	7.25
	Loan Received during the year	-	-	-	-
	Loan Paid during the year	-	-	-	-
	Closing Balance	7.25	7.25	7.25	7.25
	Basiraben Yusufbhai				
	Opening Balance	-	0.32	0.32	0.32
	Loan Received during the year	-	-	-	-
	Loan Paid during the year	-	0.32	-	-
	Closing Balance	-	-	0.32	0.32
	Masumaben Khushalbhai				
	Opening Balance	-	0.21	0.21	0.21
Loan Received during the year	-	-	-	-	
Loan Paid during the year	-	0.21	-	-	
Closing Balance	-	-	0.21	0.21	

Nature of Transactions	Name of Related Parties	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
5. Advance Given (Received) during the Year to Related Parties	Husenali Yusufali Narsinh				
	Opening Balance	100.05	100.05	100.05	176.05
	Loan Received during the year	-	-	-	85.00
	Loan Paid during the year*	-	-	-	161.00
	Closing Balance	100.05	100.05	100.05	100.05
	Narsinh Mohmmadhasnein Husenali				
	Opening Balance	64.00	64.00	64.00	64.00
	Loan Received during the year	-	-	-	105.00
	Loan Paid during the year*	-	-	-	105.00
	Closing Balance	64.00	64.00	64.00	64.00
	Narsinh Fatema Mohmmadhasnein				
	Opening Balance	56.20	56.20	53.20	21.50
	Loan Received during the year	-	-	3.00	111.70
	Loan Paid during the year*	-	-	-	80.00
	Closing Balance	56.20	56.20	56.20	53.20
	Mehvis Mehndihasan Jamani				
	Opening Balance	1.31	1.31	-	-
	Loan Received during the year	-	-	1.31	-
	Loan Paid during the year	-	-	-	-
	Closing Balance	1.31	1.31	1.31	-
Bharat Milling Company					
Opening Balance	-	-	3.10	3.10	
Advance Given during the year	-	-	-	-	
Advance Received during the year	-	-	3.10	-	
Closing Balance	-	-	-	3.10	
6. Sales	Sustainable Spinning And Commodities Private Limited	282.46	1,971.02	11,087.31	17,335.70
	K. R. Solvent LLP	456.22	1,913.90	2,708.51	3,404.51
	Mah Textiles LLP	-	2,396.77	149.69	3,280.33
	Mah Textiles Pvt Ltd	307.44	-	-	-
	Sustainable Smartwear Pvt Limited	2.30	-	-	-
	Sustainable Knitting LLP	402.42	86.92	933.07	519.53
	Total	1,450.84	6,368.61	14,878.58	24,540.07
7. Purchase	Sustainable Spinning And Commodities Private Limited	7,381.03	16,403.75	17,718.37	18,529.69

Nature of Transactions	Name of Related Parties	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	K. R. Solvent LLP	925.22	2,820.96	2,600.46	2,405.37
	Mah Textiles LLP	659.41	13,023.78	6,980.68	3,783.82
	Mah Textiles Pvt Ltd	1,855.80		-	-
	Sustainable Knitting LLP	-	1,623.97	2,057.22	286.41
	Sustainable Smartwear Pvt Limited	-	299.58	-	-
	Total	10,821.46	34,172.04	29,356.73	25,005.29
8. Job Work	Sustainable Knitting LLP	-	-	-	2.85
	Total	-	-	-	2.85
9. Commission Paid	Mah Textiles LLP	-	195.36	-	-
	Total	-	195.36	-	-
10. Rent Received	Mah Textiles LLP	0.06	0.12	0.12	0.12
	Total	0.06	0.12	0.12	0.12
11. Creditor Balances	Sustainable Spinning And Commodities Pvt Ltd	7,486.15	3,995.00	4,664.78	3,698.25
	Mah Textiles Pvt Ltd (Formerly Known as Mah Textile LLP)	2,138.36	667.81	1,625.59	193.61
	Bharat Ginning Factory	-	-	0.36	0.36
	Sustainable Knitting LLP	-	-	69.49	162.51
	Total	9,624.50	4,662.82	6,360.22	4,054.74
12. Debtor Balances	Sustainable Knitting LLP	200.78	-	-	-
	Bharat Industries	19.31	19.31	19.31	19.31
	Bharat Milling Company	24.43	24.43	24.43	24.43
	Total	244.53	43.75	43.75	43.75
13. Advance to Suppliers	K. R. Solvent LLP	1617.19	1105.17	743.43	-
	Sustainable Knitting LLP	73.50	10.00	-	-
	Sustainable Smartwear Pvt Limited	103.96	82.94	64.12	-
	Total	1,794.64	1,198.12	807.55	-
14. Advance from Customers	Mah Textiles Pvt Ltd	32.38	-	-	-
	Sustainable Spinning And Commodities Pvt Ltd	440.76	421.04	-	-
	Total	473.15	421.04	-	-
15. Profit from Investment	K. R. Solvent LLP	53.06	30.67	(0.50)	-
	Mah Textiles LLP	35.02	28.82	(0.09)	-
	Total	88.09	59.49	(0.59)	-
16. Investment in Capital	Mah Textiles LLP	-	292.50	292.50	-
	Mah Textiles Pvt Ltd	292.50	-	-	-

Nature of Transactions	Name of Related Parties	As at September 30, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
	K. R. Solvent LLP	675.00	675.00	675.00	-
	Total	967.50	967.50	967.50	-

Note J(ii).1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E..

Note J(ii).2 : List of the related parties and all related party transactions of the consolidated entities (whether eliminated on consolidation or not), which require disclosure under AS 18 and/ or covered under section 188(2) of the Companies Act, 2013 (as amended), as disclosed separately in Restated Financial Statement.

Note J(ii).3 : * Loan amount paid during F.Y. 2022-23 has been adjusted against the issue of rights shares to the extent of the amount received from the related party or against the balance outstanding, as applicable.

SECTION V – GENERAL INFORMATION

Registered Office and Factory of our Company

Milan Ginning Pressing Limited

Revenue Survey No.555/P,
Near Chorania 440KV Watt Sub Station,
National Highway-8, Untadi, Surendra Nagar,
Limbdī - 363 421, Gujarat, India.

Telephone: 027 5329 9001

E-mail: cs@milangroupindia.com

Investor grievance id: investors@milangroupindia.com

Website: www.milangroupindia.com

CIN: U17119GJ1995PLC025604

Registration Number: 025604

Registrar of Companies

Our Company is registered with the Registrar of Companies, Gujarat at Ahmedabad situated at the following address:

Registrar of Companies, Gujarat

ROC Bhavan, Opp Rupal Park Society,
Behind Ankur Bus Stop, Naranpura,
Ahmedabad – 380 013, Gujarat.

Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Draft Red Herring Prospectus:

S. No.	Name	Designation	DIN	Address
1.	Mohmmadhasnein Husenali Narsinh	Chairman and Managing Director	00082026	Bhalgamda Gate, Near Bharat Mill, Near Jain Society, NH- 8 A, Limbdi, Surendranagr - 363 421, Gujarat.
2.	Husenali Yusufali Narsinh	Whole-time Director	00102874	Bhalgamda Gate, Near Bharat Mill, Near Jain Society, NH- 8 A, Limbdi, Surendranagr - 363 421, Gujarat.
3.	Minajbanu Husenali Narsinh	Non-Executive Director	00084661	Bhalgamda Gate, Near Bharat Mill, Near Jain Society, NH- 8 A, Limbdi, Surendranagr - 363 421, Gujarat.
4.	Khushi Giriraj Laddha	Independent Director	10597406	E-102, Vaibhav Apartments - 2 Near Police Commissioner office, Shahibaug, Ahmadabad – 380 004, Gujarat.
5.	Priyank Shirishbhai Shah	Independent Director	06967625	11, Sakar Bunglows, Nr. Mani Ratnam Bunglows Vasna, Ahmadabad - 380 007, Gujarat.

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 214 of the Draft Red Herring Prospectus.

Company Secretary and Compliance Officer

Shah Yashesh Vijaykumar, is the Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder:

Revenue Survey No.555/P,
Near Chorania 440KV Watt Sub Station,
National Highway-8, Untadi, Surendra Nagar,
Limbdī - 363 421, Gujarat, India.

Telephone: 027 5329 9001

E-mail: cs@milangroupindia.com

Investor grievances

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Offer in case of any pre-Offer or post-Offer 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 or non-receipt of funds by electronic mode, etc.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary(ies) where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediary(ies) in addition to the information mentioned hereinabove.

In terms of SEBI Master Circular, 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 SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and 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. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for 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 or 15% per annum of the application amount. 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 BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

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

Details of Key Intermediaries pertaining to this Offer of our Company:

Book Running Lead Manager	
<u>Finshore Management Services Limited</u>	
Address:	Anandlok', Block-A, 2nd Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal
Telephone:	033 – 2289 5101 / 4603 2561
Facsimile:	NA
E-mail:	info@finshoregroup.com
Website:	www.finshoregroup.com
Investor Grievance ID:	investors@finshoregroup.com
Contact Person:	Mr. S. Ramakrishna Iyengar
SEBI Registration Number:	INM000012185
CIN:	U74900WB2011PLC169377

<u>Registrar to the Offer</u>	
KFin Technologies Limited	
Address:	Selenium, Tower B, Plot No-31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi – 500 032, Telangana, India
Telephone:	+91 40 6716 2222/18 0030 94001
Facsimile:	+91 40 6716 1563
E-mail:	mgl.ipo@kfintech.com
Investor grievance:	einward.ris@kfintech.com
Website:	www.kfintech.com
Contact Person:	M. Murli Krishna
SEBI Registration No.:	INR000000221
CIN:	L72400TG2017PLC117649
<u>Legal Advisor to the Company</u>	
M/s. Desai & Diwanji	
Address:	16th Floor, Building No. 5, Tower C, DLF Epiteome, DLF Phase III, Gurugram 122002
Tel No:	011 4850 300 / 301
Email:	akshay.bhagchandani@desaidiwanji.com
Website:	www.desaidiwanji.com
Contact Person:	Akshay Bhagchandani
<u>Statutory and Peer Review Auditor of our Company</u>	
M/s. Abhishek Kumar & Associates (Chartered Accountants)	
Address:	Chartered Accountants 401, Silicon Towers, Above Freezland, Nr. Samartheshwar mahadev Temple, Law Garden, Navrangpura, Ahmedabad- 380 009, Gujarat, India
Telephone:	079-40370886
Email:	abhishekagrawal@yahoo.co.in
Website:	www.abhishekagrawal.com
Contact Person:	CA Abhishek Kumar
Membership No.:	132305
Firm Registration No.:	130052W
Peer Review Certificate No.:	021459
<u>Bankers to our Company</u>	
<u>State Bank of India</u>	
Address:	SME GIDC Wadhwan Branch, Marketing yard complex, GIDC Wadhwan, Surendranagar, Gujarat – 363035, Ahmedabad, India
Telephone:	+91 8051119115
Facsimile:	N.A.
Email:	sbi.05744@sbi.co.in
Website:	www.bank.sbi
Contact Person:	Sh. Bhagirathi Majhi
CIN:	NAP

Inter-se Allocation of Responsibilities

Finshore Management Services Limited (i.e. FMSL) is the sole Book Running Lead Manager to this Offer and all the responsibilities related to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

Market Maker to the Offer

The Market Maker to the Offer shall be appointed prior to filing of the Red Herring Prospectus.

Banker to the Offer

The Banker(s) to the Offer shall be appointed prior to filing of the Red Herring Prospectus.

Refund Bank

The Refund Bank(s) shall be appointed prior to filing of the Red Herring Prospectus.

Sponsor Bank

The Sponsor Bank(s) shall be appointed prior to filing of the Red Herring Prospectus.

Syndicate Member

The Syndicate Member(s) shall be appointed prior to filing of the Red Herring Prospectus.

Share Escrow Agent

The Share Escrow Agent shall be appointed prior to filing of the Red Herring Prospectus.

Designated Intermediaries**Self-Certified Syndicate Banks**

The list of recognised intermediaries notified by SEBI is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, 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 Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

SCSBs enabled for UPI Mechanism

The banks registered with SEBI, which offer the facility of ASBA services, (i) 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> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time.

In accordance with SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, read with other applicable UPI Circulars, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public offers using UPI mechanism is provided in the 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.

Registered Brokers

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Applicant can submit Application Form for the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Brokers Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on Registered Brokers, please refer

<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Registrar and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> and on the website of BSE Limited at www.bseindia.com, as updated from time to time.

Collecting Depository Participants

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of the Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

IPO Grading

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

Credit Rating

As this is an Offer of Equity Shares, credit rating is not required.

Green Shoe Option

No Green Shoe Option is applicable for this Offer.

Brokers to the Offer

All members of the recognized stock exchanges would be eligible to act as Brokers to the Offer.

Debenture Trustees

As this is an Offer of Equity Shares, the appointment of Debenture trustees is not required.

Monitoring Agency

As the size of the Fresh Issue exceeds ₹ 5,000.00 Lakhs, our Company will appoint a credit rating agency registered with SEBI as the Monitoring Agency to monitor the utilisation of the Gross Proceeds, in accordance with Regulation 262 of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus with the RoC. For details in relation to the proposed utilisation of the Gross Proceeds, see the section titled "*Objects of the Offer*" beginning on page 100 of this Draft Red Herring Prospectus.

Appraising Entity

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

Expert

Our Company has received written consent dated March 24, 2026 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory & Peer Review Auditor and in respect of its (i) examination report dated January 30, 2026 with respect to the restated standalone financials and March 12, 2026 with respect to the restated consolidated financials ; and (ii) its report dated March 28, 2026 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated March 30, 2026, from Prashant S. Dashputre, Independent Chartered Engineer to include his name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in his capacity as Independent Chartered Engineer in respect of the certificate dated January 02, 2026, issued by him in connection with capacity details included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term 'expert' and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent dated March 30, 2026 from M/s. Desai & Diwanji to include their name as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in its capacity as a

Legal Advisor to the Offer in respect of the legal due diligence report dated March 30, 2026, issued by them and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. The term ‘expert’ and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent dated March 13, 2026 from Barange and Associates, Practicing Company Secretary to include their name in this Draft Red Herring Prospectus in their capacity as an “expert” in respect of certificate issued by them in their capacity as the independent practising company secretary to our Company submitted for the purposes of this Issue and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

In addition, our Company has also received written consent dated March 30, 2026 from Infomeries Analytics and Research Private Limited, in relation to the industry report with respect to our Company, as an “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consents have 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.

Filing

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://sipportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus/ Prospectus, will also be filed with the BSE, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

Our Company has filed the Draft Red Herring Prospectus with BSE Limited. As per Regulation 247(1) of the SEBI (ICDR) Regulations, 2018 (“SEBI ICDR”), the Draft Red Herring Prospectus filed with BSE will be made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it on our Company’s website, BSE SME’s website and Book Running Lead Manager’s website.

In accordance with Regulation 247(2) of the SEBI ICDR, our Company shall, within two working days of filing the Draft Red Herring Prospectus with BSE, make a public announcement in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of our Company is situated disclosing the fact of filing of the Draft Red Herring Prospectus with BSE and inviting the public to provide their comments to the BSE, our Company or the Book Running Lead Manager in respect of the disclosures made in this Draft Red Herring Prospectus.

The Book Running Lead Manager shall, after expiry of the period stipulated in Regulation 247(1) of the SEBI ICDR, file with the BSE, details of the comments received by them or the issuer from the public, on the draft offer document, during that period and the consequential changes, if any, that are required to be made in the draft offer document.

Changes in Auditors during the last three years

Except as stated below, there has been no change in the Auditors of our Company during the last three years:

Name of Auditor	Date of Change	Reason for change
M/s Abhishek Kumar & Associates Chartered Accountants 401, Silicon Towers, Above Freezland, Nr. Samartheshwar mahadev Temple, Law Garden, Navrangpura, Ahmedabad- 380 009, Gujarat, India Telephone: 079-40370886 Email: abhishekagrawal@yahoo.co.in Website: www.abhishekagrawal.com Contact Person: CA Abhishek Agarwal Membership No.: 132305	December 20, 2025	Appointed to fill the casual vacancy caused on account of resignation of the <i>erstwhile</i> auditor.

Name of Auditor	Date of Change	Reason for change
Firm Registration No.: 130052W Peer Review Certificate No.: 021459		
G M C A & Co., Chartered Accountants, 101, Parishram, 5-B, Rashmi Society, Near LG Showroom, Mithakhali Six Road, Navrangpura, Ahmedabad - 380009, Gujarat, India. Telephone: +91 787 821 0001 Email: mitt@gmca.co.in Website: www.gmca.co.in Contact Person: CA Mitt. Shaileshbhai Patel Membership No.: 163940 Firm Registration No.: 109850W Peer Review Certificate No.: 015381	December 1, 2025	Resigned from the post of Statutory Auditor on account of Pre-occupation
	September 30, 2024	Appointed as the Statutory Auditor of our Company for a period of five years.
	December 20, 2023	Appointed to fill the casual vacancy caused on account of resignation of the <i>erstwhile</i> auditor.
S. P. Parekh & Co., Chartered Accountants, 201, Abhijyot Flats, Nr. Avanti Bungalows, Bileshwar Mahadev Road, Satellite, Ahmedabad - 380 015, Gujarat, India. Telephone: +91 982 576 1041 Email: parekhparekhass@gmail.com Contact Person: CA Sunny Parekh Membership No.: 131188 Firm Registration No.: 132253W	December 15, 2023	Resigned from the post of Statutory Auditor on account of Pre-occupation.

BOOK BUILDING PROCESS

Book Building, with reference to the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●], a Gujarati national newspaper (Gujarati, being the regional language of Gujarat, where our Registered Office is situated), at least two working days prior to the Bid/Offer Opening date. The Offer Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Offer Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being Finshore Management Services Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Offer and the Share Escrow Agent, in this case being KFin Technologies Limited;
- The Escrow Collection Banks/ Bankers to the Offer and
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Offer of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253(1) of the SEBI ICDR Regulations.

The Offer is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation 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, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. However, effective November 30, 2025, in accordance with the Securities and Exchange

Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025, out of the 40% Anchor Investor Portion, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act, 1938 and pension funds registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013, subject to valid Bids being received from domestic Mutual Funds, life insurance companies and pension funds at or above the Anchor Investor Allocation Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.

All potential Bidders may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Offer. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

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

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date.

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Offer Procedure*” beginning on page 315 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Offer Procedure*” on page 315 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process:

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

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “Offer Procedure” on page 315 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid/Offer Program:

Event	Indicative Dates
Bid/Offer Opening Date ⁽¹⁾	[●]
Bid/Offer Closing Date ^{(2),(3)}	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or before [●]

⁽¹⁾ Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI (ICDR) Regulations.

⁽²⁾ Our Company in consultation with the BRLM, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI (ICDR) Regulations.

⁽³⁾ The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. 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 Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Offer Period (except for the Bid/Offer Closing Date). On the Bid/ Offer Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for Individual Investor and non-individual Bidders. The time for applying for Individual Applicant on Bid/ Offer Closing Date maybe

extended in consultation with the BRLM, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Offer Closing Date, as is typically experienced in public Offer, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Offer Closing Date. Allocation to Individual Applicants, in this Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholders in consultation with the BRLM, reserve the right to not to proceed with the Offer at any time before the Bid/ Offer Opening Date without assigning any reason thereof. If our Company withdraws the Offer any time after the Bid/ Offer Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Offer advertisements have appeared and the Stock Exchange will also be informed promptly.

The BRLM, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

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

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

Underwriting Agreement

In terms of Regulation 261(1) of the SEBI (ICDR) Regulations, 2018, the Company and the Book Running Lead Manager to the Offer hereby confirm that the Offer will be 100% Underwritten by the Underwriters and shall not be restricted up to the minimum subscription level and as per sub regulation (2) The Book Running Lead Manager(s) shall underwrite at least fifteen per cent of the issue size on their own account(s).

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

Details of the Underwriters	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Offer Size Underwritten
Finshore Management Services Limited Anandlok, Block-A, 2nd Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, West Bengal, India	[•]	[•]	[•]

Tel No: 033 – 2289 5101 / 4603 2561 Website: www.finshoregroup.com Email: info@finshoregroup.com Investor Grievance Email: investors@finshoregroup.com Contact Person: Mr. S. Ramakrishna Iyengar SEBI Registration No: INM000012185			
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**Includes [●] Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above- mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full.

Details of the Market Making Agreement

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Offer:

Name of the Market Maker	Details
[●]	[●]

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

[●], registered with [●] will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

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

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

- The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of SME Platform of BSE Limited and SEBI from time to time.
- The minimum depth of the quote shall be ₹ 2,00,000. However, the investors with holdings of value less than ₹ 2,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ [●]/- per share the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.
- After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
- There shall be no exemption/ threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.

- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- The Inventory Management and Buying/ Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE Limited from time to time.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
- In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.
- Risk containment measures and monitoring for Market Maker: SME Platform of BSE Limited will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- Punitive Action in case of default by Market Maker: SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
- Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:
 - ✓ In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - ✓ In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
 - ✓ Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
 - ✓ The following spread will be applicable on the SME Platform of BSE Limited.

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

- ✓ Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Maker during market making process has been made applicable, based on the

Issue size and as follows:

Offer Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (Including mandatory initial inventory of 5% of the Offer Size)
Up to ₹ 20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

- ✓ The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.
- ✓ All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
- ✓ On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.
- ✓ *In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the Book Running Lead Manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on SME Platform of BSE Limited.*
- ✓ *In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.*

SECTION VI - CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Offer Price*
1.	Authorised Share Capital:		
	2,50,00,000 Equity Shares having face value of ₹ 10/- each ⁽¹⁾	2,500.00	[●]
2.	Issued, Subscribed and Paid-up Share Capital		
	1,65,20,876 Equity Shares having face value of ₹ 10/- each	1,652.08	[●]
3.	Present Offer⁽²⁾		
	Offer of upto 70,46,400 Equity Shares of face value of ₹ 10 each aggregating Up to ₹ [●] lakhs	[●]	[●]
	The Offer Consists of:		
	Fresh Issue of up to 66,74,400 Equity Shares of face value of ₹ 10 each at a price of [●] (including a Share premium of ₹ [●] per Equity Share) per equity share aggregating Up to ₹ [●] lakhs	[●]	[●]
	Offer for sale by the Promoter Selling Shareholders of up to 3,72,000 Equity Shares of face value ₹ 10 each at a price of ₹ [●] per equity share (including a Share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs. ⁽³⁾	[●]	[●]
	Which includes:		
	Market Maker Reservation of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs	[●]	[●]
	Net Offer to the public of up to [●] Equity Shares	[●]	[●]
	Net Issue to the Public		
	Up to [●] Equity Shares of ₹ 10/- each at an Issue Price a ₹ [●]/- per Equity Shares aggregating to ₹ [●] lakhs, out of which:	[●]	[●]
	Allocation to Qualified Institutional Buyers: Not more than [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Shares will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	Allocation to Non-Institutional Investors: At least [●] Equity shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	[●]	[●]
	Allocation to Individual Investors: At least [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Individual Investors	[●]	[●]
4.	Paid-up Share Capital after the Offer		
	[●] Equity Shares of ₹ 10/- each		[●]
5.	Securities Premium Account		
	Before the Offer		Nil
	After the Offer		[●]

*Subject to finalization of the Basis of Allotment

- (1) For details in change in Authorised Share Capital of our Company, please refer to "History and Certain Corporate Matters - Amendments to the Memorandum of Association" on page 211 of this Draft Red Herring Prospectus.
- (2) The present Offer has been authorized pursuant to a resolution of our Board dated March 06, 2026 and pursuant to a special resolution of our Shareholders passed in an Extra-Ordinary General Meeting dated March 09, 2026, under Section 62(1)(c) of the Companies Act, 2013.
- (3) The Equity Shares being offered by each of the Promoter Selling Shareholders are eligible to be offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholder has, severally and not jointly, consented to

the sale of their respective portion of the Offered Shares in the Offer for Sale. For further details on the authorizations of the Promoter Selling Shareholders in relation to the Offered Shares, see the sections titled “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 60 and 284, respectively.

Class of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10/- each only. All the offered Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

(1.) Share Capital History of our Company:

Equity Share Capital

The following table sets forth details of the history of paid-up Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares of face value of ₹ 10 each	Face value (₹)	Offer Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
April 25, 1995 On Incorporation [#]	200	10	10	Cash	Subscription to Memorandum of Association ⁽¹⁾	200	2,000
March 29, 1996 ^{***#}	9,800	10	10	Cash	Further Allotment ⁽²⁾	10,000	1,00,000
September 10, 2007 [#]	2,15,000	10	10	Cash	Further Allotment ⁽³⁾	2,25,000	22,50,000
December 31, 2007 [#]	25,000	10	10	Cash	Further Allotment ⁽⁴⁾	2,50,000	25,00,000
January 2, 2009 [#]	8,00,000	10	10	Cash	Further Allotment ⁽⁵⁾	10,50,000	1,05,00,000
February 1, 2010 [#]	5,50,000	10	10	Cash	Further Allotment ⁽⁶⁾	16,00,000	1,60,00,000
October 25, 2011 [#]	2,00,000	10	100	Cash	Further Allotment ⁽⁷⁾	18,00,000	1,80,00,000
September 22, 2012 [#]	80,500	10	100	Cash	Further Allotment ⁽⁸⁾	18,80,500	1,88,05,000
March 12, 2013 [#]	1,00,000	10	100	Cash	Further Allotment ⁽⁹⁾	19,80,500	1,98,05,000
December 3, 2013 [#]	40,00,000	10	10	Cash	Further Allotment ⁽¹⁰⁾	59,80,500	5,98,05,000
August 18, 2022 ^{##}	34,60,000	10	10	Other than Cash	Conversion of Loan into Equity ⁽¹¹⁾	94,40,500	9,44,05,000
March 27, 2024	70,80,376	10	N.A.	N.A.	Bonus Offer in the ratio of three (3) Equity	1,65,20,876	16,52,08,760

Date of Allotment	No. of Equity Shares of face value of ₹ 10 each	Face value (₹)	Offer Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
					shares for every four (4) Equity Shares ⁽¹²⁾		

***The Company does not have either physical or electronic copies of Form-2 relating to the allotment of 9,800 equity shares dated 29/03/1996. Additionally, no share certificates or supporting documents relating to this allotment were found during the audit. The only available records are the copy of board resolutions and the minutes of the Board meeting held on 13/03/1996 and 29/03/1996 for approval and allotment respectively, with respect to the said allotment. Further, pursuant to a search conducted by a Practising Company Secretary, the PCS search report dated December 17, 2025 has also confirmed that the said Form-2 is not traceable either at the office of the Registrar of Companies or on the MCA Portal. For further details kindly refer to section titled Risk factors beginning on page no. 22.

As per the letter dated February 7, 2025 issued by State Bank of India, bank statements for the period from April 1, 2007 to March 31, 2013 are not available. Further, as per the certificate issued by Limdi Nagarpalika bearing Seni Vashi No. 609/2017 dated May 18, 2017, and the declaration received from the management of the Company vide letter dated June 18, 2025, a fire was broke out at the Company's registered office premises on April 27, 2017, pursuant to which certain historical records and documents, including bank statements and other corporate records, were destroyed. For further details kindly refer to Section titled Risk Factors beginning on page no. 22.

##Please refer to risk factor chapter.

- Subscription to the Memorandum of Association dated April 25, 1995 by the following:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	100
2.	Yusufali Khusalbhai Narsinh	100
	Total	200

- Further Allotment of 9,800 Equity Shares dated March 29, 1996 of face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	9,800

- Further Allotment of 2,15,000 Equity Shares dated September 10, 2007 of face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	1,40,000
2.	Yusufali Khushalbhai Narsinh	70,000
3.	Mohammadali Husenali Narsinh	5,000
	Total	2,15,000

- Further Allotment of 25,000 Equity Shares dated December 31, 2007 of face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	25,000

- Further Allotment of 8,00,000 Equity Shares January 02, 2009 of face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	1,00,000
2.	Yusufali Khushalbhai Narsinh	4,80,000
3.	Mohammadali Husenali Narsinh	1,20,000
4.	Minajbanu Husenali Narsinh	1,00,000
	Total	8,00,000

- Further Allotment of 5,50,000 Equity Shares dated February 01, 2010 of face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Mohammadali Husenali Narsinh	5,50,000

7. Further Allotment of 2,00,000 Equity Shares dated October 25, 2011 at ₹ 100/- each having face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	2,00,000

8. Further Allotment of 80,500 Equity Shares dated September 22, 2012 at ₹ 100/- each having face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	80,500

9. Further Allotment of 1,00,000 Equity Shares March 12, 2013 at ₹ 100/- each having face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	1,00,000

10. Further Allotment of 40,00,000 Equity Shares dated December 03, 2013 of face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	15,00,000
2.	Mohammadali Husenali Narsinh	10,00,000
3.	Minajbanu Husenali Narsinh	10,00,000
4.	Mohammadhasnein Husenali Narsinh	5,00,000
	Total	40,00,000

11. Conversion of Loan into Equity Shares dated August 18, 2022, of face value of ₹ 10/- each as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	16,10,000
2.	Mohmadhasnein Husenali Narsinh	10,50,000
3.	Fatema Mohmadhasnein Narsinh	8,00,000
	Total	34,60,000

12. Bonus Offer of 70,80,376 Equity Shares dated March 27, 2024 of face value of ₹ 10/- each in the ratio of 3:4 i.e. 3 equity shares for every 4 equity shares held as per details given below:

S.No.	Name of Shareholders	Number of Equity Shares allotted
1.	Husenali Yusufali Narsinh	24,07,275
2.	Minajbanu Husenali Narsinh	14,17,500
3.	Mohmadhasnein Husenali Narsinh	24,07,500
4.	Fatema Mohmadhasnein Narsinh	2,85,000
5.	Arzoofatema Mohamedali Narsinh	2,77,688
6.	Jamani Mehvis Mehndihasan	2,85,225
7.	Mehandihasan Shabbirali Jamani	188
	Total	70,80,376

We confirm that our Company is in compliance with the Companies Act, 1956 and 2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus.

(2.) Preference Share capital history of our Company

As of the date of this Draft Red Herring Prospectus, the Company does not have any issued or outstanding preference share capital.

Offer of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Offer

Except as set out below we have not offered Equity Shares for consideration other than cash:

Date of allotment	Number of Equity Shares of face value of ₹ 10 each allotted	Face Value	Offer Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares offered
August 18, 2022	34,60,000	10.00	10.00	Conversion of Loan	Reduction in borrowings	-
March 27, 2024	70,80,376	10	N.A.	Bonus Offer in the ratio of three (3) equity shares for every four (4) Equity Shares authorised by our Board, pursuant to a resolution passed at its meeting held on March 19, 2024 and by our Shareholders pursuant to a resolution passed at the EGM held on March 21, 2024	Capitalisation of Reserves	Bonus Shares were offered out of General Reserve Account.

(3.) Allotment of equity shares pursuant to schemes of arrangement

As of date of this Draft Red Herring Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-234 of the Companies Act, 2013.

(4.) Issue of Equity Shares under employee stock option schemes

Our Company has not offered any Equity Shares under any employee stock option scheme or employee stock purchase scheme.

(5.) Issue of specified securities at a price lower than the Offer Price in the last one year

Our Company has not offered any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

(6.) Shareholding pattern of our Company

The table below represents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholders (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Class: Equity Shares	Class: Others	Total			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(A)	Promoters	3	1,45,41,975	-	-	1,45,41,975	88.02%	1,45,41,975	-	1,45,41,975	88.02%	-	-	-	-	-	1,45,41,975
(A2)	Promoter Group	4	19,78,901	-	-	19,78,901	11.98%	19,78,901	-	19,78,901	11.98%	-	-	-	-	-	19,78,901
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	7	1,65,20,876	-	-	1,65,20,876	100.00%	1,65,20,876	-	1,65,20,876	100%	-	-	-	-	-	1,65,20,876

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares. The Equity Shares held by our Promoters and members of our Promoter Group are in dematerialized form.

(7.) Other details of shareholding of the major shareholders of our Company:

Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 80% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Offer Equity Share Capital
1.	Mohmmadhasnein Husenali Narsinh	56,17,500	34.00
2.	Husenali Yusufali Narsinh	56,16,975	34.00
3.	Minajbanu Husenali Narsinh	33,07,500	20.02
4.	Jamani Mehvis Mehndihasan	6,65,525	4.03
5.	Fatema Mohmadhasnein Narsinh	6,65,000	4.03
6.	Arzoofatema Mohamedali Narsinh	6,47,938	3.92
Total		1,65,20,438	99.99

Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Offer Equity Share Capital
1.	Mohmmadhasnein Husenali Narsinh	56,17,500	34.00
2.	Husenali Yusufali Narsinh	56,16,975	34.00
3.	Minajbanu Husenali Narsinh	33,07,500	20.02
4.	Jamani Mehvis Mehndihasan	6,65,525	4.03
5.	Fatema Mohmadhasnein Narsinh	6,65,000	4.03
6.	Arzoofatema Mohamedali Narsinh	6,47,938	3.92
Total		1,65,20,438	99.99

Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year from the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Offer Equity Share Capital
1.	Mohmmadhasnein Husenali Narsinh	56,17,500	34.00
2.	Husenali Yusufali Narsinh	56,16,975	34.00
3.	Minajbanu Husenali Narsinh	33,07,500	20.02
4.	Jamani Mehvis Mehndihasan	6,65,525	4.03
5.	Fatema Mohmadhasnein Narsinh	6,65,000	4.03
6.	Arzoofatema Mohamedali Narsinh	6,47,938	3.92
Total		1,65,20,438	99.99

Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares of face value of ₹ 10 each	% of Shares to Pre – Offer Equity Share Capital
1.	Mohmmadhasnein Husenali Narsinh	56,17,500	34.00
2.	Husenali Yusufali Narsinh	56,16,975	34.00
3.	Minajbanu Husenali Narsinh	33,07,500	20.02
4.	Jamani Mehvis Mehndihasan	6,65,525	4.03
5.	Fatema Mohmadhasnein Narsinh	6,65,000	4.03
6.	Arzoofatema Mohamedali Narsinh	6,47,938	3.92
Total		1,65,20,438	99.99

None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Red Herring Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.

Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Red Herring Prospectus.

Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the offer by way of split/consolidation of the denomination of Equity Shares or further offer of Equity Shares whether preferential or bonus, rights or further public offer basis.

(8.) Shareholding of our Promoters

(A) Set forth below are the details of the build-up of shareholding of our Promoter:

Mohamedhasnein Husenali Narsinh

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in ₹)	Offer / Transfer Price (in ₹)	% of Pre- Offer Equity Paid Up Capital	% of Post- Offer Equity Paid Up Capital
December 31, 2005*	Transfer from Husenali Yusufali Narsinh *	Cash	1	10	10	Negligible	[●]
December 3, 2013*	Further Allotment	Cash	5,00,000	10	10	3.03	[●]
March 30, 2017	Transfer by way of gift from Arzoofatema Mohamedali Narsinh	N.A.	2,00,000	10	N.A.	1.21	[●]
August 18, 2022	Conversion of Loan into equity	Other than Cash	10,50,000	10	10	6.36	[●]
April 4, 2023	Transfer to Jamani Mehvis Mehndihasan	Cash	(1)	10	10	Negligible	[●]
March 19, 2024	Transfer by way of gift from Husenali Yusufali Narsinh	N.A.	8,40,000	10	N.A.	5.08	[●]
March 19, 2024	Transfer by way of gift from Fatema Mohmadhasnein Narsinh	N.A.	6,20,000	10	N.A.	3.75	[●]
March 27, 2024	Bonus Offer in the ratio of three (3) Equity Shares for every four (4) Equity Shares held on March 19, 2024	Other than Cash	24,07,500	10	N.A.	14.57	[●]
Total			56,17,500			34.00	[●]

Husenali Yusufali Narsinh

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in ₹)	Offer / Transfer Price (in ₹)	% of Pre- Offer Equity Paid Up Capital	% of Post- Offer Equity Paid Up Capital
April 25, 1995	Subscription to Memorandum of Association#	Cash	100	10	10	Negligible	[●]
March 29, 1996	Further Allotment	Cash	9,800	10	10	0.06	[●]
March 31, 1999	Transfer to Minajbanu Husenali Narsinh*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Mohemadali Husenali Narsinh*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Nehalkumar Sureshbhai Kothari*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Hemendrabhai Balvantbhai Dubal*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Niravkumar Suresh Kothari*	Cash	(1)	10	10	Negligible	[●]

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in ₹)	Offer / Transfer Price (in ₹)	% of Pre-Offer Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital
March 31, 1999	Transfer to Binanben Hamendrakumar Dubal*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Tejalben Niravkumar Kothari*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Chandrikaben Balvantray Dubal*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Shilpaben Nareshkumar Dubal*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Sureshbhai Ratilal Kothari*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Nareshbhai Balvantray Dubal*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Ratilal Ogadhbhai Kothari*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Iranben Sakirbhai Dosani*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Shahibhai Moshinbhai Dosani*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Masumben Khushalbai Narshinh*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Basiraben Khushalbai Narshinh*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Mohamad Mosin Hajiyasur*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Rakalyaben Khushalbai Narshinh*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to Balvantryay Khushakbhai Dubal*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to B M Dosani*	Cash	(1)	10	10	Negligible	[●]
March 31, 1999	Transfer to M Y Dosani*	Cash	(1)	10	10	Negligible	[●]
December 31, 2005	Transfer to Dilipkumar Kantilal Shah*	Cash	(1)	10	10	Negligible	[●]
December 31, 2005	Transfer to Kiritkumar Kantilal Shah*	Cash	(1)	10	10	Negligible	[●]
December 31, 2005	Transfer to Daxaben Kantilal Shah*	Cash	(1)	10	10	Negligible	[●]
December 31, 2005	Transfer to Mohammadhasnein Husenali Narsinh*	Cash	(1)	10	10	Negligible	[●]
September 10, 2007	Further Allotment	Cash	1,40,000	10	10	0.85	[●]
December 31, 2007	Further Allotment	Cash	25,000	10	10	0.15	[●]
January 2, 2009	Further Allotment	Cash	1,00,000	10	10	0.61	[●]
June 15, 2010	Transfer from Hemendrabhai Balvanray Dubal*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Binaben Hemendrakumar Dubal*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Chandrikaben Balvanray Dubal*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Shilpaben Nareshkumar Dubal*	Cash	1	10	10	Negligible	[●]

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in ₹)	Offer / Transfer Price (in ₹)	% of Pre-Offer Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital
June 15, 2010	Transfer from Nareshbhai Balvantray Dubal*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Iramben Shakirbhai Dosani*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Shahinbhai Moshinbhai Dosani*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Masumben Khushalbai Narshinh*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Basiraben Khushalbai Narshini*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Mohamad Mosin Hajiyasur*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Rakalyaben Khushalbai*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Balvantray Khushalbai*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from B.M. Dosani*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from M.Y. Dosani*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Dilipkumar Kantilal Shah*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Kiritkumar Kantilal Shah*	Cash	1	10	10	Negligible	[●]
June 15, 2010	Transfer from Daxaben Kantilal Shah*	Cash	1	10	10	Negligible	[●]
October 25, 2011	Further Allotment	Cash	2,00,000	10	100	1.21	[●]
March 27, 2012	Transfer by way of gift to Mohemadali Husenali Narsinh *	N.A.	(2,00,000)	10	NA	(1.21)	[●]
September 22, 2012	Further Allotment	Cash	80,500	10	100	0.49	[●]
March 12, 2013	Further Allotment	Cash	1,00,000	10	100	0.61	[●]
December 3, 2013	Further Allotment	Cash	15,00,000	10	10	9.08	[●]
May 1, 2018	Transfer by way of gift from Yusufali Khushal Narsinh	N.A.	5,50,100	10	N.A.	3.33	[●]
August 18, 2022	Conversion of Loan into equity	Other than Cash	16,10,000	10	10	9.75	[●]
April 4, 2023	Transfer to Jamani Mehvis Mehndihasan	Cash	(292)	10	10	Negligible	[●]
April 4, 2023	Transfer to Arzoofatema Mohamedali Narsinh	Cash	(250)	10	10	Negligible	[●]
April 4, 2023	Transfer to Mehndihasan Shabbirali Jamani	Cash	(250)	10	10	Negligible	[●]
March 19, 2024	Transfer by way of gift to Mohmmadhasnein Husenali Narsinh	N.A.	(8,40,000)	10	N.A.	(5.08)	[●]

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in ₹)	Offer / Transfer Price (in ₹)	% of Pre-Offer Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital
March 19, 2024	Transfer by way of gift to Jamani Mehvis Mehndihasan	N.A.	(65,000)	10	N.A.	(0.39)	[●]
March 27, 2024	Bonus Offer in the ratio of three (3) Equity Shares for every four (4) Equity Shares held on March 19, 2024	Other than Cash	24,07,275	10	N.A.	14.57	[●]
Total			56,16,975			34.00	[●]

*Note: As per the certificate issued by Limdi Nagarpalika bearing Seni Vashi No. 609/2017 dated 18/05/2017, and the declaration received from the Management of the Company vide letter dated June 18, 2025, a fire broke out at the Company's registered office premises on 27/04/2017. The fire affected various areas including the server room and resulted in the destruction of Secretarial Records including all forms filed physically with the Registrar of Companies, Ahmedabad, share transfer forms, and other secretarial records for the period from 1995 to 2014. For further details see section titled Risk factors beginning on page no. 22

Minajbanu Husenali Narsinh

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares of face value of ₹ 10 each	F.V (in ₹)	Offer / Transfer Price (in ₹)	% of Pre-Offer Equity Paid Up Capital	% of Post-Offer Equity Paid Up Capital
March 31, 1999	Transfer from Husenali Yusufali Narsinh *	Cash	1	10	10	Negligible	[●]
January 2, 2009	Further Allotment	Cash	1,00,000	10	10	0.61	[●]
December 3, 2013	Further Allotment	Cash	10,00,000	10	10	6.05	[●]
November 12, 2016	Transfer by way of gift from Mohammadali Husenali Narsinh	NA	14,75,001	10	N.A.	8.93	[●]
April 4, 2023	Transfer to Jamani Mehvis Mehndihasan	Cash	(2)	10	10	Negligible	[●]
March 19, 2024	Transfer by way of gift to Arzoofatema Mohamedali Narsinh	N.A.	(3,70,000)	10	N.A.	(2.24)	[●]
March 19, 2024	Transfer by way of gift to Jamani Mehvis Mehndihasan	N.A.	(3,15,000)	10	N.A.	(1.91)	[●]
March 27, 2024	Bonus Offer in the ratio of three (3) Equity Shares for every four (4) Equity Shares held on March 19, 2024	Consideration other than cash	14,17,500	10	N.A.	8.58	[●]
Total			33,07,500			20.02	[●]

*Note: As per the certificate issued by Limdi Nagarpalika bearing Seni Vashi No. 609/2017 dated 18/05/2017, and the declaration received from the Management of the Company vide letter dated 18/06/2025, a fire broke out at the Company's registered office premises on 27/04/2017. The fire affected various areas including the server room and resulted in the destruction of Secretarial Records including all forms filed physically with the Registrar of Companies, Ahmedabad, share transfer forms, bank statements and other secretarial records for the period from 1995 to 2014. For further details see section titled Risk factors beginning on page no. 22

As on the date of the Draft Red Herring Prospectus, the Company has seven (7) members/shareholders. Further, our Company is in compliance with Section 25 of the Companies Act, 2013 and has not had more than 200 shareholders in any financial year since incorporation.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares of face value of ₹ 10/- each held by our Promoters are pledged.

(B) The details of the Shareholding of the Promoters members of the Promoter Group as on the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre-Offer		Post - Offer	
		Number of Equity Shares of face value of ₹ 10 each	% of Pre-Offer Equity Share Capital	Number of Equity Shares of face value of ₹ 10 each	% of Post-Offer Equity Share Capital
Promoter					
1.	Mohammadhasnein Husenali Narsinh	56,17,500	34.00	●	●
2.	Husenali Yusufali Narsinh	56,16,975	34.00	●	●
3.	Minajbanu Husenali Narsinh	33,07,500	20.02	●	●
	Total – A	1,45,41,975	88.02	●	●
Promoter Group					
1.	Jamani Mehvis Mehndihasan	6,65,525	4.03	●	●
2.	Fatema Mohmadhasnein Narsinh	6,65,000	4.03	●	●
3.	Aarzoofatema Mohamedali Narsinh	6,47,938	3.92	●	●
4.	Mehndihasan Shabbirali Jamani	438	Negligible	●	●
	Total – B	19,78,901	11.98	●	●
	Total – C (A+B)	1,65,20,876	100	●	●

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Further, none of the Equity Shares held by our Promoters are pledged as of the date of this Draft Red Herring Prospectus

Except as disclosed in “Shareholding of our Promoters”, Our Promoters who are also the Selling Shareholders, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Draft Red Herring Prospectus is filed with Stock Exchange.

Shares held by the Promoters and offered to the public through the offer for sale portion of the Issue shall not be subject to any lock-in.

There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company 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 the period of six (06) months immediately preceding the date of filing of the Draft Red Herring Prospectus.

Promoters’ Contribution and other Lock-In details:

- (9.) As per sub-Regulation (1) of Regulation 236 and 238 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Offer Capital shall be considered as Promoter’s Contribution.
- (10.) Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the Post-Offer Equity Share Capital of our Company as Promoter’s Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter’s Contribution from the date of filing of this Draft Red Herring Prospectus until the completion of the lock-in period specified below. In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoter’s Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

A per regulation 238 (b) promoters' holding in excess of minimum promoters' contribution shall be locked in as follows:

“(i) fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and

(ii) remaining fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.”

We further confirm that Minimum Promoter's Contribution of 20% of the post offer paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

Following are the details of Minimum Promoters' Contribution:

Number of Equity Shares locked-in*(1)(2)(3)	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Offer / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Offer paid-up capital	Period of lock-in
Mohmmadhasnein Husenali Narsinh							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Husenali Yusufali Narsinh							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Minajbanu Husenali Narsinh							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
TOTAL	[●]					[●]	

* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoters are in dematerialized form.

For details on the build-up of the Equity Share capital held by our Promoters, see “Details of the Build-up of our Promoters' shareholding” on page 86.

The Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as 'promoter' under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoter's contribution are not subject to pledge.

We confirm that the minimum Promoter's contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the Issuer or from bonus issue against equity shares which are ineligible for minimum Promoter's contribution;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the Offer Price;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoter's Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.

Other than the Equity Shares locked-in as Promoter's Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoter' Contribution, as per Regulation 237 (1) (a) and (b) and 238 of the SEBI (ICDR) Regulations, shall be locked in as follows:

- Fifty percent of the Promoter's holding exceeding the Minimum Promoter's Contribution shall be locked in for a period of two years from the date of allotment in the Offer; and
- The remaining fifty percent of the Promoter's holding exceeding the Minimum Promoter's Contribution shall be locked in for a period of one year from the date of allotment in the Offer.

Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

(11.) Lock-in of the Equity Shares to be allotted, if any, to the Anchor Investors

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

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

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter' Contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

Reg No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1)(a)(i)	Specified Securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction.	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
237(1)(a)(ii)	Specified Securities acquired during the preceding three years, resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters' contribution;	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
237(1)(b)	Specified Securities acquired by promoters during the preceding one year, at a price lower than the price at which the specified securities are being offered to the public in the initial public offer.	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
237(1)(c)	Specified securities allotted to the promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management. Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible.	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
237(1)(d)	Specified securities pledged with any creditor	Our Promoter has not pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible

(13.) Inscription or recording of non-transferability

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

(14.) Pledge of Locked in Equity Shares

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- a. if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Offer and pledge of equity shares is one of the terms of sanction of the loan;
- b. if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

(15.) Transferability of Locked in Equity Shares

- a. Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
- b. Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

(16.) Lock-in of Equity Shares Allotted to Anchor Investors

50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investors Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.

- (17.) Our Company, our Promoters, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
- (18.) Except for the allotment of Equity Shares pursuant to the Fresh Issue our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or otherwise.
- (19.) Our Promoter and members of the Promoter Group shall not participate in the Offer, except by way of participation as Promoter Selling Shareholders, in the Offer for Sale.
- (20.) The post-Offer paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.

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

There neither have been and there will be no further offer of Equity Shares whether by way of offer of bonus shares, preferential allotment, rights offer or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.

- (21.) Our Company has no outstanding warrants, options to be offered or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.
- (22.) As on the date of this Draft Red Herring Prospectus, the BRLM and their respective associates (as defined in the SEBI Merchant Bankers Regulations) do not hold any Equity Shares of our Company. The BRLM and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- (23.) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- (24.) We confirm that the Book Running Lead Manager are not associates of the Company as per Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
- (25.) Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Red Herring Prospectus and the date of closure of the Offer, shall be reported to the Stock Exchanges within 24 hours of the transaction.
- (26.) All Equity Shares offered pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
- (27.) As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- (28.) Except for Mohmmadhasnein Husenali Narsinh and Husenali Yusufali Narsinh who are our Promoters (also the Selling Shareholders) in this Offer, none of our members of our Promoter Group will participate in the Offer.
- (29.) **Except the following, none of our Directors, Key Management Personnel and Senior Management holds any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus:**

Sr. No.	Name of the Shareholders	Pre-Offer		Post – Offer	
		Number of Equity Shares of face value of ₹ 10 each	% of Pre-Offer Equity Share Capital	Number of Equity Shares of face value of ₹ 10 each	% of Post-Offer Equity Share Capital
1.	Mohmmadhasnein Husenali Narsinh	56,17,500	34.00	[●]	[●]
2.	Husenali Yusufali Narsinh	56,16,975	34.00	[●]	[●]
3.	Minajbanu Husenali Narsinh	33,07,500	20.02	[●]	[●]
	Total	1,45,41,975	88.02	[●]	[●]

- (30.) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Offer.

No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Offer.

As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Offer.

We confirm that none of the investors of our Company are directly/indirectly related with Book Running Lead Manager and their associates

SECTION VII: PARTICULARS OF THE OFFER

OBJECT OF THE OFFER

The issue is up to **70,46,400** Equity Shares of face value of ₹10/- each of our Company comprising of up to **66,74,400** equity shares of Face Value Rs. 10/- as Fresh Issue of Securities (“**Fresh Issue**”) and up to **3,72,000** equity shares of Face Value Rs. 10/- as Offer for Sale of Securities (“**OFS/Offer for Sale**”) at an Issue Price of ₹ [●]/- per Equity Share aggregating to ₹ [●] Lakhs. Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on Stock Exchange.

Offer for Sale:

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders. Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale after deducting their portion of the Offer related expenses and relevant taxes thereon. Other than the listing fees all cost, fees and expenses in respect of the Offer will be shared amongst our Company and Selling Shareholders, respectively, in proportion to the proceeds received for the Fresh issue and their respective portion of Offered Shares, as may be applicable, upon the successful completion of the Offer.

The Objects of the Issue are:

- A. Investment in MAH Textiles Private Limited (“our Subsidiary”) to partially finance the proposed project of dyeing and printing of knitted fabric
- B. To meet Working Capital Requirements of Issuer Company
- C. To meet the Issue Expenses
- D. General Corporate Purposes

Our Company believes that listing will enhance our Company’s corporate image, visibility of our brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Subsidiary’s Memorandum enables it to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum.

Issue Proceeds and Net Proceeds:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
Net Proceeds	[●]

The following table summarizes the requirement of funds:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Amount	% of total issue size*
A	Investment in our Subsidiary to partially finance the proposed project of dyeing and printing of knitted fabric	Up to 3,270.00	[●]
B	To meet Working Capital Requirements of Issuer Company	Up to 2,755.00	[●]
C	Issue Related Expenses*	[●]	[●]
D	General Corporate Expenses*	[●]	[●]
	Total IPO Proceeds*	[●]	[●]
E	Less: Issue Related Expenses*	[●]	[●]
	Net Issue Proceeds*	[●]	[●]

**To be determined upon finalisation of the Issue Price and updated in the Red Herring Prospectus / Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹10 crores, whichever is less.*

Proposed schedule of implementation and deployment of Net Issue Proceeds

We propose to deploy the Net Issue Proceeds towards the objects in accordance with the estimated schedule of implementation and deployment of funds, as set forth in the table below:

(in ₹ lakhs)

Sr. No.	Particulars	Amount to be funded from IPO Proceeds	Estimated utilization of Issue Proceeds in	
			FY 2026-27	FY 2027-28
1.	Investment in our Subsidiary for financing Proposed Project ⁽¹⁾	3,270.00	3,270.00	-
2.	To meet Working Capital Requirements of Issuer Company	2,755.00	2,775.00	-
3.	Issue Related Expenses ⁽²⁾	[●]	[●]	-
4.	General corporate purposes ⁽²⁾	[●]	[●]	-
	Total	[●]	[●]	-

⁽¹⁾ Total estimated cost of proposed project is based on internal management estimates and HDFC Bank's appraisal note.

⁽²⁾ To be determined upon finalisation of the Issue Price and updated in the Red Herring Prospectus / Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹10 crores, whichever is less.

The fund requirement and deployment with respect to the Proposed Project have been appraised by HDFC Bank's appraisal note. These fund requirements are based on current conditions and are subject to change in light of changes in internal / external circumstances or costs or other financial conditions, business or strategy, as discussed further below. In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, subject to regulatory approval required under applicable law. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal FY 2026-27. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal year is not completely met, the same shall be utilized in the next fiscal year, as may be determined by the Board, in accordance with applicable laws.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial conditions, business strategy, and external factors such as market condition, result of changes in commercial or other factors, which may not be within the control of our management. This may entail re-scheduling or revising or increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management subject to compliance of applicable law. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 and other applicable law.

DETAILED BREAKUP OF USE OF THE ISSUE PROCEEDS

A. Investment in MAH Textiles Private Limited (“our Subsidiary”) to partially finance the Proposed Project:

Our Company proposes to invest ₹3,270 lakhs from the Net Proceeds into our Subsidiary, MAH Textiles Private Limited (“MAH”), by way of equity capital. This investment is intended to partially finance the establishment of a dyeing and printing unit for knitted fabric at Limbdi, Surendranagar, Gujarat (the “Proposed Project”).

At present, MAH is primarily engaged in the trading of cotton and cotton-related products. As part of the Group's forward integration strategy, MAH is now planning to diversify into manufacturing by setting up a dyeing and printing facility for knitted fabrics, with an installed capacity of 6,000 metric tons per annum. The total estimated cost of the Proposed Project is ₹9,272 lakhs, which is proposed to be funded through a combination of IPO proceeds, term loans from banks/financial institutions, and promoter contributions.

Currently, our Company, along with its subsidiaries and group entities, operates across multiple stages of the cotton and textile value chain. The key activities across the Group currently include:

- Milan Ginning Pressing Limited (Issuer Company): Production of cotton bales, open-end yarn, and cotton seeds
- K R Solvent LLP (Subsidiary): Processing of cottonseed into oil, linter, de-oiled cake, and hulls
- MAH Textiles Private Limited (Subsidiary): Trading of group products and proposed expansion into fabric processing
- Sustainable Spinning & Commodities Private Limited (Group Company): Manufacturing of cotton yarn
- Sustainable Knitting LLP (Group Entity): Manufacturing of knitted fabrics
- Sustainable Smart Wear Private Limited (Group Company): Trading of Readymade Garments

The Proposed Project represents a key step in strengthening our presence across the textile value chain by enabling forward integration into value-added processing. Upon implementation, the Group will be able to convert knitted fabric into finished fabric (ready for garments) through dyeing and printing processes. This will allow us to move up the value chain, improve product realisations, improved operational efficiencies, and enhanced supply chain coordination, thereby strengthening our competitive position in the textile industry.

For the purpose of setting up the Proposed Project, MAH has already secured land admeasuring approximately 24,585 sq. meters, located at Revenue Survey Nos. 942, 943, and 945, Untadi, Limbdi, Surendranagar, Gujarat. The land has been taken on a long-term lease for a period of 15 years from the Promoter, Mrs. Minajbanu Husenali Narsinh, pursuant to a registered lease deed dated June 27, 2025.

Out of the total land parcel, 11154.57 sq. mtr. will be utilized for the construction and operation of the proposed dyeing and printing facility. The balance land area will be allocated towards ancillary requirements such as open storage, internal roads, parking, utilities, and open spaces, while also allowing scope for future expansion.

In relation to the proposed facility, Our Subsidiary is required to obtain various government approvals and permissions to ensure the successful execution, completion, and commercial operation of this facility. The details of these approvals are as follows:

Sr. No.	Particulars	Stage when it is required	Status
1.	Consent to Establish (CTE)*	Pre-Construction stage	Available
2.	Building Plan Approval	Pre-Construction stage	Available
3.	NOC from Gram Panchayat	Pre-Construction stage	Available
4.	Bore-well	Pre-Construction stage	Applied
5.	Permission for use of a boiler	During Construction stage	Will apply as and when due
6.	Approval for usage of power	Post-Construction stage	Will apply as and when due
7.	Factory License	Post-Construction stage	Will apply as and when due
8.	Consent to Operate license	Post-Construction stage	Will apply as and when due
9.	Approval for usage of water	Post-Construction stage	Will apply as and when due
10.	License from Petroleum & Explosive Safety Organization (PESO) for storage of fuel oil	Post-Construction stage	Will apply as and when due
11.	Legal Metrology License	Post-Construction stage	Will apply as and when due
12.	Fire NOC	Post-Construction stage	Will apply as and when due

**We have made application to Gujarat Pollution Control Board dated March 25, 2026 for amendment in CTE w.r.t addition of capacity for production of fabric.*

The proposed facility is expected to be fully operational by April, 2027. This project underscores our dedication to innovation, operational excellence, and sustainable growth. Beyond business objectives, it reflects our commitment to fostering industrial development and creating value for all stakeholders.

If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

We believe that the proposed investment in our subsidiary will add value to our investment and align with our growth objectives.

Summary of Investment to be made in our Subsidiary

Particulars	Status
Amount of Investment / Inflow	₹ 3,270 Lakhs
Details of the Form of Investment	Equity capital as decided by the management
If the form of Investment has not been decided, a statement to that effect	Not Applicable
If the Investment is in debt instrument, complete details regarding rate of Interest, nature of security, terms of repayment, subordination, etc.	Not Applicable
The nature of the Benefit expected to accrue as a result of the investment	Entry into value-added segments such as dyed and printed fabrics, completion of the textile value chain within the Group, diversification and strengthening of revenue streams, improvement in margins through increased value addition, enhanced scalability and long-term growth potential etc.

For details of our subsidiary i.e. MAH Textiles Private Limited and summary of its financial information, please see "Our Subsidiaries" on page 233.

The subsidiary may, in relation to the proposed project to be undertaken by MAH Textiles Private Limited, explore and apply for various incentive schemes available under applicable central and state government policies. These may include, inter alia, capital subsidy, interest subsidy, power tariff subsidy and other fiscal or non-fiscal incentives, subject to eligibility criteria and fulfilment of prescribed conditions. The availability and extent of such benefits will depend on the specific provisions of the relevant schemes, approvals from the concerned authorities, and compliance with applicable guidelines. Accordingly, while the subsidiary intends to evaluate and pursue such incentives, there can be no assurance regarding the quantum, timing or receipt of such benefits.

Estimated Cost of the Proposed Project

The total estimated cost of the Proposed Project is ₹ 9,272.00 lakhs. The fund requirements with respect to the Proposed project, the deployment of funds and the intended use of the Net Proceeds for the Proposed Project as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers and other commercial and technical factors and an appraisal note provided by HDFC Bank.

The total estimated cost for setting up the Proposed Project comprises the following:

(₹ In lakhs)

Sr. No.	Particulars	Total estimated cost (A)	Amount to be funded from Banks/ Financial Institutions (B)	Promoter's Contribution (C)	Balance amount proposed to be funded from IPO* D = (A) – (B) – (C)
1.	Building construction and civil works	2,100.00	1,575.00	-	525.00

2.	Purchase of Plant and machinery [^]	6,370.00	3,625.00	-	2,745.00
3.	Working Capital Margin	350.00	-	350.00	-
4.	Pre-Operative Expense	50.00	-	50.00	-
5.	Interest during construction	302.00	-	302.00	-
6.	Deposit	100.00	-	100.00	-
	Total	9,272.00	5,200.00	802.00	3,270.00

Note: The cost of Project is based on internal management estimates and bank appraisal note provided by HDFC Bank

* Any further infusion of fund with respect to the project post filing of Draft Red Herring Prospectus will be reimbursed/recouped from IPO Proceeds.

[^] Most of the quotations are exclusive of taxes and duties, freight and insurance which will be on actual basis. Company will utilize the mentioned cost from existing internal accruals of the Company.

Cash credit limit of Rs. 10 crores that has been sanctioned by HDFC Bank vide its sanction letter dated March 23, 2026.

The current estimates and specifications in relation to the capital expenditure requirements of the Proposed Project are based on management estimates and the quotations of the vendors. Additionally, we have been able to obtain only one quotation each for all the plant and machinery proposed to be purchased from the offer proceeds.

As on date, we have not placed any order for the capital expenditure of the proposed project. The Company intends to place such orders in line with the implementation schedule of the Proposed Project. For further details see "Risk Factors – Non-availability of multiple quotations and non-placement of purchase orders may affect the transparency and accuracy of cost estimates" on page 22.

Detailed Break-up of Capital Expenditure

Land:

The land for the new manufacturing unit is located at Revenue Survey Nos. 942 and 945 including 943, Untadi, Limbdi, Surendranagar, Gujarat-363421, and measures approximately 24,585 square metres. The land has been leased to our Subsidiary for a period of 15 years under a lease deed dated June 27, 2025, executed between one of our Promoters Mrs. Minajbanu Husenali Narsinh and our Subsidiary.

Building and Civil Works:

The Civil Cost of our proposed project is estimated to be ₹ 2,100.00 lakhs. The detailed break-up of Building and Civil Works are hereunder:

Sr. No.	Particulars & Technical Specifications	Estimated Cost (Amt in Lakhs)*	Name of entity from whom quotations are received	Order Placed	Date of Quotation	Quotation Validity
1.	Production PEB Shed: Raw Material Storage, Material Inspection, Lot Making & issue, Fabric Bleaching & Dyeing Dept., Printing Dept. with Pre & post accessories section, Fabric finishing Dept. Fabric Inspection & Packing Dept. Finishing Storage Dept. Including PEB. Material - All kind of soil, Cement, Bricks etc.,	817.42	Siddhivinayak Infrastructure (Partnership Firm)	No	27-03-2026	26-06 2026
2.	Lab Area: Dye & finishing physical & chemical laboratory, Staff office Production & engineering. Dyes & chemical storage + Purchase office. Material - Mild steel and medium tensile steel bars	37.50				
3.	Electrical Sub Station: Electrical HT & LT Substation with distribution area.	20.40				

Sr. No.	Particulars & Technical Specifications	Estimated Cost (Amt in Lakhs)*	Name of entity from whom quotations are received	Order Placed	Date of Quotation	Quotation Validity
	Lighting: Production dept. area, Compound wall & security. Material - Earthwire, Multistandard copper wires, 6A modular type switch, 5 pin socket etc.					
4.	Boiler House: Steam & Thermic fluid Heater House along with Fuel Storage, FHS, Ash H S & STORAGE, Economizer, ESP, Water Scrubber, Chimney common for both. Unit includes - Steam trap, Inlet/outlet nozzles, Pressure guage, temp indicator and insulation with cladding.	201.25				
5.	Bore well along with Bore water Storage (UG & OH Storage), SUPPLY SYSTEM & Zero Liquid Discharge system with all king of storage arrangement. Plant shall be equipped with MEE system. Hydrant & Fire Protection System. Waste storage arrangement. Unit require bore well, Masonry Chamber, Fire extinguisher etc.	129.67				
6.	Compressed air system with Dryer, Receiver & Filter Unit*	-				
7.	Administration Building with HR, Weigh scale, Gate keeper, Security, SERVIALANCE Arrangement. Work including straightening, Cutting, Bending, Etc.	51.00				
8.	Compound Wall 650 X 2.5 Ht. + Gate + Security cabinet + weigh scale + Gate Keeper. Work including Rec work, Fabrication, Cement plaster etc.	40.00				
9.	Road: R C C Area 4500 sq. mt. Note - Cement content considered in M-30 is @ 340 kg/cum. Excess/ less cement used as per design mix is payable/recoverable separately.	128.25				
10.	Drainage Trenches, Pipe & supports. Material - All kind of soil, Cables etc., exceeding 80 mm dia. But not exceeding 300mm dia.	125.00				
11.	Zero liquid Discharge civil work : all kind of Tanks & Civil construction	550.00				
Grand Total		2,100.49				
Rounded off		2,100.00				

*cost is included with other items in the quotation

Plant & Machinery

The cost for acquiring Plant & Machinery for proposed unit is estimated to be ₹ 6,370.00 lakhs. The detailed break-up of Plant & Machinery is hereunder:.

Sr. No.	Particulars & Technical Specifications	Estimated Cost (per unit) (Rs in Lakh)	No. of units required	Total Cost (Rs in Lakh)*	Name of Supplier	Order Placed	Date of Quotation	Quotation Validity
Soft flow Fabric Dyeing Machines								

Sr. No.	Particulars & Technical Specifications	Estimated Cost (per unit) (Rs in Lakh)	No. of units required	Total Cost (Rs in Lakh)*	Name of Supplier	Order Placed	Date of Quotation	Quotation Validity
1	Son-Tech H.T. Liquid Flow Sampling Dyeing Machine MFHM-50 50 KGS	68.28	1	68.28*	Texpro Industry (Hongkong) Co., Ltd	No	05-12-2025	31-03-2026
2	Son-Tech H.T. Liquid Flow Dyeing Machine MFH plus-1T250 250 KGS	105.40	2	210.80*				
3	Son-Tech H.T. Liquid Flow Dyeing Machine MFH plus-2T250 500 KGS	124.88	2	249.76*				
4	Son-Tech H.T. Liquid Flow Dyeing Machine MFH plus-3T250 750 KGS	156.91	2	313.83*				
5	Son-Tech H.T. Liquid Flow Dyeing Machine MFH plus-4T250 1000 KGS	93.21	2	186.42*				
Finishing - Tubular & Openwidth Process								
6	Reversing Machine for wet tubular fabrics with the elevator	118.75	1	118.75**	Mersan Paslanmaz Makina San Ve Tic Ltd	No	05-12-2025	31-03-2026
7	Ultra BS-X4 Baloon Squeezer Machine for Tubular Fabric with Twister, Turn Table, Magnetic Stretcher	148.97	1	148.97**		No	05-12-2025	31-03-2026
8	ROS-2400 relax open width squeezer & slitter	170.56	1	170.56**		No	01-12-2025	31-03-2026
9	ELCUT-BTA8001 Web Slitting System	13.25	1	13.25	Erhardt + Leimer (India) Private Limited	No	06-12-2025	31-03-2026
10	STENTER MODEL T1886E-8C-B240-O-D	526.44	1	526.44*	Texpro Industry (Hongkong) Co., Ltd	No	01-12-2025	31-03-2026
11	Motex Uniflo Stenter Machine	469.18	1	469.18	Inspiron Engineering Private Limited	No	05-12-2025	31-03-2026
12	Relax Dryer tubular + Open width (W)	147.00	1	147.00	Yamuna Machine Works Limited	No	05-12-2025	31-03-2026
13	PLC Controlled Compacting Machine	165.00	1	165.00		No	05-12-2025	31-03-2026
14	Compactor Model GCM 1060	48.50	1	48.50	Guruson International	No	01-12-2025	31-03-2026

Sr. No.	Particulars & Technical Specifications	Estimated Cost (per unit) (Rs in Lakh)	No. of units required	Total Cost (Rs in Lakh)*	Name of Supplier	Order Placed	Date of Quotation	Quotation Validity
					(Proprietorship Firm)			
Printing :3 T/D								
15	Rotary Screen-Printing Machine TEAK 1850/12-12	535.00	1	535.00	Stovec Industries Limited	No	16-03-2026	31-03-2026
16	Engraving Shop Equipment	31.00	1	31.00				
17	Loop Ager Machine	84.11	1	84.11	Reckon Industries Limited	No	03-12-2025	02-04-2026
18	Print washing	405.25	1	405.25	Texfab Engineers (India) Private Limited	No	06-12-2025	31-03-2026
19	Tubular Fabric Double side Inspection cum winding machine	4.85	2	9.70	RVR Machinery	No	03-12-2025	31-03-2026
20	Tensionless Fabric Inspection Machine for Open Width & Tubular Knitted Fabrics for Finish Fabric	35.70	1	35.70	ALMAC Laser Private Limited	No	06-12-2025	05-04-2026
21	Circular Trolley	0.52	9	4.73	Adik Corporation (Proprietorship Firm)	No	07-12-2025	31-03-2026
	Box Trolley	0.58	8	4.68				
	Horse Back Trolley	0.42	9	3.82				
22	Laboratory Equipment	52.52	1	52.52	Paramount Instruments Private Limited	No	03-12-2025	31-03-2026
Total Ancillary Equipment				4,003.25				
23	Hydrant + Fire Safety system	33.11	1	33.11	JK Associates	No	27-08-2025	31-03-2026
24	Steam Boiler 10TPH - 10.54 KG./CM ² + Bag filter+ internals	471.00	1	471.00	Heatex Industries Limited	No	22-12-2025	01-04-2026
25	Thermic Fluid Heater + ESP+WATER SCRUBBER+CHIMNEY	139.95	1	139.95	Thermax Limited	No	05-12-2025	04-04-2026
26	Electrical Items	288.41	1	288.41	Tronix Switchgears (Partnership Firm)	No	05-12-2025	31-03-2026
27	Compressor +Air Dryer + Receiver + filter	34.29	1	34.29	Ingersoll Rand (India) Limited	No	03-12-2025	31-03-2026
28	Zero Liquid Discharge+ Sewage Treatment Plant	13.85	1	1,385.49	JM Smith International LLC	No	21-12-2025	31-03-2026
29	Other miscellaneous utilities for electrification i. FN Open ii. Fush Base iii. Copper Arm	15.02	1	15.02	Naklang Electricals	No	03-03-2026	02-06-2026

Sr. No.	Particulars & Technical Specifications	Estimated Cost (per unit) (Rs in Lakh)	No. of units required	Total Cost (Rs in Lakh)*	Name of Supplier	Order Placed	Date of Quotation	Quotation Validity
	iv. Coppre Armord v. Flexible Wire vi. HP Pump vii. FASD 20HP							
Total				6,370.52				
Rounded Off				6,370.00				

* The cost of machinery is denominated in US Dollars and has been converted into Indian Rupees at an exchange rate of 1 USD = ₹91.25, based on the Indian Customs Exchange Rate for Imports as of 31/12/2025

** The cost of machinery is denominated in Euros and has been converted into Indian Rupees at an exchange rate of 1 EURO = ₹107.95, based on the Indian Customs Exchange Rate for Imports as of 31/12/2025

Other confirmations relating to the proposed manufacturing facility

- We have considered the above quotations for the budgetary estimate purposes and as on date of this Draft Red Herring Prospectus, our company has not placed any orders or made any payment to any of these suppliers. The actual cost of procurement and actual supplier may vary.
- We have not entered into definitive agreements with any of these suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the equipment or at the same costs.
- We do not intend to purchase any second-hand machinery or equipment. The quantity of Civil works and plant and machinery to be purchased is based on quotations received from suppliers and estimates of our management. The Management shall have the flexibility to revise such quantities/ estimates (including but not limited to change of the supplier or addition/deletion of any quantity of civil works and plant and machinery) at the time of actual placement of the order. Furthermore, if any surplus from the proceeds remains after meeting the total cost for the aforesaid purpose, the same will be used for our working capital requirements and our general corporate purposes, subject to limit of 15% of the amount raised by our Company through this Issue or ₹ 10.00 crores whichever is lower or as the Board of Directors may decide subject to compliance with relevant laws and regulations.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of the civil works and plant and machinery proposed to be acquired by us at the actual time of purchase, resulting in increase in the cost. Further, cost can be escalated on account of freight expenses and incidental charges. Such cost escalation would be met out of either of surplus portion of net issue proceeds (if any) or our internal accruals.
- Certain plant and machineries shall be imported from abroad, payment of which will be made by our Company in Indian Rupee. There may be fluctuation in the exchange rate between the Indian Rupee and Foreign Exchange Rates and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds. Further, the purchase of machinery and the proposed deployment is subject to final terms and conditions agreed with the supplier including the finalization of price, payment/credit terms, delivery schedule, technology advancement and other market factors prevailing at that time.
- Any additional costs incurred towards applicable taxes, freight charges, installation charges, exchange rate fluctuations, including any contingencies etc. in relation to above object, will be met from internal accruals of our Company.

The proposed Schedule of manufacturing facility is as follows:

Particular	Estimated month of	
	Commencement	Completion
Land	Completed	
Order for Building and Civil Works	May, 2026	May, 2026
Construction of Building and Civil Works	June, 2026	December, 2026
Order of Plant & Machinery	September, 2026	November, 2026
Delivery of Plant & Machinery	December, 2026	January, 2027

Installation of Plant & Machinery	January, 2027	March, 2027
Trial Run	March, 2027	March, 2027
Commercial Operation	April, 2027	

B. To meet Working Capital Requirements of Issuer Company:

Our business is working capital intensive in nature, with a substantial portion of funds deployed in inventories, trade receivables and other operating current assets. We primarily fund our working capital requirements through a combination of internal accruals and short-term borrowings. As at September 30, 2025, our Company had sanctioned secured working capital limits (standalone) aggregating to ₹2,500.00 lakhs (including Export Packing Credit), of which ₹2,479.12 lakhs was utilized. The key components of our working capital include procurement of raw materials and traded goods, work-in-progress and finished goods, advances to suppliers, and trade receivables. These components inherently involve a time lag between cash outflows and realisation, resulting in funds being tied up in the operating cycle.

Our working capital requirement increased from ₹2,771.54 lakhs as at March 31, 2023 to ₹4,155.28 lakhs as at March 31, 2025, broadly in line with the growth in our operations. During the same period, revenue from operations increased from ₹68,275.02 lakhs to ₹80,059.46 lakhs, which required higher deployment of funds across receivables, advances and other current assets.

Historically, we have experienced constraints in working capital availability, which have impacted capacity utilisation across our processing units. In particular, in the cotton bales and open end yarn segments, capacity utilisation has remained below installed levels due to limitations in our ability to procure and maintain adequate raw material inventory. These constraints have led to sub-optimal utilisation of installed capacities. The proposed infusion of funds through the Issue is expected to address these constraints by enabling us to maintain adequate inventory levels, reduce production disruptions and support smoother operating cycles. Improved availability of working capital is expected to enhance utilisation of existing capacities without immediate dependence on additional capital expenditure in cotton bales and open end yarn segment.

Based on our current business plans, prevailing market conditions and internal estimates, our management has assessed the working capital requirement at ₹6,004.38 lakhs for FY 2025-26 and ₹9,105.96 lakhs for FY 2026-27. These estimates are based on projected growth in operations, expected holding levels of inventories, trade receivables and trade payables, and other operational and commercial considerations.

We propose to utilise up to ₹2,795.15 lakhs from the Net Proceeds in FY 2026-27 towards meeting incremental working capital requirements in the ordinary course of business. The balance requirement is expected to be met through internal accruals and/or borrowings, as required.

Basis of Estimation

The Company's working capital requirements for the half year ended September 30, 2025 and year ended March 31, 2025, 2024 and 2023 and funding of the same are as set out in the table below:

Particulars	(₹ In lakhs)			
	September 30, 2025 (Standalone)	March 31, 2025 (Standalone)	March 31, 2024 (Standalone)	March 31, 2023 (Standalone)
Current Assets				
Inventories	2,714.89	1,694.26	2,370.71	1,741.37
Trade Receivables	21,361.10	10,591.67	12,612.26	6,762.61
Cash and Bank Balance	256.96	25.27	33.88	293.03
Loans and Advances	130.27	224.63	81.33	57.30
Other Current Assets	3,621.88	2,700.05	3,641.17	2,411.25
Total (A)	28,085.11	15,235.88	18,739.35	11,265.55
Current Liabilities				
Trade Payables	21,367.43	7,676.64	13,802.28	7,608.18
Other Current Liabilities	1,413.66	2,983.56	1,670.85	709.32
Short Term Provisions	513.49	420.40	467.18	176.51
Total (B)	23,294.58	11,080.60	15,940.31	8,494.01

Particulars	September 30, 2025 (Standalone)	March 31, 2025 (Standalone)	March 31, 2024 (Standalone)	March 31, 2023 (Standalone)
Net Working Capital (A) - (B)	4,790.52	4,155.28	2,799.04	2,771.54
Sources of Working Capital				
Short Term Borrowings	2,707.93	2,724.45	2,265.41	2,147.60
Other Sources	2,082.59	1,430.83	533.63	623.94
Total	4,790.52	4,155.28	2,799.04	2,771.54

The details of the Company's projected working capital requirements for the year ending March 31, 2026, and March 31, 2027 and funding of the same are as set out in the table below:

(₹ in lakhs)

Particulars	March 31, 2026 (Standalone - Provisional)	March 31, 2027 (Standalone - Projected)
Current Assets		
Inventories	1,846.26	2,196.75
Trade Receivables	11,170.93	13,436.16
Cash and Bank Balance	21.25	23.50
Loans and Advances	350.00	350.00
Other Current Assets	2,671.61	3,262.90
Total (A)	16,060.06	19,269.32
Current Liabilities		
Trade Payables	8,041.69	7,864.53
Other Current Liabilities	1,478.20	1,552.11
Short Term Provisions	535.79	746.72
Total (B)	10,055.68	10,163.36
Net Working Capital (A) - (B)	6,004.38	9,105.96
Sources of Working Capital		
Short Term Borrowings	2,877.59	2,877.59
Other Sources	3,126.79	3,433.22
IPO Proceeds	-	2,795.15

Assumptions

Particulars	As At March 31, 2023 (Audited)	As At March 31, 2024 (Audited)	As At March 31, 2025 (Audited)	As at September 30, 2025 (Audited)	As At March 31, 2026 (Projected)	As At March 31, 2027 (Projected)
Inventories (Days)	10.00	10.00	8.00	11.00	9.00	8.00
Trade Receivables (Days)	36.00	50.00	48.00	81.00	48.00	48.00
Trade Payables (Days)	42.00	59.00	37.00	85.00	37.00	30.00

Justifications

Particulars	Justification
Inventory	The Company maintained inventory holding days of approximately 8 days for the financial year ended March 31, 2025, which increased to around 11 days during the stub period ended September 30, 2025, primarily on account of strategic stocking to support scale-up in operations and ensure product

Particulars	Justification
	<p>availability. The inventory days normalized to approximately 8–9 days in FY 2026, reflecting improved inventory management practices.</p> <p>For the projected periods, inventory holding days are expected to remain stable at around 8–9 days in FY 2027. This stability and marginal improvement are driven by better demand forecasting, efficient procurement planning, and streamlined supply chain processes. The working capital infusion from the IPO is expected to further support optimal inventory levels and faster turnover without compromising on service levels.</p> <p>The marginal increase in inventory days in FY 2025 is driven by the anticipated scaling of operations, requiring enhanced stock availability to meet increased demand and reduce fulfillment lead times. The Company believes that this strategic stocking, enabled by the proposed fund infusion, will support revenue growth. From FY 2026 onwards, with improved supply chain controls and turnover efficiency, inventory days are expected to stabilise at optimal levels.</p>
Trade Receivables	<p>The Company reported trade receivable days of approximately 48 days for the financial year ended March 31, 2025, which increased significantly to around 81 days during the stub period ended September 30, 2025, primarily due to expansion in customer base and extension of competitive credit terms to drive revenue growth. The receivable days moderated to approximately 48 days in FY 2026, indicating improved collection efficiency and normalization of credit cycles.</p> <p>For the projected periods, trade receivable days are expected to remain around 48 days in FY 2027. The stability reflects the Company’s continued focus on scaling operations and penetrating new markets by maintaining the credit terms. However, the Company intends to mitigate associated risks through strengthened credit monitoring systems, disciplined collection processes, and a maturing customer base, which is expected to support sustainable receivables management.</p>
Trade Payables	<p>The Company maintained trade payable days of approximately 37 days for the financial year ended March 31, 2025, which increased to around 85 days during the stub period ended September 30, 2025, supported by extended credit terms from suppliers and temporary working capital optimization. The payable days normalized to approximately 37 days in FY 2026, reflecting a return to standard credit terms.</p> <p>For the projected periods, trade payable days are expected to reduce to approximately 30 days in FY 2027. This reduction is aligned with the Company’s strategy to utilize improved liquidity post-IPO to avail early payment benefits and negotiate better pricing terms with suppliers. This approach is expected to strengthen supplier relationships, ensure reliability in procurement, and result in cost efficiencies over the long term.</p>
Cash and Cash Equivalents	<p>The Key items under this head are Cash-in-hand and Bank Balance in current account. The increase in amount of Cash and Cash Equivalent is considered on account of increase in operations and turnover, and such amounts will be required to meet the day-to-day expenses and to take advantage of situations of price fluctuations, etc.</p>
Short Term Loans and Advances and Other Current Assets	<p>The key items under this head are advance to suppliers/employees etc, balance with government authorities and Retention money deducted by our client etc. Going forward, we are expecting to more advance payment to our suppliers for reservations and getting better margin from them and accordingly its expected to be increased in near future</p>
Other Current Liabilities and Short-Term Provisions	<p>Other current liabilities include advance from customers, provisions, statutory dues, expenses payable, etc. However, going forward, we do not foresee any major change and expected to get proportionally increased due to increase in operations and turnover</p>

Justification for Working Capital Requirement (FY 2022-23 to FY 2024-25)

The Company's net working capital increased from ₹2,771.54 lakhs as at March 31, 2023 to ₹4,155.28 lakhs as at March 31, 2025, representing a growth in line with the expansion in operations and changes in the working capital cycle. The increase is primarily attributable to higher deployment in current assets, particularly trade receivables and other current assets, coupled with moderation in supplier credit.

Correlation with Scale of Operations: The Company's revenue from operations increased from ₹68,275.02 lakhs in FY 2022-23 to ₹80,059.46 lakhs in FY 2024-25. The growth in revenue has resulted in a proportionate increase in working capital requirements, as higher volumes of operations necessitate increased investment in receivables, advances and other operational current assets.

Inventory Management and Efficiency: Inventories stood at ₹1,741.37 lakhs as at March 31, 2023 and ₹1,694.26 lakhs as at March 31, 2025. Despite the increase in scale of operations, inventory levels remained controlled, with inventory holding days improving from approximately 10 days to 8 days. This improvement reflects the Company's focus on optimizing inventory cycles through better demand estimation, tighter procurement planning and efficient supply chain management. The relatively low inventory holding period indicates a fast-moving inventory cycle and limited capital blockage in stock, thereby partially mitigating the overall working capital requirement.

Trade Receivables and Credit Policy: Trade receivables increased significantly from ₹6,762.61 lakhs as at March 31, 2023 to ₹10,591.67 lakhs as at March 31, 2025. Correspondingly, receivable days increased from approximately 36 days to 48 days. The increase in receivables is primarily attributable to (i) expansion in customer base, (ii) higher sales volumes, and (iii) extension of credit terms to customers as part of the Company's strategy to strengthen market presence and remain competitive. While this has led to higher working capital deployment, the receivable cycle has stabilized at around 48 days in FY 2024-25, indicating that the Company has established a steady credit policy aligned with its operational requirements.

Other Current Assets: Other current assets increased from ₹2,411.25 lakhs as at March 31, 2023 to ₹2,700.05 lakhs as at March 31, 2025. This increase is primarily driven by higher advances to suppliers, statutory receivables, input credits and prepayments required to support increased procurement and operational activities. The increase is consistent with the growth in business operations and reflects normal operating requirements rather than any structural inefficiency.

Trade Payables and Supplier Credit: Trade payables remained broadly stable at ₹7,608.18 lakhs as at March 31, 2023 and ₹7,676.64 lakhs as at March 31, 2025. However, payable days reduced from approximately 42 days to 37 days. The reduction in payable days indicates a relative tightening of supplier credit or a conscious effort by the Company to maintain stronger supplier relationships through timely payments. While this has resulted in lower reliance on supplier financing, it has correspondingly increased the net working capital requirement.

Other Current Liabilities and Provisions: Other current liabilities and short-term provisions increased from ₹885.83 lakhs as at March 31, 2023 to ₹3,403.96 lakhs as at March 31, 2025. This increase is primarily attributable to higher accruals, statutory liabilities and operational provisions in line with increased business activity. These liabilities partly offset the working capital requirement and are considered normal in the course of business operations.

Overall Working Capital Cycle Analysis: The increase in working capital requirement during FY 2022-23 to FY 2024-25 is primarily driven by higher receivables and reduced reliance on supplier credit, partially offset by improved inventory efficiency. The working capital requirements have been funded through a combination of short-term borrowings and internal accruals/other sources. Short-term borrowings increased from ₹2,147.60 lakhs as at March 31, 2023 to ₹2,724.45 lakhs as at March 31, 2025. The balance requirement has been funded through internal accruals/other sources, indicating a balanced funding structure. The Company believes that its working capital levels are adequate and commensurate with the scale, nature and growth of its operations, and are reflective of a stable and efficient operating cycle.

Justification for Working Capital Requirement (FY 2025-26 to FY 2026-27)

The Company's net working capital is projected to increase from ₹6,004.38 lakhs as at March 31, 2026 to ₹9,105.96 lakhs as at March 31, 2027. The projected increase is driven by anticipated growth in operations, with stable and efficient operating cycle assumptions.

Alignment with Projected Growth: The projected increase in working capital is primarily attributable to the expected expansion in business operations. Higher revenue levels will necessitate incremental investment in trade receivables, inventories and other current assets.

Inventory Levels and Control Mechanisms: Inventories are projected at ₹1,846.26 lakhs as at March 31, 2026 and ₹2,196.75 lakhs as at March 31, 2027. Inventory holding days are expected to remain stable at approximately 8–9 days. The Company expects to maintain tight control over inventory through improved demand forecasting, procurement efficiency and supply chain integration, ensuring that inventory levels remain optimized without adversely impacting order fulfilment.

Trade Receivables and Collection Efficiency: Trade receivables are projected to increase from ₹11,170.93 lakhs to ₹13,436.16 lakhs, in line with increased scale of operations. However, receivable days are expected to remain stable at approximately 48 days. This reflects the Company's intent to maintain a consistent credit policy while strengthening collection mechanisms, including enhanced credit appraisal, monitoring systems and follow-up processes, thereby ensuring timely realization of dues.

Trade Payables and Liquidity Strategy: Trade payables are projected at ₹8,041.69 lakhs as at March 31, 2026 and ₹7,864.53 lakhs as at March 31, 2027. Payable days are expected to remain at approximately 37 days in FY 2025-26 and reduce to approximately 30 days in FY 2026-27. The reduction in payable days reflects the Company's strategy to utilize improved liquidity to make timely payments, avail early payment discounts and negotiate better commercial terms. This is expected to strengthen supplier relationships and ensure continuity and reliability in procurement.

Other Current Assets and Liabilities: Other current assets and liabilities are projected to increase in line with operational scale. These include advances, statutory balances and accruals, which are integral to supporting expanded business operations.

Impact of IPO Proceeds and Funding Mix: The projected working capital requirements are proposed to be funded through a mix of short-term borrowings, internal accruals and IPO proceeds. Short-term borrowings are expected to remain stable at ₹2,877.59 lakhs, indicating controlled reliance on external debt. The infusion of IPO proceeds amounting to ₹2,795.15 lakhs in FY 2026-27 is expected to support incremental working capital requirements, improve liquidity and reduce dependence on borrowings.

Overall Working Capital Cycle Analysis: The projected working capital requirement for FY 2025-26 to FY 2026-27 is driven by planned business growth and supported by stable operating cycle assumptions. The Company expects to maintain efficient working capital management through optimized inventory levels, disciplined receivables management and prudent liquidity planning. The proposed utilization of IPO proceeds is expected to further strengthen the working capital position and support sustainable growth.

C. General Corporate Purpose:

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 15% of the amount being raised by our Company through this issue or ₹10 crores, whichever is less, in compliance with the Chapter IX, Regulation 230(2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., ₹ [●] Lakhs, which is [●]% of the amount being raised by our company through this issue, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) Strategic initiatives, partnerships, joint ventures and acquisitions;
- (ii) Brand building and strengthening of promotional, marketing activities and advisory;
- (iii) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions and
- (iv) Meeting operating expenses, repayment of the borrowings, investment in the Companies, meeting working capital requirements including payment of interests, strengthening of our business development and marketing capabilities, meeting exigencies and contingencies which our company in the ordinary course of business may not foresee or any other purposes as approved by the Board, subject to compliance with the necessary regulatory provisions and provisions of Companies Act.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the balance Net Proceeds for general corporate purposes, as mentioned above.

D. Issue Related Expenses:

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. The break-up of the same is as follows:

Activity	Estimated Expenses (Rs. In Lakhs)	% of Total Issue Expenses	% of the Total Issue Size
Book Running Lead Manager Fees (incl. Underwriting commission)	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisor	[●]	[●]	[●]
Peer Review Auditors	[●]	[●]	[●]
Market Maker	[●]	[●]	[●]
Sponsor Bank and Bankers to the Issue	[●]	[●]	[●]
UPI Bidding charges, Printing and distribution of Issue Stationary	[●]	[●]	[●]
Regulators Including Stock Exchanges	[●]	[●]	[●]
Advertising, Selling, Marketing & Advisory Expenses	[●]	[●]	[●]
Total	[●]	[●]	[●]

Other than the listing fees, which will be paid by the Company, all costs, fees and expenses directly attributable to the Offer shall be borne by the Company and the Promoter Selling Shareholder, in proportion of gross proceeds received for the Fresh Issue and the Offered Shares in accordance with applicable law. All estimated Offer related expenses to be proportionately borne by the Promoter Selling Shareholder shall be deducted from the proceeds of the Offer for Sale, and subsequently, the balance amount from the Offer for Sale will be paid to the Promoter Selling Shareholder. It is clarified that, if the offer is withdrawn or not completed for any reason whatsoever, all offer related expenses shall be shared between the Company and the Promoter Selling Shareholder in proportion to the number of Equity Shares offered by the Company through the Fresh Issue and the number of Offered Shares offered by the Promoter Selling Shareholder in the Offer for Sale, in accordance with Applicable Law.

Note:

- ASBA Bankers:** The SCSBs will be entitled to selling commission of 0.03% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Individual Bidders and Non-Institutional Bidders. No other fees/commission shall be payable on the application forms directly procured by them.
- The SCSBs would be entitled to processing fees of 0.03% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.
- SYNDICATE ASBA:** Other intermediaries (syndicate/sub-syndicate/registered broker/CRTAs/CDPs or for using 3-in-1 type account i.e. linked online trading, demat and bank account provided by some of the registered brokers) will be entitled to selling commission of ₹10/- (plus GST) per valid application form wherein the shares has been allotted for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Individual Bidders and Non-Institutional Bidders.
- Sponsor banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹ [●] (plus GST) (or mutually decided and agreed) per valid application form wherein the shares has been allotted, using the UPI mechanism for processing. The Sponsor Bank shall be responsible for making payments to the

third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars and other applicable laws.

- *No selling commission shall be payable in case of UPI applications.*
- *The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant registered broker and other intermediaries.*
- *Any expenses incurred towards IPO related expenses will be reimbursed/recouped out of the gross proceeds of the Issue.*
- *The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*
- *Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs/LM, 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.*

Appraisal by Appraising Fund:

Our Objects w.r.t investment in subsidiary in relation to the proposed project of dyeing and printing of knitted fabric has been appraised by HDFC Bank with respect to the funding requirements of our Company and the deployment of the proceeds. Except this object as stated above, other funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

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

Bridge Financing Facilities

As on the date of this Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

Interim Use of Proceeds

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of proceeds for the objects of the issue.

Means of Finance

We propose to meet the additional requirement of funds for the stated objects of the Issue from the IPO Proceeds, short-term borrowings and internal accruals. We have sufficient financing arrangements for short-term borrowings from banks as projected (For further information please refer chapter titled "**Financial Indebtedness**" on page 257 of this Draft Red Herring Prospectus and accordingly, we confirm that we are in compliance with the

requirements under Regulation 230(1)(e) of the SEBI ICDR Regulations and Clause 9(C) of Part A of Schedule VI of the SEBI (ICDR) Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals). Our Objects w.r.t investment in subsidiary in relation to the proposed project of dyeing and printing of knitted fabric has been appraised by HDFC Bank . These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below. In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt. We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

Monitoring Utilization of Funds

In accordance with Regulation 262 of the SEBI ICDR Regulations, our Company will appoint a Monitoring Agency to monitor the utilisation of the Net Proceeds. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilisation of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay and in accordance with the applicable laws. Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet for such financial year/periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilised.

Our Company will also, in its balance sheet for the applicable financial year, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilized Net Proceeds.

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

1. Investment in MAH Textiles Private Limited (“our Subsidiary”) to partially finance the proposed project of dyeing and printing of knitted fabric
2. Working Capital Requirements of Issuer Company; and
3. General corporate purposes.

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

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

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the shareholders by way of a special resolution. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time and applicable, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue.

In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and rules there under of the jurisdiction where our Registered Office is situated. Our Promoters or controlling shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at such price and in such manner, as may be prescribed by SEBI, in this regard.

Other Confirmations

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

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Issue Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the quantitative and qualitative factors described below. Investors should also refer to the chapters titled "*Business Overview*", "*Risk Factors*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 166, 22, 236 and 238, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- ✓ Strategic location of our business, Gujarat being one of the largest cotton-producing regions in India.
- ✓ Optimising energy consumption through installation of windmill.
- ✓ High quality standards of manufactured products.
- ✓ Extensive export network.
- ✓ Strong, experienced and dedicated senior management team and qualified workforce.

For more details on qualitative factors, refer to chapter titled "*Business Overview*" beginning on page 166

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Statements. For more details on financial information; investors please refer the chapter titled "Financial Information" beginning on page 236.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

A. Basic and Diluted Earnings per share for continuing operations ("EPS") (face value of each Equity Share is ₹10):

Fiscal / Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2025	6.73	6.73	3
March 31, 2024	6.94	6.94	2
March 31, 2023	4.14	4.14	1
Weighted Average for the above three Fiscals	6.37	6.37	-
September 30, 2025*	4.57	4.57	-

* Not annualized.

Notes:

1. The Face value of Equity Shares is ₹ 10 each.
2. The ratios have been computed as below:

3. Basic earnings per equity share (₹) = Restated profit/loss for the year/period attributable to equity shareholders / weighted average number of shares outstanding during the year/period.
4. Diluted earnings per equity share (₹) = Restated profit/loss for the year/period, attributable to equity shareholders for the year / Weighted average number of diluted equity shares and potential additional equity shares outstanding during the year.
5. The weighted average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight.
6. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
7. Basic earnings per equity share and Diluted earnings per equity share are after adjustment of bonus.

B. Price/Earning (“P/E”) in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Basic EPS of ₹ 6.73 as per the Restated Financial Information for the year ended March 31, 2025	[●]	[●]
Diluted EPS of ₹ 6.73 as per the Restated Financial Information for the year ended March 31, 2025	[●]	[●]
Weighted Average EPS	[●]	[●]

Notes: The P/E Ratio of our company has been computed by dividing Issue Price with EPS

C. Industry P/E ratio*

Based on the peer group information (excluding the Company) given below in this section, the highest P/E ratio is 141.00, the lowest P/E ratio is 97.40 and the average P/E ratio is 119.20.

Particulars	Industry Peer P/E
Highest	141.00
Lowest	97.40
Average	119.20

*Notes:

1. The industry high and low has been considered from the industry peer set provided later in this Draft Red Herring Certificate.
2. Pashupati Cotspin Limited and Axita Cotton Limited P/E Ratio has been computed based on the closing market price of equity shares on March 25, 2026, on www.nseindia.com, divided by the Diluted EPS as on March 31, 2025 as disclosed in audited consolidated/standalone financials submitted by the respective entity with the stock exchange for the financial year ended March 31, 2025.
3. All the financial information for listed industry peer mentioned above is sourced from the audited/unaudited financial statements of the relevant company for Fiscal 2025, Fiscal 2024, Fiscal 2023 and consolidated/standalone financial results for 6 months ended September 30, 2025 as available on the websites of the Stock Exchanges

D. Return on Net Worth (“RoNW”)

Fiscal / Period ended	RoNW (%)	Weight
March 31, 2025	23.77%	3
March 31, 2024	33.69%	2
March 31, 2023	28.73%	1
Weighted Average for the above three Fiscals	27.90%	-

September 30, 2025*	13.53%	-
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*Not annualized.

Notes:

1. Return on Net Worth (%) = Profit after tax/ Restated Average Net worth at the end of the year;
2. Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per Regulation 2 (1) (hh) of the SEBI ICDR Regulations. Capital reserve being reserve created on account of business acquisition will be excluded from calculation of Net Worth.
3. The weighted average return on Net Worth is a product of return on Net Worth and respective assigned weight, dividing the resultant by total aggregate weight.

E. Net Asset Value (“NAV”) per Equity Share

Net Asset Value per Equity Share	₹
As at September 30, 2025	35.99
As at March 31, 2025	31.62
After the Offer*	
- At Floor Price	[●]
- At Cap Price	[●]
At Offer Price	[●]

*Offer Price per Equity Share will be determined on conclusion of the Book Building Process

Notes:

1. NAV is calculated closing net worth divided by total number of equity shares at the end of the year/period;
2. For the purposes of the above, “Net Worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per Regulation 2 (1) (hh) of the SEBI ICDR Regulation. Capital Reserve being reserve created on account of business acquisition will be excluded from calculation of Net Worth.

For further details, see “Other Financial Information” on page 237.

Comparison with Listed Industry Peers

Following is the comparison with the peer group companies listed in India and in the same line of business as the Company

Name of the company	Standalone / Consolidated	Face Value (₹)	Current Market Price (₹)	Basic EPS (₹)	Diluted EPS (₹)	P/E Ratio (₹)	RoNW (%)	NAV per Equity Share (₹)	Revenue from operations (₹ in Lakhs)
Milan Ginning Pressing Limited	Consolidated	10	[●]	6.73	6.73	[●]	23.77%	31.62	82,576.35
Peer-Group									
Pashupati Cotspin Limited	Consolidated	10	984.40	9.11	9.11	108.06	9.39%	98.24	63,749.09
Axita Cotton Limited	Consolidation	1	8.80	0.02	0.02	44	1.24%	1.80	65,271.58

Notes:

1. All the financial information for the Company mentioned above is based on the Restated Financial information, for the financial year ended March 31, 2025.
2. All the financial information for listed industry peer mentioned above is sourced from the audited standalone/consolidated financial statements of the relevant company for the year ended March 31, 2025 as available on the websites of the Stock Exchanges.
3. For listed peer, Net Asset Value (NAV) is computed as closing net worth (sum of equity share capital, other equity and non-controlling interest) divided by total number of equity shares as on 31st March 2025 plus bonus shares.
4. For listed peer, return on Net Worth for equity shareholders (%) (RONW) = Profit after tax/ Restated Average Net worth at the end of the year.
5. EBITDA is defined Profit before interest, tax, depreciation and amortisation. It is calculated as sum of Profit before Tax, Interest/Finance Cost, Depreciation and Amortisation and deducting Interest on FDR

Key Performance Indicators

The table below sets forth the details of KPIs of the Company considers have a bearing for arriving at the basis for Offer Price. All the KPIs disclosed below have been approved by a resolution of the Audit Committee of the Company dated March 28, 2026 and the Audit Committee has confirmed that verified and audited details of all the KPIs pertaining to the Company.

Further, the KPIs herein have been certified by Abhishek Kumar and Associates, Chartered Accountants pursuant to certificate dated March 28, 2026.

The KPIs disclosed below have been used historically by the Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to its peers.

Particulars	Unit	For the Financial Year ended/ Period on			
		Consolidated			Standalone
		September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	Rs Lakhs	50,185.08	82,576.35	90,188.41	68,275.02
EBITDA	Rs Lakhs	1,327.66	2,156.93	2,140.20	1,434.98
EBITDA Margin %	%	2.65%	2.61%	2.37%	2.10%
PAT	Rs Lakhs	755.61	1,111.40	1,145.92	628.78
PAT Margin %	%	1.51%	1.35%	1.27%	0.92%
Return on Equity (%)	%	13.53%	23.77%	33.69%	28.73%
Return on Capital Employed (%)	%	10.22%	17.20%	18.34%	20.74%
Debt – Equity Ratio (Times)	Times	0.95	1.09	1.48	1.22
Current Ratio (Times)	Times	1.12	1.15	1.13	1.05

Notes:

- (1) Revenue from Operations is defined as sales;
- (2) PAT for the period/year is defined as profit for the year/period;
- (3) PAT margin is calculated as "PAT"/revenue from operation;
- (4) EBITDA is defined Profit before interest, tax, depreciation and amortisation. It is calculated as sum of Profit before Tax, Interest/Finance Cost, Depreciation and Amortisation and deducting Interest on FDR;
- (5) EBITDA Margin is calculated as EBITDA/revenue from operation;
- (6) Total Equity is defined as sum of equity share capital and Reserves and Surplus;
- (7) Total Debt is defined as sum of Long & Short Term Borrowings;
- (8) Total debt /Equity is calculated as total debt /total equity;
- (9) ROE is calculated as Profit after tax/ Restated Average Net worth at the end of the year;
- (10) ROCE is calculated as profit before tax plus interest/finance cost /Average (total equity+ minority interest + total debt+ Deferred Tax Liabilities – Intangible Assets)
- (11) Current ratio calculated as current assets divided by current liabilities.

OPERATIONAL KPIs OF THE COMPANY:

Particulars	Units	For the Financial Year ended/ Period on			
		Consolidated			Standalone
		September 30, 2025	March 31 st , 2025	March 31 st , 2024	March 31 st , 2023
<u>Customers (% Contribution to Sales)</u>					
Customer Concentration Top 1	%	20.36%	4.59%	12.31%	25.39%
Customers Concentration Top 3	%	43.33%	11.11%	18.88%	37.73%
Customers Concentration Top 5	%	48.60%	16.84%	24.18%	47.53%
Customers Concentration Top 10	%	57.15%	27.24%	34.44%	62.07%
<u>Suppliers (% Contribution to Purchases)</u>					
Suppliers Concentration Top 1	%	22.78%	23.86%	20.75%	28.97%
Suppliers Concentration Top 3	%	46.84%	31.36%	31.43%	41.42%
Suppliers Concentration Top 5	%	52.37%	36.62%	36.19%	46.95%
Suppliers Concentration Top 10	%	59.09%	44.57%	44.23%	53.92%

***Not Annualised**

Note:

Other than the above disclosed KPIs the company has no other Operational KPIs. Additionally, the data regarding the operational KPIs of the peers are not publicly available

Description on the historic use of the KPIs by the Company to analyze, track or monitor the operational and/or financial performance of the Company is below:

KPI	Explanation
Revenue from Operations	<i>Revenue from Operations is used by management to track the revenue profile of the business and in turn helps assess the overall financial performance of Company and size of business.</i>
PAT for the year/period	<i>Profit after tax provides information regarding the overall profitability of the business.</i>
PAT Margin (%)	<i>PAT Margin is an indicator of the overall profitability and financial performance of business.</i>
EBITDA	<i>EBITDA provides a clearer view of a company's operating profitability by excluding non-operating expenses like depreciation and amortization. It helps assess a company's ability to generate cash from its core operations.</i>
EBITDA Margin (%)	<i>This metric is the percentage of EBITDA in relation to the total revenue from operations. It indicates the portion of revenue that translates into EBITDA and is a measure of operating efficiency.</i>
Total Equity	<i>Where total shareholders' equity + other equity (including security premium and surplus/(deficit) and other compressive income.</i>
Total Debt	<i>Sum of Long & Short-Term Borrowings</i>
Total Debt / Equity	<i>Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.</i>
ROE	<i>RoE provides how efficiently Company generates profits from shareholders' funds.</i>
ROCE	<i>ROCE provides how efficiently Company generates earnings from the capital employed in the business.</i>

Current Ratio	<i>It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.</i>
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Comparison of its KPIs with Listed Industry Peers

Comparison of Operational Parameter of half year ended September 30, 2025 and Fiscals 2025, 2024 and 2023, with Industry Peers

Particulars	Milan Ginning Pressing Limited				Axita Cotton Limited			
	For the Financial Year ended/ Period on				For the Financial Year ended/ Period on			
	Consolidated			Stand alone	Stand alone	Consolidated	Standalone	
	Sep-25*	2025	2024	2023	Sep-25*	2025	2024	2023
Revenue from Operations (₹ in Lakhs)	50,185.08	82,576.35	90,188.41	68,275.02	21,996.75	65,271.58	1,10,201.42	55,260.28
EBITDA (₹ in Lakhs)	1327.66	2156.93	2140.20	1434.98	312.58	228.98	2727.38	2362.40
EBITDA Margin (%)	2.65%	2.61%	2.37%	2.10%	1.42%	0.35%	2.47%	4.28%
Profit After Tax (₹ in Lakhs)	755.61	1111.40	1145.92	628.78	164.8	78.60	2,033.56	1,703.53
PAT Margin (%)	1.51%	1.35%	1.27%	0.92%	0.75%	0.12%	1.85%	3.08%
RoE (%)	13.53%	23.77%	33.69%	28.73%	2.57%	1.24%	34.78%	38.44%
RoCE (%)	10.22%	17.20%	18.34%	20.74%	3.24%	1.74%	30.86%	43.09%
Debt – Equity Ratio (Times)	0.95	1.09	1.48	1.22	0.33	0.02	0.31	-
Current Ratio (Times)	1.12	1.15	1.13	1.05	2.59	4.90	3.10	3.13

*Not Annualised

Particulars	Milan Ginning Pressing Limited				Pashupati Cotspin Limited			
	For the Financial Year ended/ Period on				For the Financial Year ended/ Period on			
	Consolidated			Stand alone	Consolidated			
	Sep-25*	2025	2024	2023	Sep-25*	2025	2024	2023
Revenue from Operations (₹ in Lakhs)	50,185.08	82,576.35	90,188.41	68,275.02	35,870.21	63,749.09	66,067.98	44,282.74
EBITDA (₹ in Lakhs)	1327.66	2156.93	2140.20	1434.98	1970.45	3529.30	3354.79	2011.69

EBITDA Margin (%)	2.65%	2.61%	2.37%	2.10%	5.49%	5.54%	5.08%	4.54%
Profit After Tax (₹ in Lakhs)	755.61	1111.40	1145.92	628.78	597.29	1288.17	830.22	387.86
PAT Margin (%)	1.51%	1.35%	1.27%	0.92%	1.67%	2.02%	1.26%	0.88%
RoE (%)	13.53%	23.77%	33.69%	28.73%	3.78%	9.39%	7.18%	3.52%
RoCE (%)	10.22%	17.20%	18.34%	20.74%	5.72%	9.29%	7.80%	3.72%
Debt – Equity Ratio (Times)	0.95	1.09	1.48	1.22	0.56	0.73	1.26	1.55
Current Ratio (Times)	1.12	1.15	1.13	1.05	1.71	1.57	1.22	1.14

Notes:

- (1) Revenue from Operations is defined as sales.
- (2) PAT for the period/year is defined as profit for the period/year.
- (3) PAT margin is calculated as “PAT”/revenue from operation.
- (4) EBITDA is defined as sum of profit before tax, interest/finance cost, depreciation and amortization minus Interest on FDR..
- (5) EBITDA is defined Profit before interest, tax, depreciation and amortisation. It is calculated as sum of Profit before Tax, Interest/Finance Cost, Depreciation and Amortisation and deducting Interest on FDR
- (6) Total Equity is defined as sum of equity share capital and Reserves and Surplus. .
- (7) Total Debt is defined as Sum of Long & Short Term Borrowings
- (8) Total debt /Equity is calculated as total debt /total equity.
- (9) ROE is calculated as profit after tax less preference dividend/average total equity less preference dividend.
- (10) ROCE is calculated as profit before tax plus interest/finance cost /Average (total equity+ minority interest + total debt+ Deferred Tax Liabilities – Intangible Assets)
- (11) Current ration means current assets divided by current liabilities.
- (12) All the financial information for the Company mentioned above is based on the Restated Financial information for the relevant period/year.
- (13) All the financial information for listed industry peers mentioned above is on a consolidated/standalone basis and is sourced from the audited/unaudited consolidated/standalone financial results for the respective companies for the relevant period/year available on the website of BSE Limited & NSE Limited.

Comparison of KPIs over time based on additions or dispositions to the business

The impact of all material acquisitions or dispositions of assets or businesses undertaken by the Company during the periods covered by the KPIs—i.e., the period ended September 30, 2025, and the years ended March 31, 2025, 2024, and 2023 has been reflected in the KPIs disclosed above.

Disclosures in relation to valuation of the Company

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

The Company has not issued any Equity Shares or convertible securities or employee stock options during the 18 months preceding the date of the Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

B. The price per share of the Company based on the secondary sale / acquisition of shares (equity / convertible securities)

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where the Promoter or members of the Promoter Group, during the 18 months preceding the date of the Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days

C. Price per share based on last five primary or secondary transactions

Since there are no such transactions to report to under (a) and (b), the following are the details based on the last 5 primary or secondary transactions (secondary transactions where Promoter or members of the Promoter Group are a party to the transaction), not older than 3 years prior to the date of the Draft Red Herring Prospectus irrespective of the size of transactions:

Last 5 Primary issuances / secondary transactions:

Date of Transaction	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Nature of consideration	Total consideration (₹)
04.04.2023	1	10	10	Transfer	Cash	10
04.04.2023	1	10	10	Transfer	Cash	10
04.04.2023	1	10	10	Transfer	Cash	10
04.04.2023	250	10	10	Transfer	Cash	2,500
04.04.2023	250	10	10	Transfer	Cash	2,500
Total						5,030

Weighted average cost of acquisition, floor price and cap price Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price (i.e., ₹ [•])	Cap price (i.e., ₹ [•])
WACA of Primary Transactions	NA	[•] times	[•] times
WACA of Secondary Transactions	NA	[•] times	[•] times
Since there were no Primary Transactions or Secondary Transactions during the 18 months preceding the date of filing of the Draft Red Herring Prospectus, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions (where promoters/promoter group entities or the Promoter Selling Shareholders or shareholder(s) having the right to nominate director(s) on the Board), are a party to the transaction, not older than three years prior to the date of the Draft Red Herring Prospectus irrespective of the size of the transaction			
Based on primary transactions	NA	NA	NA
Based on secondary transactions	10.00	NA	NA

The Offer price is [•] times of the face value of the Equity Shares

The Offer 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 through the Book Building process. Our Company, in consultation with the BRLM are justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “Risk Factors”, “Business Overview”, “Management Discussion and Analysis of Financial Position and Results of Operations” and “Financial Information” on pages 22, 166, 238 and 236, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” on page 22 and you may lose all or part of your investments

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors

Milan Ginning Pressing Limited

Survey No. 555/P Nr. Chorania 440

KV Watt Sub Station, National Highway 8,

Utadi, Limbdi, Surendranagar – 363421, Gujarat

Dear Sir (s) / Madam (s),

Sub: Statement of possible Special tax benefit ('the Statement') available to M/s Milan Ginning Pressing Limited and its shareholders prepared in accordance with the requirements under Schedule VI- Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')

Ref: Proposed initial public offering of equity shares of face value of ₹ 10 each (Equity Shares) by Milan Ginning Pressing Limited (the "Company") through a fresh issue of equity shares and an offer for sale of the equity shares by selling shareholders (the "Offer").

We, hereby confirm that the enclosed statement in the Annexure to this certificate prepared by the Company and initialled by us and the Company for identification purpose (**Statement**) sets out the possible special tax benefits available to the Company and its Shareholders, under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, as amended by the Finance Act, 2025, read with rules, circular and notification issued thereunder (**Act**) i.e., applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27, 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, ("**GST Act**") read with Rules, Circulars, and Notifications, Customs Act, 1962 and the Customs Tariff Act, 1975 and Foreign Trade Policy 2015-2020 ("**FTP**") as amended by the Finance Act, 2025, i.e., applicable for the Financial Year 2025-26 relevant to the Assessment Year 2026-27, presently in force in India (collectively the **Taxation Laws**) read with the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2026-27 relevant to the financial year 2025-26.

Several of these benefits are dependent on the Company and its Shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and its Shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its Shareholders face in the future, the Company and its Shareholders may or may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company and its Shareholders the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits available to them.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

The benefits stated in Annexure to this certificate, for possible special tax benefits available to the Company and its Shareholders are not exhaustive and the preparation of the contents stated is the responsibility of the Company.

We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

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

- a. The Company and its Shareholders, will continue to obtain these benefits in the future;
- b. The conditions prescribed for availing of the benefits have been/would be met with; and
- c. The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

We hereby consent to the extracts of this certificate being used in the draft red herring prospectus to be filed with, the Stock Exchange, and the Red Herring Prospectus and the Prospectus to be filed with the RoC and submitted to the Stock Exchange in connection with the Offer, and submission of this certificate as may be necessary, to any regulatory authority statutory, judicial or governmental authorities, and in any other material used in connection with the Offer and for disclosure on the website of the Company in connection with the Offer and/or for the records to be maintained by the BRLM in connection with the Offer and in accordance with applicable law. We also consent to this certificate to be uploaded on the website, repository and, or, the database of the Stock Exchange.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by ICAI which requires that we comply with ethical requirements of the Code of Ethics issued by ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

We hereby confirm that while providing this certificate, we have complied with the Ethics Code, 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 the Institute of Chartered Accountants of India.

We confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context. This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the Offer Documents which may be filed by the Company with Stock Exchange, RoC and/or any other regulatory or statutory authority.

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate, as may be necessary, to the RoC, Stock Exchange and/or any other regulatory /statutory authority, and/or for the records to be maintained by the BRLM in connection with the Offer and in accordance with applicable laws. We hereby consent to this certificate being disclosed by the BRLM, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authorities or on the request of the Stock Exchange; or (ii) in seeking to establish a defence in connection with, or to avoid any actual, potential or threatened legal, arbitral or regulatory proceeding or

investigation related to any matter regarding issuance and listing of the equity shares of the Company; or (iii) for the records to be maintained by the BRLM and in accordance with applicable laws.

We undertake to update you, in writing, of any change in the above-mentioned disclosures which we are aware of until the Equity Shares allotted, pursuant to the Offer, are listed and commence trading on the Stock Exchange. In the absence of any such communication from us, the Company, the BRLM and the Legal Counsels appointed with respect to Offer can assume that there is no change to the the above information forming part of this certificate and accordingly, such information should be considered to be true and correct until the Equity Shares commence trading on the Stock Exchange.

This certificate may be relied on by the BRLM, its affiliates and the Legal Counsels in relation to the Offer and to assist the BRLM in the context of due diligence procedures that the BRLM has to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

Yours sincerely,
for, Abhishek Kumar & Associates
Chartered Accountants
Firm Reg. No. – 130052W

Sd/-

CA ABHISHEK AGRAWAL
Proprietor
Membership No. – 132305
Peer Review Certificate No.: 021459

UDIN: 26132305WLBCTE9644

Date: March 28, 2026
Place: Ahmedabad

SECTION VIII – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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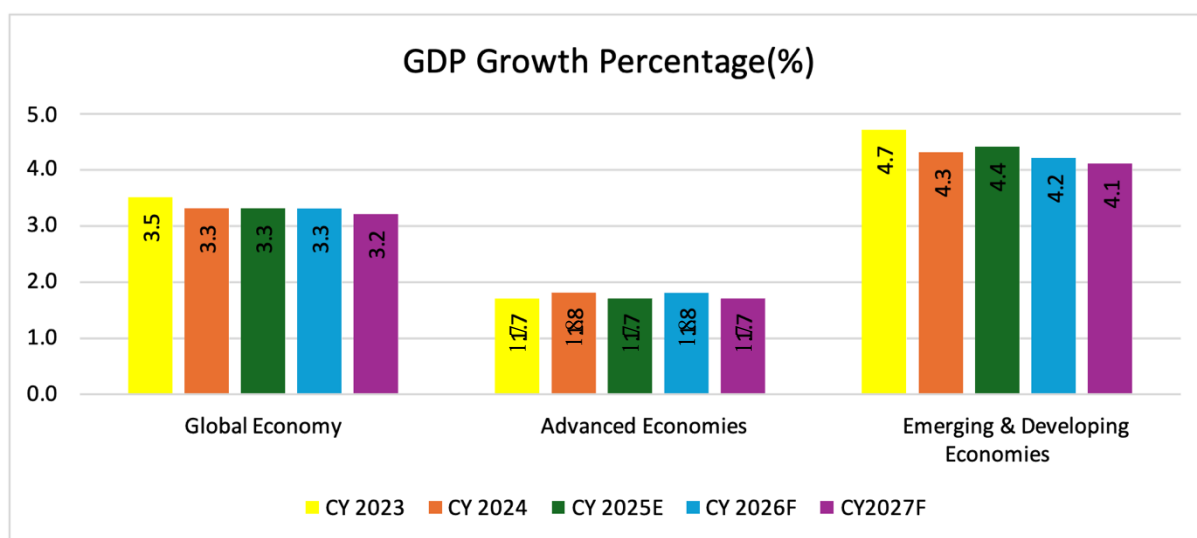
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1. Global Economic Outlook

As per the IMF's World Economic Outlook (WEO) published in January 2026, global growth is projected to remain resilient at 3.3 percent in 2026 and at 3.2 percent in 2027.

Global headline inflation is expected to decline from an estimated 4.1 percent in 2025 to 3.8 percent in 2026 and further to 3.4 percent in 2027. The inflation projections are also broadly unchanged from those in October and envisage inflation returning to target more gradually in the United States than in other large economies.



Note: E = Estimates, F = Forecast

Source: IMF World Economic Outlook January 2026

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

Growth in advanced economies is projected to be 1.8 percent in 2026 and 1.7 percent in 2027. In the United States, the economy is projected to expand by 2.4 percent in 2026, supported by fiscal policy and a lower policy rate, while the impact of higher trade barriers also gradually wanes. This 0.3 percentage point upward revision from the October forecast reflects a stronger-than expected GDP outturn in the third quarter of 2025, a rebound in activity in the first quarter of 2026 compared with that in the fourth quarter of 2025 following the end of the federal government shutdown, and the associated carryover.

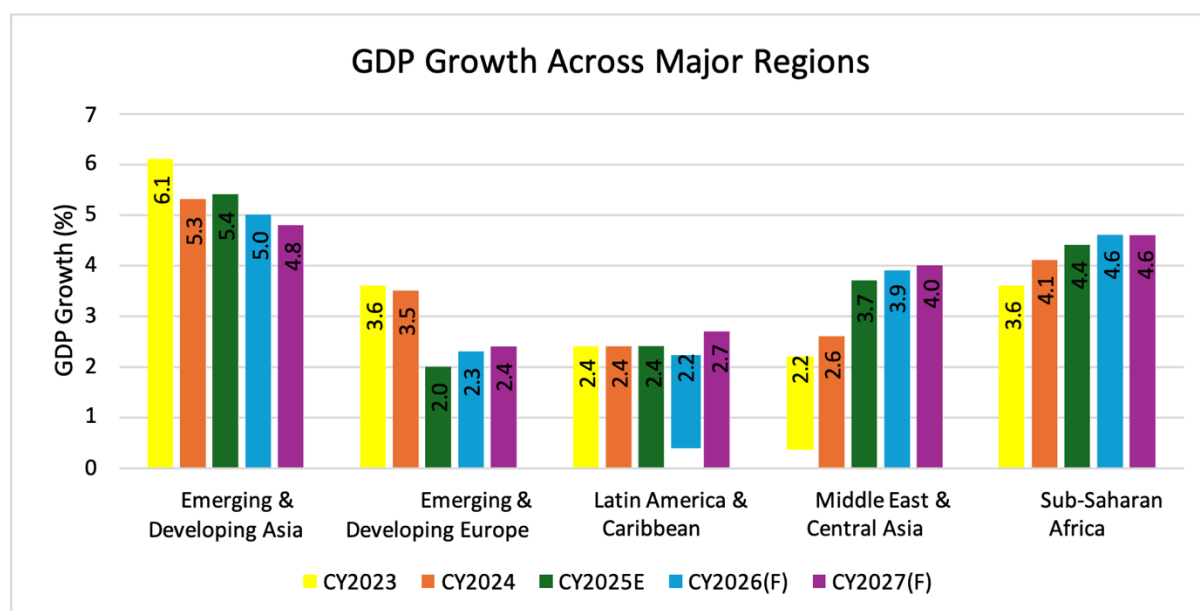
In emerging market and developing economies, growth is expected to continue to hover just above 4.0 percent in 2026 and 2027. Relative to the projection in October, growth in 2025 for China is revised upward by 0.2 percentage point to 5.0 percent. The revision reflects stimulus measures and additional policy bank lending for investment. Growth for 2026 is also revised upward by 0.3 percentage point to 4.5 percent, reflecting the lower US effective tariff rates on Chinese goods due to the yearlong trade truce agreed to in November and stimulus measures that are assumed to be implemented over two years. The economy’s growth rate is expected to decelerate to 4.0 percent in 2027 as structural headwinds assert themselves.

In India, growth is revised upward by 0.7 percentage point to 7.3 percent for 2025, reflecting the better-than expected outturn in the third quarter of the year and strong momentum in the fourth quarter. Growth is projected to moderate to 6.4 percent in 2026 and 2027 as cyclical and temporary factors wane.

In the Middle East and Central Asia, growth is projected to accelerate from 3.7 percent in 2025 to 3.9 percent in 2026 and to 4.0 percent in 2027, supported by higher oil output, resilient local demand, and ongoing reforms. Growth is also expected to accelerate in sub-Saharan Africa, from 4.4 percent in 2025 to 4.6 percent in 2026 and 2027, supported by macroeconomic stabilization and reform efforts in key economies. In Latin America and the Caribbean, growth is projected to moderate to 2.2 percent in 2026 and bounce to 2.7 percent in 2027 as countries in the region approach potential from different cyclical positions. In emerging and developing Europe, a sharp slowdown in 2025 to a growth rate of 2.0 percent is expected to reverse, with economies in the region expanding at an average rate of 2.3 percent in 2026 and 2.4 percent in 2027. In most regions, the rebound also reflects the fading effect of shifting trade policies

1.1 GDP Growth Across Major Regions

GDP growth across major global regions—including Europe, Latin America & the Caribbean, Middle East & Central Asia, and Sub-Saharan Africa—continues to display varied trajectories. The global outlook presents a mixed scenario, with emerging economies continuing to outperform advanced economies.



Note: E = Estimates, F = Forecast

Source: IMF World Economic Outlook January, 2026 update

In CY 2021, supply chain disruptions significantly impacted both advanced economies and low-income developing economies. The rapid spread of the Delta variant and the threat of new variants in mid-2021 further heightened uncertainty in the global economic environment. In Emerging and Developing Asia, growth is projected to moderate from 5.4% in CY 2025 to 5.0% in CY 2026 and further projected at 4.8% during CY 2027. India’s expected growth in 2025 has been uplifted at 7.3% in CY 2025, supported by resilient rural consumption

and sustained infrastructure investments, up from 6.5% in CY2024. The growth estimate for 2026 and 2027 is kept at 6.4%. In contrast, China’s growth is estimated at 5.0% in CY2025, and to further decelerate at 4.5% in 2026 and 4.0% in 2027.

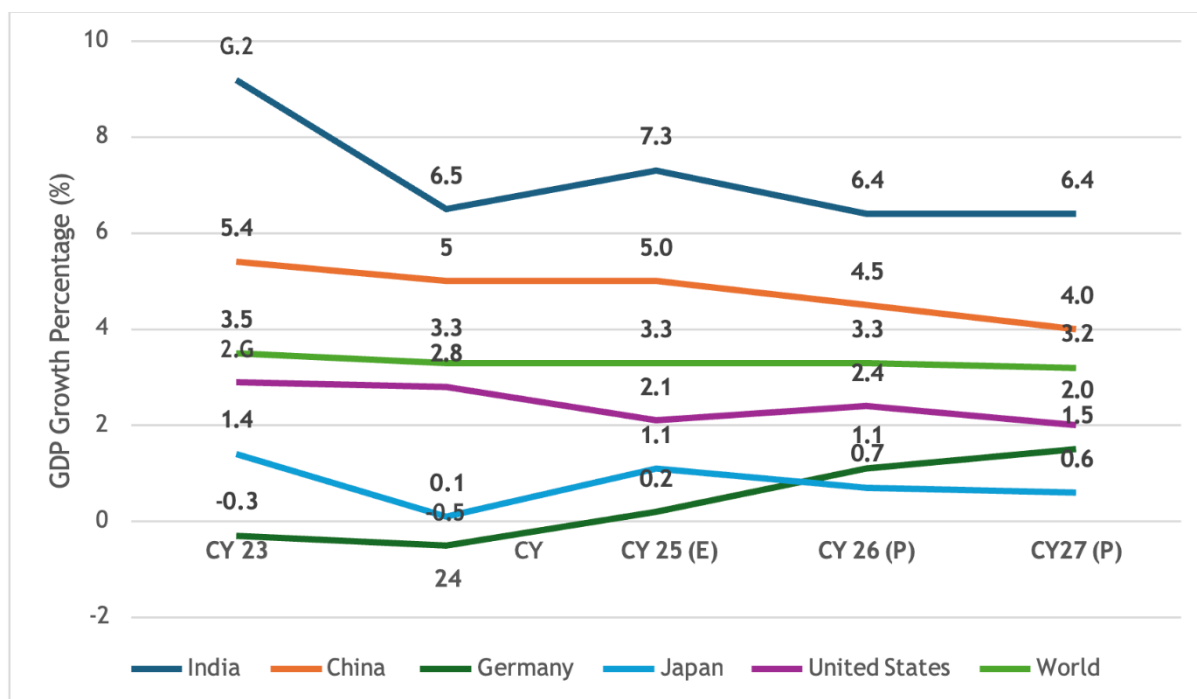
Sub-Saharan Africa is projected to grow at 4.4% in CY 2025, increased from 4.1% in CY 2024, with growth is expected to accelerate further at 4.6% in CY 2026. This gradual improvement is being supported by better weather conditions and more efficient supply chain operations.

In the Middle East and Central Asia, the economy is forecasted to expand from 3.7% in CY 2025 to 3.9% in CY 2026, and further at around 4.0% in CY 2027, driven by stabilization in oil production and ongoing economic reforms.

For Latin America and the Caribbean, the economy is expected to slow from 2.4% in CY 2025, to 2.2% in CY2026, but increase again at 2.7% in CY 2027 reflecting stable yet subdued economic momentum supported by stronger macroeconomic management across key economies.

Emerging and Developing Europe remains subdued, with growth estimated at 2.0% in CY 2025, down from 3.5% in CY 2024, expected to rise modestly to 2.3% in CY 2026 and further at 2.4% in 2027. However, the recent Greenland issue and tariff imposition by the US President has posed fresh challenges for the region. The region continues to face structural manufacturing challenges, particularly in major economies like Germany.

India and Top 4 Global Economies GDP Forecast



Note: E = Estimates, P = Projections

Source: IMF World Economic Outlook January, 2026 update

Overall, while global growth is expected to remain steady at 3.3% in CY 2025~CY2026 and at 3.2% in CY2027, regional disparities persist, influenced by a combination of domestic challenges, external geopolitical tensions, and fluctuating commodity prices.

2. India’s Macroeconomic Scenario

2.1 Gross Domestic Product

Real GDP has been estimated to grow by 7.6% in FY 2025-26. Nominal GDP has witnessed a growth of 8.6%. These growth rates are revised upward from their respective First Advance Estimates computed using previous Base Year (2011-12). Source – MOSPI, Press release – Second advance estimates of Gross domestic product with base year 2022-23 posted on February 27th, 2026.

India's Economic Growth Momentum Remains Strong - Surpassed USD 4 Trillion.

In June 2025, India became the fourth-largest economy in the world and retained its position as the fastest-growing major economy. The country is projected to become the world's third largest economy by 2030, with an estimated GDP of USD 7.3 trillion.

Source: PIB, Press Release - India Becoming an Economic Powerhouse posted on June 16, 2025

India achieved a significant milestone by overtaking Japan to become the third most powerful nation in the Asia-Pacific region, as per the Asia Power Index 2024. India's overall score rose to 39.1, reflecting a 2.8-point increase from the previous year, driven by growing influence across economic, military, and diplomatic dimensions.

Source: PIB, Press Release - India becomes 3rd Most Powerful Nation in Asia, Surpasses Japan in Asia Power Index posted on September 24, 2024

Key factors behind India's rise include its strong economic performance, expanding and youthful workforce, and increasing strategic engagement across the region. India's Economic Capability improved significantly, supported by its position as the world's third-largest economy in terms of purchasing power parity (PPP). Additionally, a notable increase in its Future Resources score highlights the demographic advantage that is expected to sustain its growth trajectory in the coming years.

2.2 Gross Value Added (GVA)

According to the Second Advance Estimate of GDP for 2025-26 by MOSPI, Govt. of India (GoI), Real GVA is estimated at INR 294.40 lakh crore in the year 2025-26, against INR 273.36 lakh crore in FY 2024-25, registering a growth rate of 7.7% as compared to 7.3% growth rate in 2024-25. Nominal GVA is estimated to attain a level of INR 313.61 lakh crore during FY 2025- 26, against INR 288.54 lakh crore in 2024-25, showing a growth rate of 8.7%. (MOSPI, Press Release, 27 February 2026).

Major Highlights:

- Real GDP has been estimated to grow by 7.6% in FY 2025-26. Nominal GDP has witnessed a growth of 8.6%. These growth rates are revised upward from their respective First Advance Estimates computed using previous Base Year (2011-12).
- Overall Economic performance in FY 2025-26 is primarily on account of robust Real growth observed in Second Quarter (8.4%) and Third Quarter (7.8%).
- The Economy has exhibited sustained performance, recording Real GDP growth rates of 7.2% and 7.1% respectively during FY 2023-24 and FY 2024-25.
- Nominal GDP has registered 11.0% and 9.7% growth rates during FY 2023-24 and FY 2024-25 respectively.
- Manufacturing sector has been the major driver in contributing to the resilient performance of the economy in consecutive 3 financial years after rebasing. This sector has attained double digit growth rates in FY 2023-24 and FY 2025-26.
- Secondary and Tertiary sectors have boosted the performance of the economy by registering above 9.0% growth rate in FY 2025-26.
- 'Trade, Repair, Hotels, Transport, Communication & Services related to Broadcasting, Storage' sector has attained a growth rate of 10.1% at Constant Prices in FY 2025-26.
- On the Consumption side, both the Private Final Consumption Expenditure (PFCE) and Gross Fixed Capital Formation (GFCF) have exhibited more than 7.0% growth rate in FY 2025-26.

Source: MOSPI, Press Release, 27 February 2026, Govt. of India (GoI).

2.3 Consumer Price Index (CPI)

The GOI published on 12 Feb'26, the retail inflation data for January 2026 with the new base year of 2024, whereas the Headline inflation has increased for the month of January 2026 over January 2025 is 2.75%.

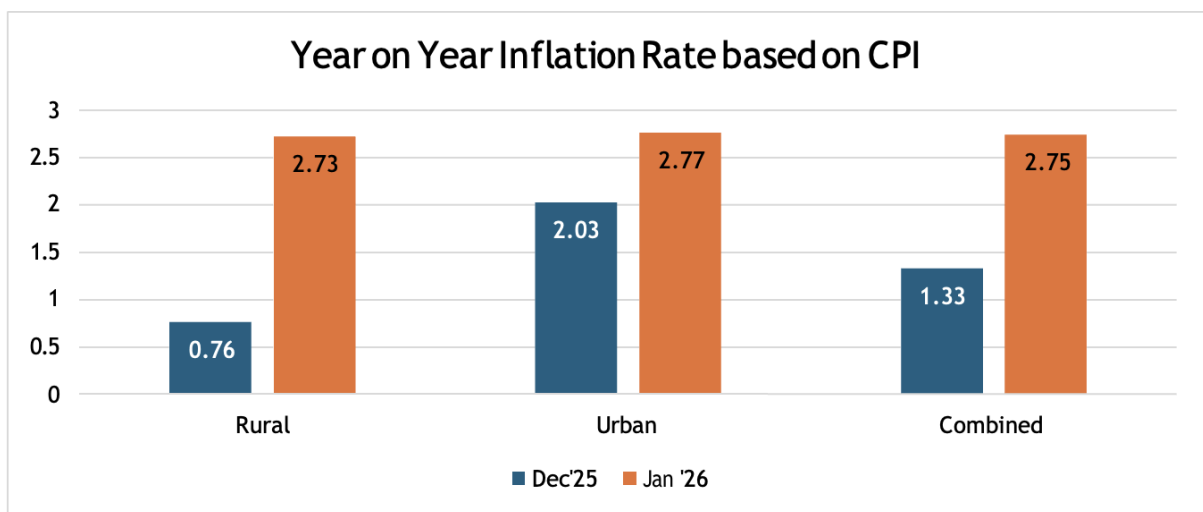
At the all-India level, the number of weighted items has increased from 299 to 358 in CPI 2024. Within this:

- Goods items are increased from 259 to 308
- Services items are increased from 40 to 50

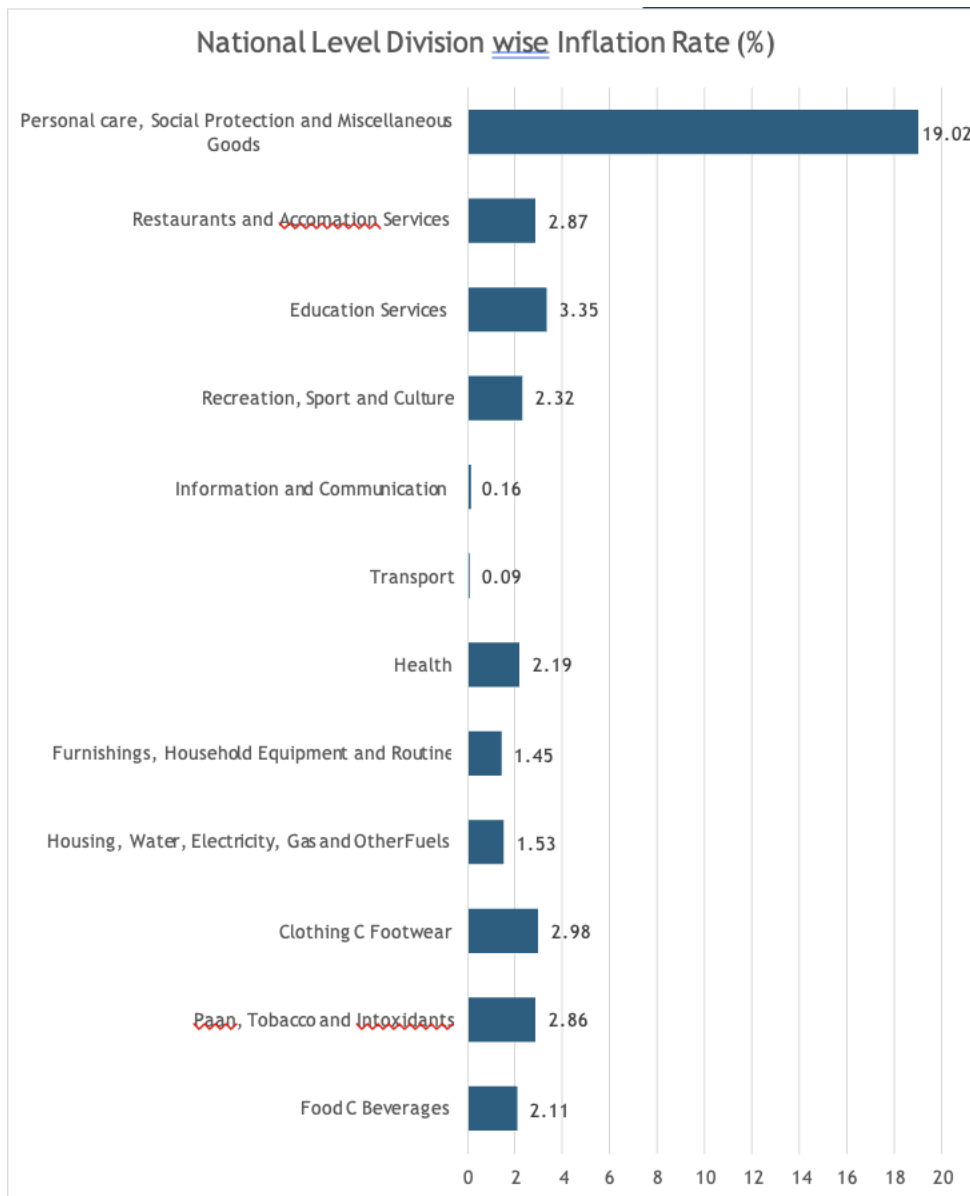
This expansion strengthens the representation of the services sector, which has assumed greater importance in household expenditure over time.

What's New:

- Base revised from 2012 to 2024 using Household Consumption Expenditure Survey 2023-24
- 12 Divisions in place of 6 Groups in accordance to Classification of Individual Consumption According to Purpose (COICOP) 2018.
- Release of All India and State level Item indices for rural, urban and combined sectors
- New Additions: Rural housing, Online media service provider/ Streaming services, value added dairy products, Barley & its product, Pen-drive & External Hard disk, Attendant, Babysitter and Exercise Equipment.
- Items Removed: VCR/VCD/DVD player and hiring charges, Radio, Tape recorder, Clothing second-hand, CD/DVD audio/video cassettes and Coir/rope.



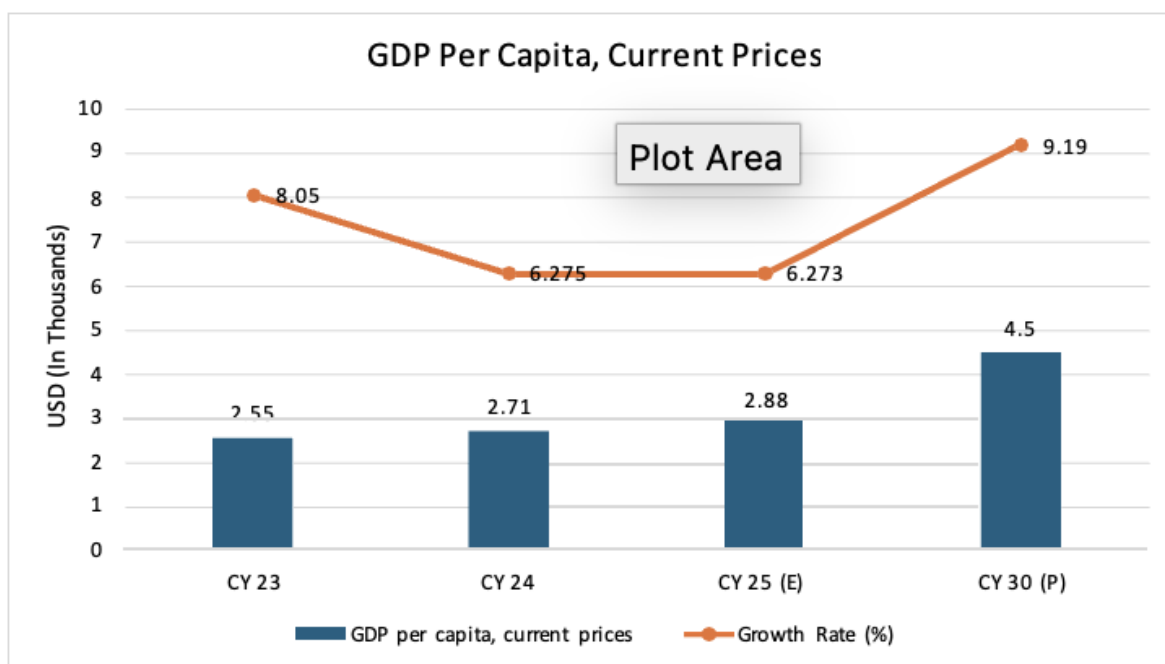
Source: MOSPI, GOI



Source: MOSPI

2.4 India Per Capita GDP Forecast

Per capita GDP growth for India is estimated at 9.19% CAGR between CY2025-2030. Increased individual incomes are expected to create additional discretionary spending, which may be beneficial for the sector.



Note: E = Estimated, P = Projected

Source: IMF Data Mapper, World Economic Outlook April 2025, India, GDP Per Capita

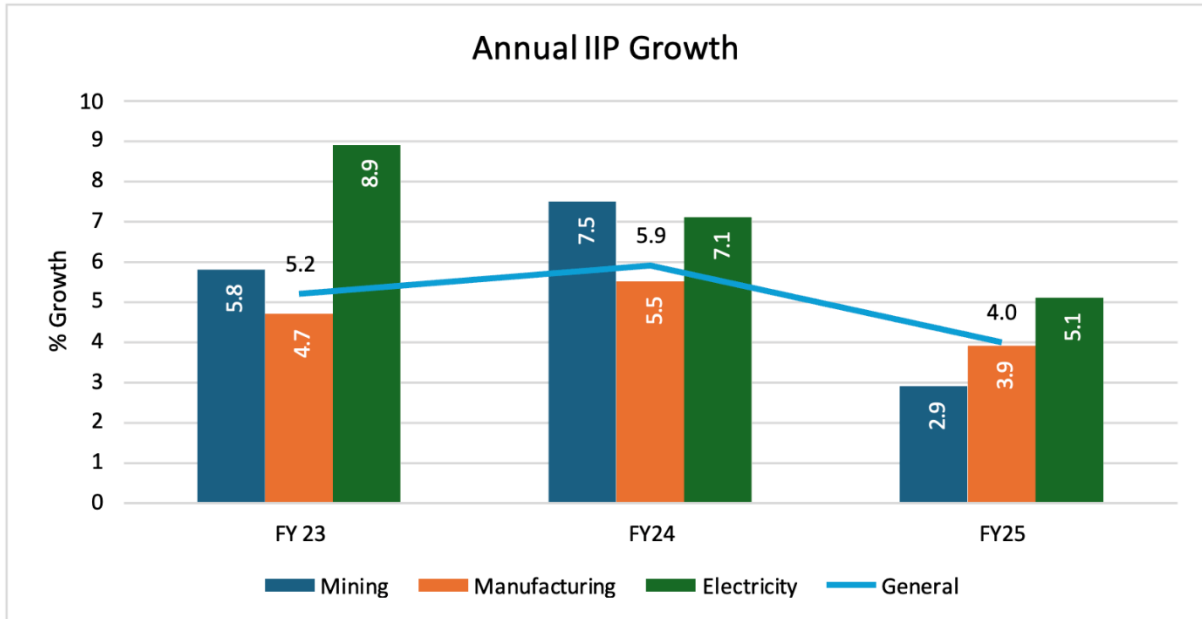
2.5 Index of Industrial Production (IIP) Growth Trends:

As per the Index of Industrial Production (IIP), the industrial sector grew by 4.0% in FY 2025, moderating from 5.9% in FY 2024 and 5.2% in FY 2023. This deceleration in overall IIP growth in FY 2025 reflects a softening of industrial momentum amidst global headwinds and tighter financial conditions.

Among key components

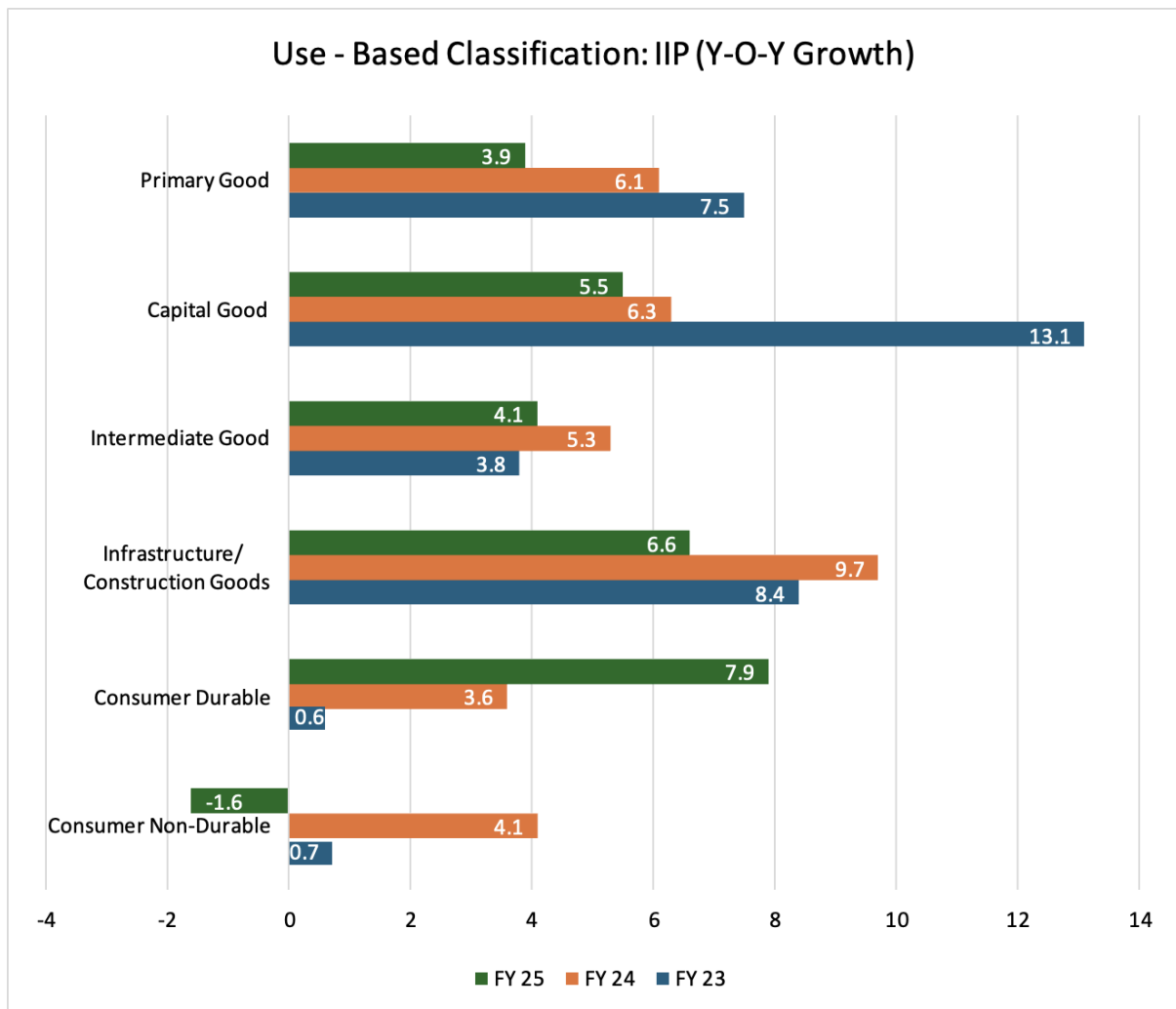
- **Manufacturing:** (which holds a 77.6% weight in IIP) registered a slower growth of 3.9% in FY 2025, compared to 5.5% in FY 2024 and 4.7% in FY 2023.
- **Mining** growth also moderated sharply to 2.9% in FY 2025 from 7.5% in FY 2024 and 5.8% in FY 2023.
- **Electricity** growth remained relatively stable at 5.1% in FY 2025, slightly down from 7.1% in FY 2024 and significantly lower than 8.9% in FY 2023.

This slowdown indicates tightening domestic demand and spillover effects from a weaker global industrial cycle



Source: Ministry of Statistics & Programme Impementation (MOSPI)

Use-Based Classification trends:



Source: Ministry of Statistics & Programme Implementation (MOSPI)

According to the use-based classification:

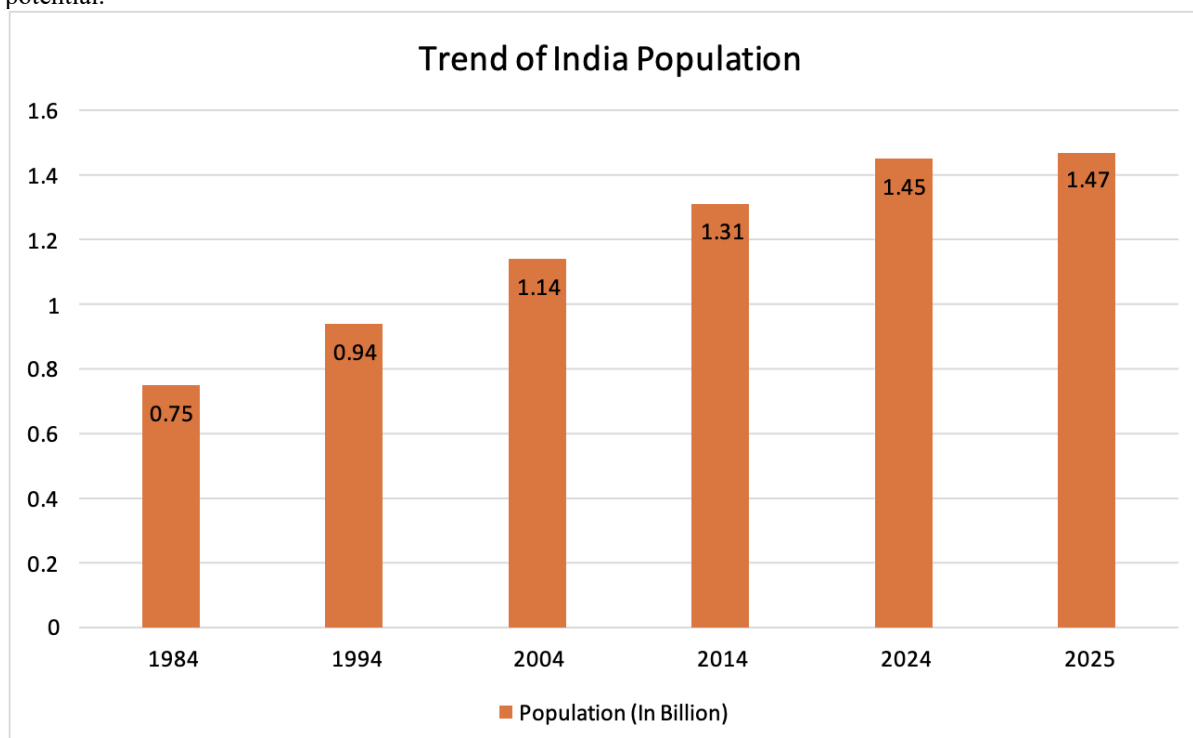
- Capital Goods segment growth slowed to 5.5% in FY 2025, down from a high of 13.1% in FY 2023 and 6.3% in FY 2024, indicating a reduction in investment momentum.
- Primary Goods also witnessed slower growth at 3.9%, compared to 6.1% in FY 2024 and 7.5% in FY 2023.
- Intermediate Goods rebounded modestly to 4.1% in FY 2025, up from 3.8% in FY 2023, although still lower than 5.3% in FY 2024.
- Infrastructure/Construction Goods slowed to 6.6% in FY 2025 from 9.7% in FY 2024 and 8.4% in FY 2023, pointing to softening construction and infrastructure activity.
- Consumer Durables grew significantly by 7.9%, rebounding from 3.6% in FY 2024 and 0.6% in FY 2023, indicating improved demand in consumer electronics and appliances.
- In contrast, Consumer Non-Durables contracted by 1.6% in FY 2025, reversing the 4.1% growth in FY 2024, likely reflecting subdued rural and essential goods demand.

The divergence in growth across segments suggests an uneven industrial recovery in FY 2025. While certain consumer categories have rebounded, investment-related and primary sectors remain under pressure.

2.6 Overview on Key Demographic Parameters

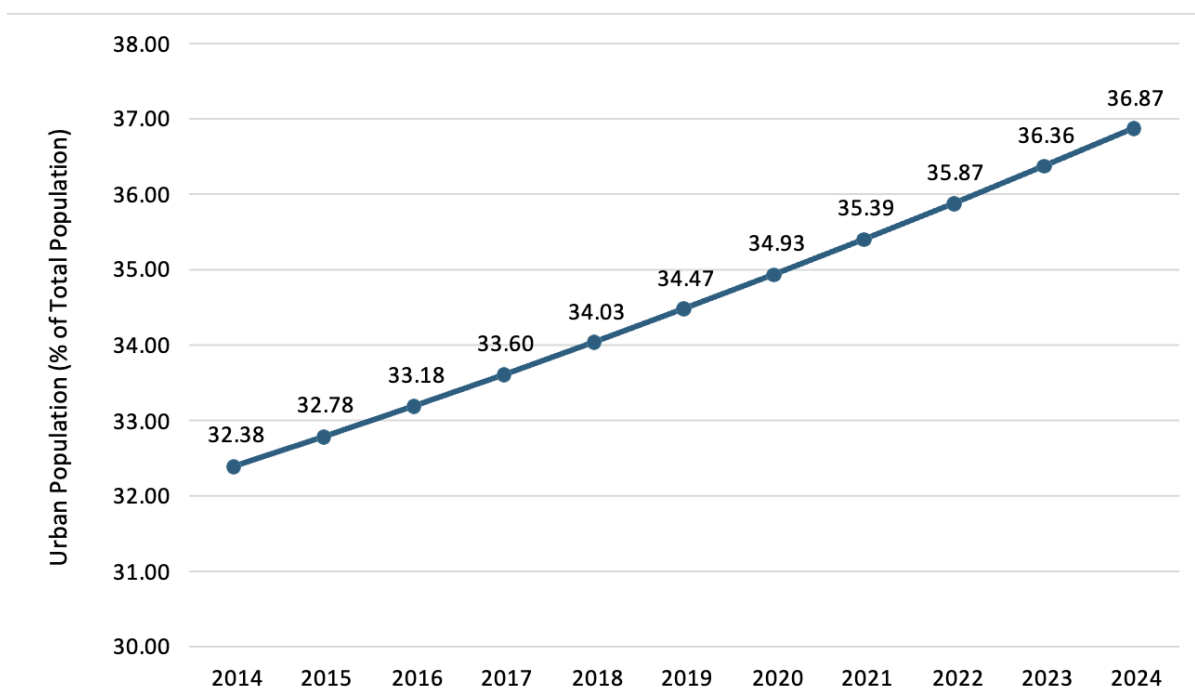
2.6.1 Population growth and Urbanization

India's economic trajectory and consumption dynamics are closely tied to its demographic shifts. India's population expanded from approximately 0.75 billion in 1984 to 1.45 billion in 2024 and is further reached around 1.47 billion in 2025, consolidating its position as the world's most populous nation. This sustained growth underlines the emergence of a vast labour force and consumer base, which is essential for driving long-term economic growth, supporting rising consumption demand, and strengthening the country's overall economic potential.



Source: World Bank Database. Population Data 2025 - Worldometer, Infometrics Analytics &

Urbanization Trend in India



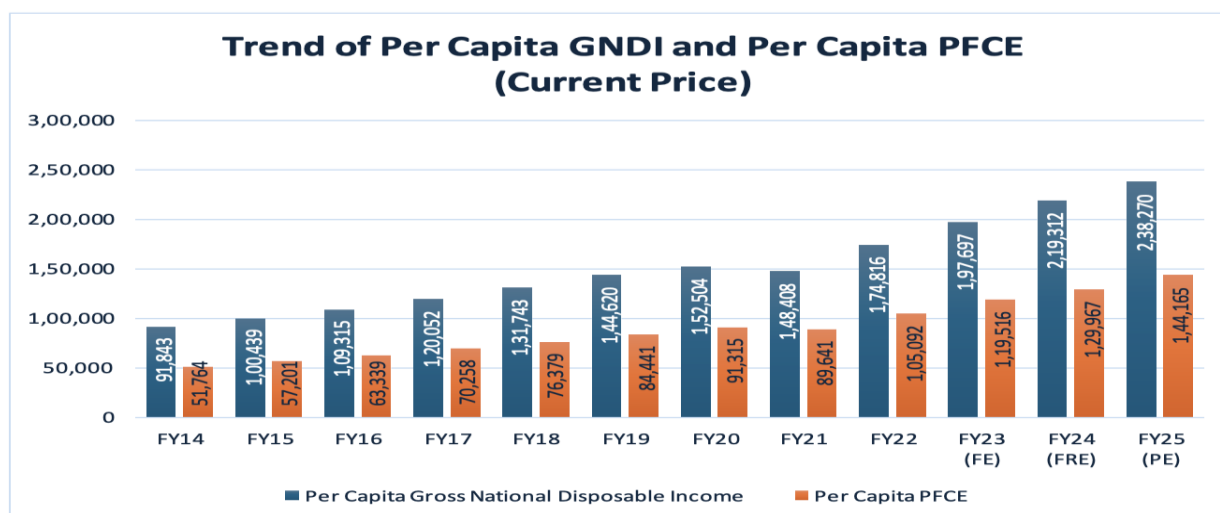
Source: World Bank Database

Urbanization, too, is transforming India’s socio-economic fabric. The urban population rose from 424.96 million in 2014 (32.38% of total population) to 522.93 million in 2023 (36.36%), and further to approximately 534.91 million in 2024 (36.87%), according to World Bank estimates. This rapid growth in urban areas underscores the need for sustainable urban planning, investment in infrastructure, and development of smart cities to accommodate and benefit from the shifting population dynamics.

2.7.2 Disposable Income and Consumer Spending

Gross National Disposable Income (GNDI) represents the total income available to a nation’s residents for consumption and saving after accounting for income transfers with the rest of the world. In FY24, Per capita GNDI grew by 10.9%, followed by a moderate growth of 8.6% in FY25. This steady increase indicates that households and businesses had more income at their disposal, which is critical for supporting both consumption and savings—key components of economic resilience and expansion.

The rise in GNDI has translated into higher consumer spending, as reflected in the growth of Private Financial Consumption Expenditure (PFCE), which measures the total value of goods and services consumed by households. Per Capita PFCE grew by 8.7% in FY24 and further accelerated to 10.9% in FY25, highlighting strong consumer confidence and robust domestic demand.



Note: Data mentioned is in INR, FE – Final Estimates, FRE – First Revised Estimates, PE – Provisional Estimate

2.8 Union Budget FY26-27 Highlights

The Union Budget FY 2026–27, presented by Finance Minister Nirmala Sitharaman, introduces a comprehensive set of measures aimed at stimulating economic growth, enhancing infrastructure, and fostering inclusive development. With a focus on sectors such as agriculture, MSMEs, infrastructure, innovation, and exports, the budget seeks to create a conducive environment for sustained economic expansion.

- **Capital Expenditure and Infrastructure Development**

In FY2026-27, the Union Budget has increased the public capex towards to INR 12.2 lakh crore from the previous INR 11.21 lakh crore (3.1% of GDP) which was earmarked in FY 2025–26. To strengthen the confidence of private developers regarding risks during infrastructure development and construction phase, the budget proposed to set up an Infrastructure Risk Guarantee Fund to provide prudently calibrated partial credit guarantees to lenders.

- **Support for MSMEs**

Recognizing the pivotal role of Micro, Small, and Medium Enterprises (MSMEs) in India's economic landscape, the budget introduced a three-pronged approach to support the sector. The budget introduced a dedicated INR 10,000 crore SME Growth Fund as well as proposed to top up the Self-Reliant India Fund set up in 2021, with INR 2,000 crore to continue support to micro enterprises and maintain their access to risk capital. With TReDS, more than INR 7 lakh crore has been made available to MSMEs. To leverage its full potential, the budget further proposed four measures: (i) mandate TReDS as the transaction settlement platform for all purchases from MSMEs by CPSEs, serving as a benchmark for other corporates; (ii) introduce a credit guarantee support mechanism through CGTMSE for invoice discounting on TReDS platform; (iii) link GeM with TReDS for sharing information with financiers about government purchases from MSMEs, encouraging cheaper and quicker financing; (iv) introduce TReDS receivables as asset-backed securities, helping develop a secondary market, enhancing liquidity and settlement of transactions. Moreover, Government will facilitate Professional Institutions such as ICAI, ICSI, ICMAI to design short-term, modular courses and practical tools to develop a cadre of 'Corporate Mitras', especially in Tier-II and Tier-III towns, which will help MSMEs meet compliance requirements at affordable costs.

- **Establishment of dedicated Rare Earth Corridors**

A Scheme for Rare Earth Permanent Magnets was launched in November 2025. In line with that, the budget proposed to support the mineral-rich States of Odisha, Kerala, Andhra Pradesh and Tamil Nadu to establish dedicated Rare Earth Corridors to promote mining, processing, research and manufacturing

- **Integrated Programme for Textile Sector**

The following Schemes have been announced:

- (a) The National Fibre Scheme for self-reliance in natural fibres such as silk, wool and jute, man-made fibres, and new-age fibres.
- (b) Textile Expansion and Employment Scheme to modernise traditional clusters with capital support for machinery, technology upgradation and common testing and certification centres.
- (c) A National Handloom and Handicraft programme to integrate and strengthen existing schemes and ensure targeted support for weavers and artisans.
- (d) Tex-Eco Initiative to promote globally competitive and sustainable textiles and apparels.
- (e) Samarath 2.0 to modernize and upgrade the textile skilling ecosystem through collaboration with industry and academic institutions.

- **Carbon Capture Utilization and Storage (CCUS)**

Aligning with the roadmap launched in December 2025, CCUS technologies at scale will achieve higher readiness levels in end-use applications across five industrial sectors, including, power, steel, cement, refineries and chemicals. An outlay of INR 20,000 crore is proposed over the next 5 years.

- **Municipal Bonds**

To encourage the issuance of municipal bonds of higher value by large cities, the budget proposed an incentive of INR 100 crore for a single bond issuance 10 of more than INR 1000 crore. The current scheme under AMRUT which incentivises issuances up to INR 200 crore, will also continue to support smaller and medium towns.

- **Ease of Doing Business**

Individual Persons Resident Outside India (PROI) will be permitted to invest in equity instruments of listed Indian companies through the Portfolio Investment Scheme. It is also proposed to increase the investment limit for an individual PROI under this scheme from 5% to 10%, with an overall investment limit for all individual PROIs to 24%, from the current 10%.

- **Hubs for Medical Value Tourism**

To promote India as a hub for medical tourism services, the budget proposed to launch a Scheme to support States in establishing five Regional Medical Hubs, in partnership with the private sector. These Hubs will serve as integrated healthcare complexes that combine medical, educational and research facilities. They will have AYUSH Centres, Medical Value Tourism Facilitation Centres and infrastructure for diagnostics, post-care and rehabilitation. These Hubs will provide diverse job opportunities for health professionals including doctors and AHPs.

- **Agricultural Related Schemes**

To diversify farm outputs, increase productivity, enhance farmers' incomes, and create new employment opportunities, the budget announced support schemes related to high value crops such as coconut, sandalwood, cocoa and cashew in coastal areas. Agar trees in Northeast and nuts such as, almonds, walnuts and pine nuts in hilly regions will also be supported. India is the world's largest producer of coconuts.

About 30 million people, including nearly 10 million farmers, depend on coconuts for their livelihood. To further enhance competitiveness in coconut production, the Budget proposed a Coconut Promotion Scheme to increase production and enhance productivity through various interventions including replacing old and non-productive trees with new saplings/plants/varieties in major coconut growing States. A dedicated programme is proposed for Indian cashew and cocoa to make India self-reliant in raw cashew and cocoa production and processing, enhance export competitiveness and transform Indian Cashew and Indian Cocoa into premium global brands by 2030.

Further, the Central Government will partner with State Governments to promote focused cultivation and post-harvest processing to restore the glory of the Indian Sandalwood ecosystem. To rejuvenate old, low-yielding orchards and expand high-density cultivation of walnuts, almonds and pine nuts, the budget announced to support a dedicated programme to enhance farmer incomes and in bringing value addition by engaging youth.

The Union Budget FY 2026–27 presents a balanced approach to economic growth by addressing immediate consumption needs and laying the foundation for long-term sustainability. Through targeted investments in infrastructure, support for MSMEs, and sector-specific initiatives, the budget aims to foster an inclusive and resilient economy. These measures are expected to create new opportunities for financial institutions, as the growing demand for investment products will provide avenues for expansion and innovation in the financial services sector.

3. Industry Overview

Introduction

The global cotton industry is a foundational component of the international textile and apparel value chain, supplying a natural, renewable fibre that is widely used in clothing, home textiles, and industrial applications. Cotton cultivation and processing support millions of livelihoods worldwide and contribute significantly to agricultural income, manufacturing output, and global trade. The industry spans a complex and integrated value chain encompassing farming, ginning, spinning, weaving, processing, garmenting, and distribution across both developed and emerging economies.

Globally, cotton is produced across diverse geographies, with major producing regions including Asia, the Americas, and Africa, supported by varied agro-climatic conditions and large-scale farming operations. The industry is closely linked to global consumption trends in apparel and textiles, making it sensitive to economic cycles, trade policies, and consumer preferences. International trade plays a central role, as cotton-producing countries often export raw cotton, yarn, and finished textiles to manufacturing and consumption hubs worldwide.

In recent years, the global cotton industry has been shaped by increasing focus on sustainability, traceability, and responsible sourcing, driven by regulatory standards and rising consumer awareness. Initiatives related to water efficiency, reduced chemical usage, organic cotton, and certified supply chains are gaining importance. Despite competition from synthetic fibres, cotton continues to retain its relevance due to its comfort, biodegradability, and environmental acceptability. Overall, the global cotton industry remains a strategically important sector, underpinning the textile economy and supporting long-term demand through population growth, urbanisation, and expanding global apparel consumption.

Key Market Segments

The cotton industry can be segmented based on product type, application, processing type, distribution channel. Each segment serves different market demands and value chains.

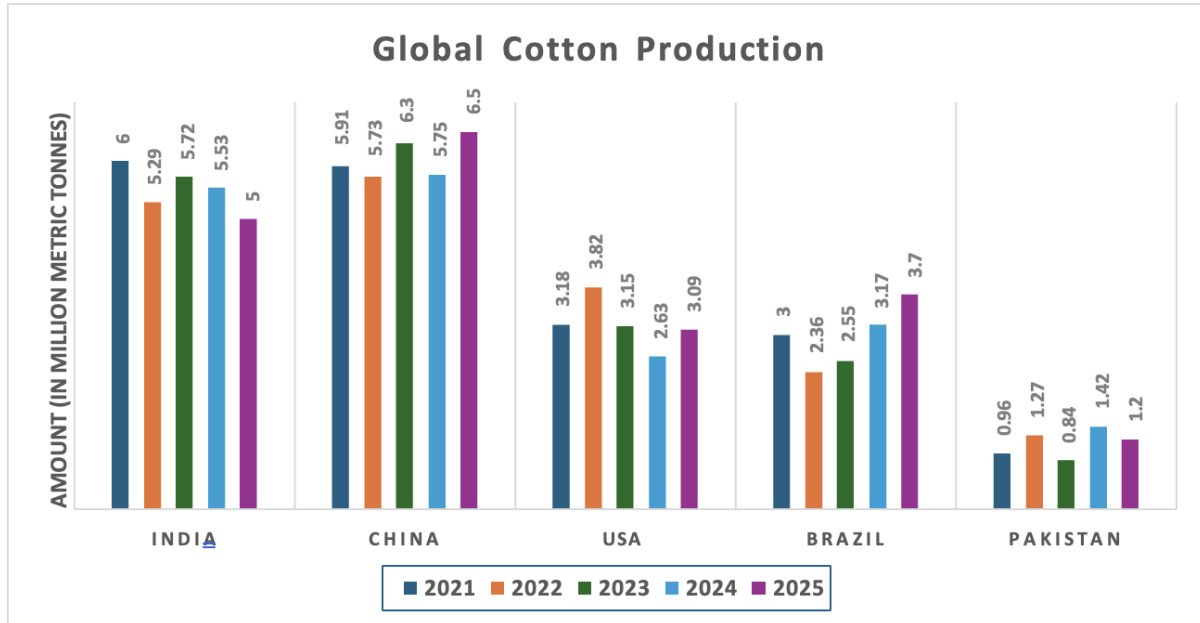
Segmentation Category	Segment	Details & Examples
Product Type	Raw Cotton	Unprocessed cotton directly from farms; sent to ginning mills.
	Cotton Lint	Fiber separated from seeds post-ginning; input for spinning mills.
	Cotton Bales	Pressed lint packed in standardized units for storage and export.
	Cottonseed	By-product from ginning; used in oil extraction and feed.
	Cotton Cake	Residue after cottonseed oil extraction; used as high-protein cattle feed.
	Organic Cotton	Grown without chemical fertilizers/pesticides; GOTS or India Organic certified.
	Recycled Cotton	Processed from textile waste (post-consumer/post-industrial); supports circular economy.
	Cotton Yarn	Yarn spun from cotton lint—used in knitting, weaving, and sewing
	Open end Yarn	Coarser yarn produced by rotor (open-end) spinning; bulkier, more absorbent, abrasion-resistant; ideal for towels, denim, industrial fabrics
Application	Textiles & Apparel	Spun into yarn for clothing—shirts, denim, T-shirts, etc.
	Home Furnishings	Bedsheets, pillowcases, curtains, towels, cushion covers.
	Medical & Hygiene	Used in absorbent cotton, surgical dressings, swabs, pads.
	Industrial Applications	Used in canvas, tents, filters, insulation materials, tarpaulins, and technical textiles.
	Oil Extraction	Cottonseed processed for extraction of edible cottonseed oil
	Animal Feed	Cotton cake used as feed in dairy and poultry farming.
	Personal Care Products	Cotton balls, baby wipes, makeup removal pads, hygiene products.
Processing Type	Conventional Cotton	Grown using agrochemicals and standard seeds; most common method.
	Organic Cotton	Certified eco-friendly production without synthetic inputs.
	Bt Cotton	Genetically modified for pest resistance; ~90% of Indian cotton area.

3.1 Global Cotton Industry

Cotton plays a pivotal role in the global textile industry, serving as one of the most widely produced and consumed natural fibres worldwide. As a key agricultural commodity, it supports the livelihoods of millions of farmers and contributes significantly to the economies of both developed and developing nations. The global cotton market is primarily dominated by a few major producers such as India, China, the United States, Brazil, and Pakistan, which together account for a substantial share of global output. Similarly, consumption patterns are influenced by large

textile manufacturing hubs and emerging economies with growing apparel demand. Understanding global trends in cotton production and consumption is essential for assessing trade dynamics, pricing, and sustainability efforts across the value chain.

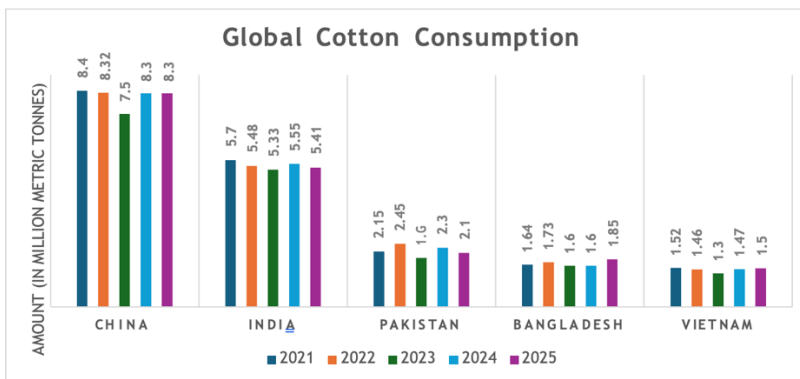
Global Production of Cotton (Top 5 Countries)



World: ICAC Journal “Cotton This Month” – 01.07.2025: COCPC Meeting Dated 24.03.2025

Top 5 Countries illustrates the production trends of cotton (in million metric tonnes) between 2021 and 2025 across India, China, the USA, Brazil, and Pakistan. India, which led production in 2021 with 6 million tonnes, shows a consistent decline over the years, reaching just 5 million tonnes by 2025. This downward trend reflects challenges such as climate dependency, stagnating yields, and limited irrigation coverage. In contrast, China has maintained stable production levels, fluctuating only slightly but rebounding strongly to an estimated 6.5 million tonnes in 2025, underscoring its strong agri-tech infrastructure and high productivity. The USA demonstrates a more volatile trend—peaking at 3.82 million tonnes in 2022 and dipping to 2.63 million tonnes in 2024, before recovering to 3.09 million tonnes in 2025—suggesting sensitivity to weather conditions and shifting crop priorities. Brazil stands out with steady growth, rising from 2.36 million tonnes in 2022 to a projected 3.7 million tonnes in 2025, driven by increased acreage and investment in cotton farming. Pakistan, on the other hand, shows significant fluctuations with a low of 0.84 million tonnes in 2023, recovering to 1.42 million tonnes in 2024, and slightly decreasing again in 2025. These patterns highlight shifting global dynamics in cotton production, with China and Brazil showing resilience and growth, while India and Pakistan face structural challenges that may impact their long-term competitiveness in the global cotton market.

Global Consumption of Cotton (Top 5 Countries)



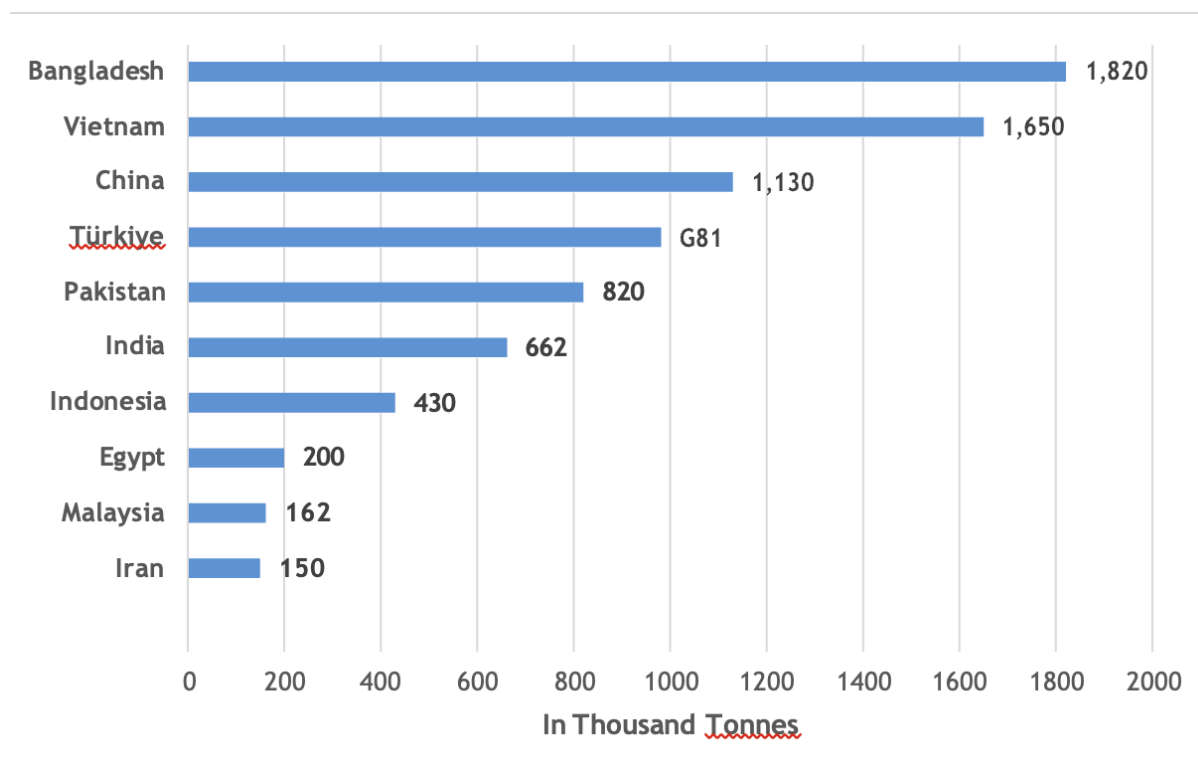
World: ICAC Journal ‘Cotton This Month’ – 01.07.2025, India: COCPC Meeting dated 24.03.2025

This highlights the trends in cotton consumption (in million metric tonnes) from 2021 to 2025 across the leading consumer nations—China, India, Pakistan, Bangladesh, and Vietnam. China consistently ranks as the world’s largest consumer of cotton, reaching a peak of 8.4 million tonnes in 2021. Although there was a dip to 7.5 million tonnes in 2023, consumption recovered and stabilized at 8.3 million tonnes by 2025, reflecting steady demand from its expansive textile and apparel industry.

India, the second-largest consumer, displays a stable consumption pattern, fluctuating modestly between 5.33 and 5.7 million tonnes during 2021 to 2025. The marginal drop in 2025 may be attributed to supply constraints or shifts in domestic textile production. Pakistan’s consumption is marked by greater volatility, climbing to 2.45 million tonnes in 2022, before tapering off to 2.1 million tonnes in 2025, likely due to economic pressures and lower domestic output. Bangladesh, an important hub for global garment manufacturing, shows consistent growth in cotton consumption—from 1.64 million tonnes in 2021 to a projected 1.85 million tonnes by 2025—driven by export-led expansion in its textile sector. Vietnam’s consumption remains relatively steady, ranging between 1.52 and 1.3 million tonnes during 2021 to 2023, with slight recovery anticipated by 2025, supported by ongoing foreign investment and industrial growth.

Trade Dynamics

Global Importing Countries of Cotton (Top 10) – 2024/25 Season



Source – ICAC (internal Cotton Advisory Committee)

The data highlights a clear concentration of cotton imports among Asia-centric textile manufacturing hubs, underscoring global production and consumption dynamics in the cotton value chain.

Bangladesh emerges as the largest importer, reflecting its position as one of the world’s leading garment manufacturing and export hubs, with a heavy reliance on imported raw cotton due to limited domestic production. Vietnam and China follow closely, driven by their large-scale textile and apparel industries, strong export orientation, and integrated manufacturing ecosystems that require consistent and high-volume cotton supplies.

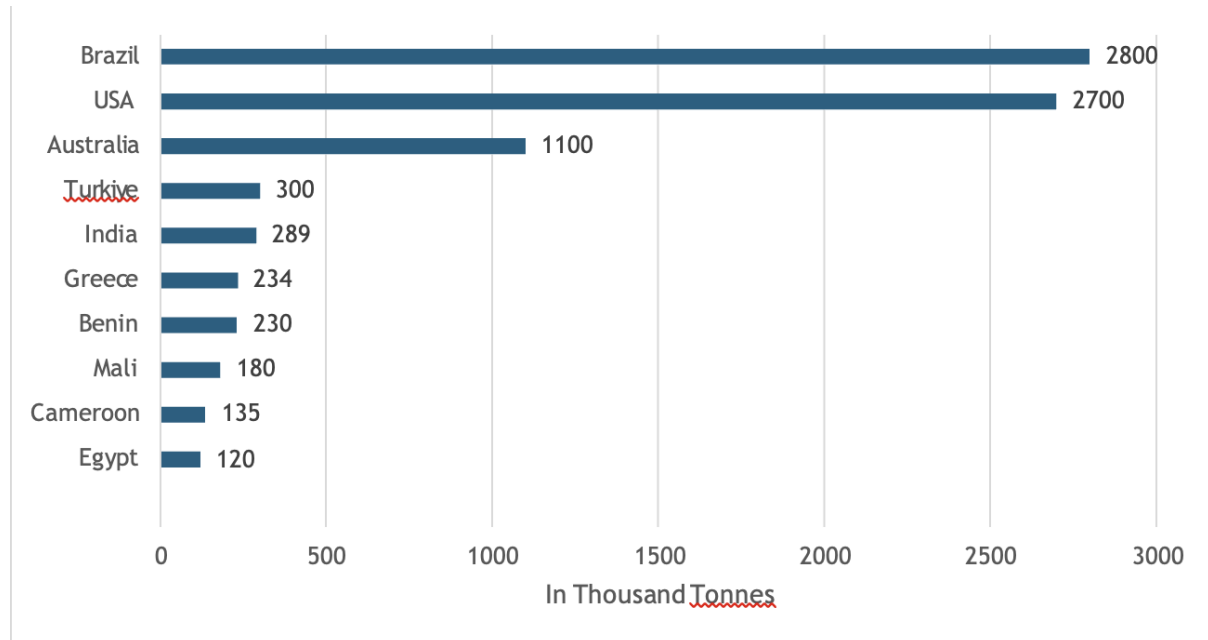
Türkiye, Pakistan, and India occupy the mid-tier of importers. Türkiye’s imports are supported by its advanced textile and home furnishing industry catering to European markets. Pakistan and India, despite being cotton producers themselves, continue to import cotton to bridge quality gaps, manage seasonal shortages, and support large domestic spinning capacities.

Indonesia, Egypt, Malaysia, and Iran account for relatively lower import volumes. Indonesia’s imports align with its growing apparel manufacturing base, while Egypt’s imports complement its domestic long-staple cotton

production for specific blends and industrial uses. Malaysia and Iran represent smaller but stable demand, linked to niche textile processing and regional consumption.

Overall, the distribution reflects the dominance of South and Southeast Asia in global textile manufacturing, with cotton imports closely tied to export-driven apparel production, capacity expansion in spinning and weaving, and the need for consistent fibre quality across different end-use applications.

Global Exporting Countries of Cotton (Top 10) – 2024-25 Season



Source – ICAC (International Cotton Advisory Committee)

The chart highlights a highly concentrated global cotton export market, led by a few dominant suppliers. Brazil and the USA clearly emerge as the largest cotton exporting countries, with exports of approximately 2800 thousand tonnes and 2700 thousand tonnes, respectively. Their leadership is supported by large-scale commercial farming, high productivity, and strong export-oriented supply chains. Australia ranks third, exporting about 1100 thousand tonnes, benefiting from advanced irrigation practices and high-quality cotton output.

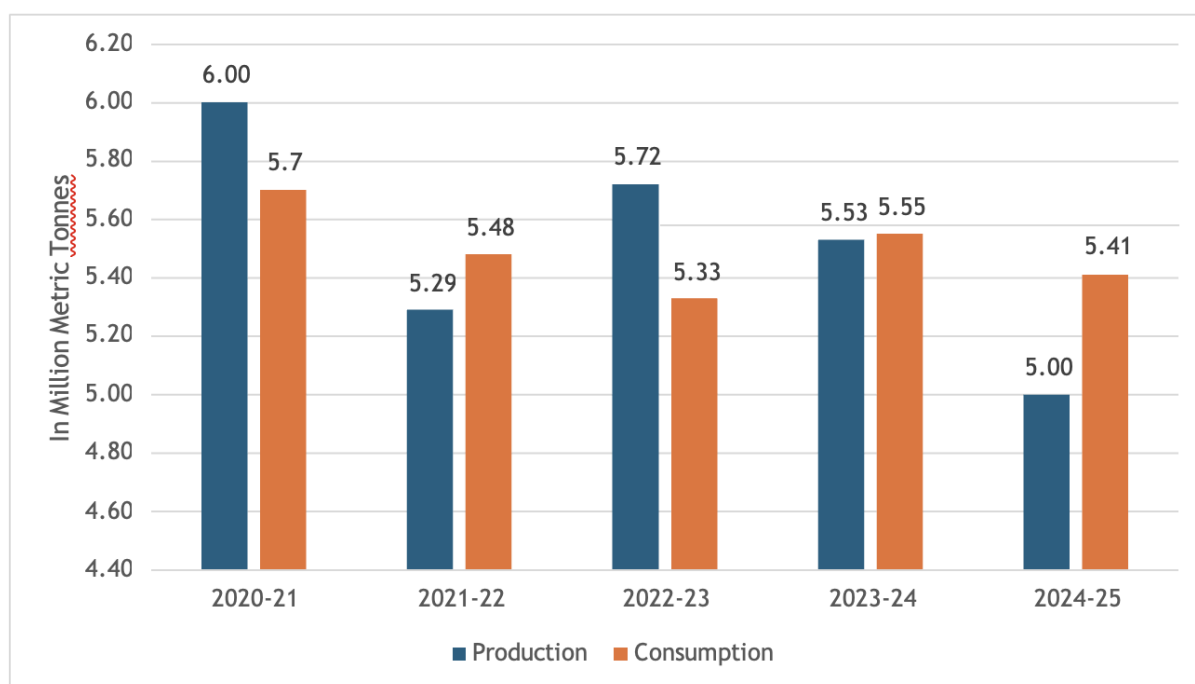
In contrast, other exporting countries operate at a significantly smaller scale. Türkiye and India export comparable volumes of around 300 thousand tonnes, followed closely by Greece and Benin, indicating their role as regional or niche suppliers rather than global leaders. Mali, Cameroon, and Egypt contribute relatively modest export volumes, reflecting limitations in production scale, domestic consumption priorities, or value-chain constraints.

Overall, the data underscores that global cotton exports are dominated by the Americas and Australia, while many Asian, African, and Mediterranean producers remain secondary exporters, despite being significant cotton growers. This concentration makes global cotton trade sensitive to production, policy, and weather-related developments in the leading exporting countries.

3.2 Indian Cotton Industry

The Indian cotton industry is a cornerstone of the country's textile value chain, supporting large-scale employment, rural livelihoods, and export-oriented manufacturing. India is one of the world's largest producers, consumers, and exporters of cotton, with a strong cultivation base spread across states such as Gujarat, Maharashtra, Telangana, and Punjab. Despite substantial domestic production, India continues to import cotton to address quality requirements, fibre-length specifications, and periodic supply deficits arising from yield volatility and climatic variability. The industry benefits from a well-developed spinning and weaving infrastructure, making cotton critical for yarn, fabric, and apparel exports. However, the sector remains exposed to fluctuations in global prices, input costs, and monsoon dependence, while increasing emphasis on sustainability, traceability, and productivity enhancement is shaping the long-term outlook of the Indian cotton industry.

Cotton Production and Consumption in India



Source: ICAC Journal 'Cotton This Month' – 01.07.2025, India: COCPC Meeting dated 24.03.2025

The chart indicates fluctuating trends in India's cotton production and consumption over the period FY2020–21 to FY2024–25, reflecting the combined impact of acreage shifts, weather variability, and evolving domestic demand. Cotton production declined from 6.00 million metric tonnes in FY2020–21 to 5.29 million metric tonnes in FY2021–22, before recovering to

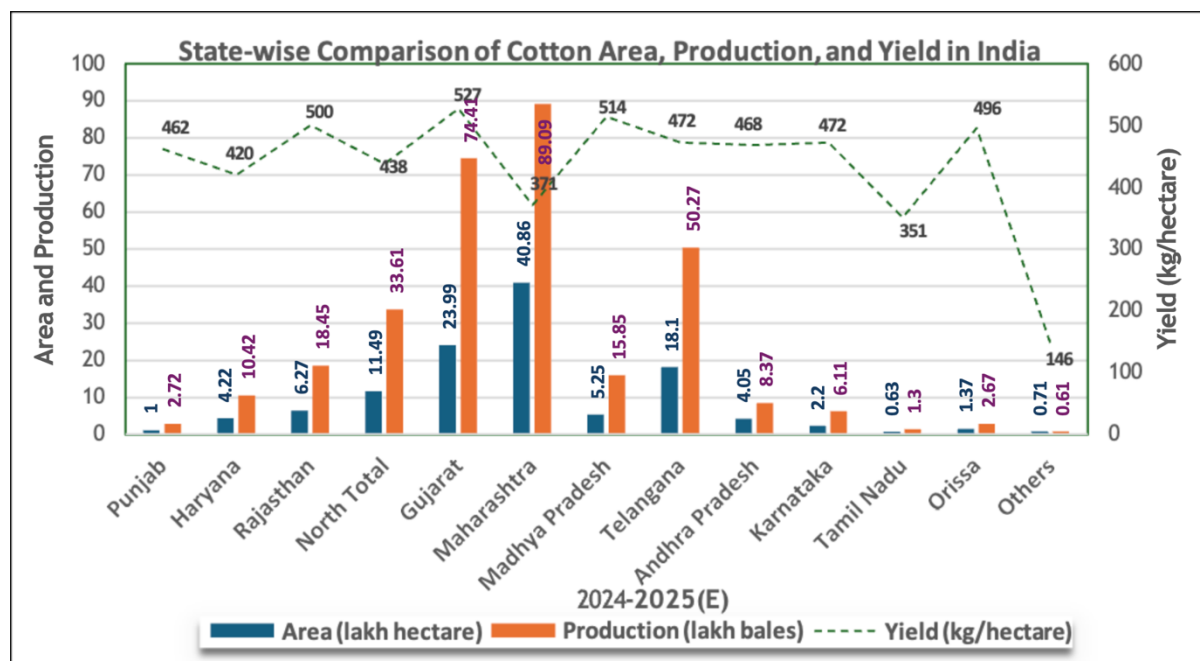
5.72 million metric tonnes in FY2022–23. However, production softened again to 5.53 million metric tonnes in FY2023–24 and is estimated to decline further to 5.00 million metric tonnes in FY2024–25, indicating supply-side pressures in recent years.

In contrast, cotton consumption has remained relatively stable to rising, increasing from 5.70 million metric tonnes in FY2020–21 to 5.48 million metric tonnes in FY2021–22, moderating slightly in FY2022–23, and then rising to 5.55 million metric tonnes in FY2023–24 and 5.41 million metric tonnes in FY2024–25. Notably, from FY2021–22 onwards, consumption consistently exceeds production, highlighting a tightening domestic supply-demand balance.

Overall, the widening gap between declining production and steady consumption suggests increased reliance on imports, drawdown of inventories, or pressure on domestic prices. These trends underline the importance of productivity improvements, stable acreage, and yield-enhancing measures to support India's cotton value chain and meet sustained domestic demand.

Region-wise Dominance in Indian Cotton Market

India’s cotton market is highly diversified and regionally segmented, reflecting the country’s vast agro-climatic zones and varied cropping patterns. As the world’s largest cotton producer, India cultivates cotton across multiple states, each contributing differently in terms of acreage, yield, and output quality. The regional distribution of cotton production is influenced by factors such as irrigation availability, rainfall patterns, soil types, and the adoption of high- yielding varieties. Understanding the region-wise share of the cotton market is crucial for policymakers, traders, and industry stakeholders to identify production trends, address logistical needs, and plan procurement strategies effectively.



Source: Meeting of Committee on Cotton Production and Consumption (COCPC)

The chart titled “State-wise Comparison of Cotton Area, Production, and Yield in India (2024–2025E)” offers a comprehensive view of regional performance in India’s cotton sector for the estimated year 2024–25. It simultaneously presents three critical indicators: area under cultivation (blue bars), total cotton production (orange bars), and yield in kilograms per hectare (green dotted line with markers), enabling a comparative assessment of scale, output, and productivity across key states.

The data reveals that Maharashtra leads in both area and production, with 40.86 lakh hectares of cultivated land resulting in 89.09 lakh bales. However, its yield remains relatively low at 371 kg/hectare, highlighting scope for improving farming efficiency. Gujarat, on the other hand, strikes an optimal balance with 23.99 lakh hectares of cotton area, producing 74.41 lakh bales, and achieving the highest yield nationally at 527 kg/hectare. This makes Gujarat the most productive state on a per-hectare basis.

Telangana also shows strong performance, ranking third in production with 50.27 lakh bales, driven by 18.1 lakh hectares of area and a healthy yield of 472 kg/hectare. Madhya Pradesh follows with high yield (514 kg/hectare) and a modest production volume (15.85 lakh bales), reflecting efficient cultivation despite limited land use.

In Northern India, Rajasthan achieves an impressive yield of 500 kg/hectare, but its area (6.27 lakh hectares) and production (18.45 lakh bales) are significantly lower than Western and Southern states. Punjab and Haryana contribute moderately in terms of both area and production, with yields of 462 and 420 kg/hectare respectively.

Other states such as Andhra Pradesh, Karnataka, Orissa, and Tamil Nadu show smaller contributions. Tamil Nadu has a notably low yield of 351 kg/hectare, while the “Others” category reports the lowest yield at just 146 kg/hectare, suggesting either marginal cultivation zones or poor agronomic conditions.

Trade Dynamics for Cotton

Trade Flow (In USD Million)	April-March2024 (R)	Apr-Mar 2025 (R)	%Growth
Export	6780.81	6333.99	-6.59
Import	791.01	1418.55	79.33

Net Trade Surplus: USD 4,915.44 million in FY25

Source – Ministry of Commerce and Industry, R: Revised final

Major Importing Countries

Major Countries	Apr-Mar2025(R)	% Share
Australia	258.27	18.21%
U S A	235.11	16.57%
Brazil	180.84	12.75%
Egypt	123.80	8.73%
China	99.56	7.02%
Others	520.97	36.73%
Total	1418.55	100.00%

Major Exporting Countries

Major Countries	Apr-Mar2025(R)	% Share
Bangladesh	2,803.20	44.26%
Vietnam	320.57	5.06%
Sri Lanka	292.57	4.62%
China	235.74	3.72%
Egypt	192.17	3.03%
Others	2489.74	39.31%
Total	6333.99	100.00%

Source – Ministry of Commerce and Industry

R: Rivesed Final

The data highlights a clear structural pattern in India’s cotton trade. On the import side, supplies are diversified but concentrated among major cotton-producing nations, with Australia, the USA, and Brazil together accounting for nearly half of total imports, reflecting India’s reliance on these countries for consistent quality and specific fibre characteristics. Egypt and China add to imports for niche and blending requirements, while the large “Others” share indicates sourcing flexibility to manage supply gaps. On the export side, cotton exports are highly concentrated, with Bangladesh alone accounting for over 44% of India’s exports, underscoring its dependence on Indian cotton to support its garment manufacturing base. Vietnam, Sri Lanka, China, and Egypt form a secondary tier of buyers, while a significant share to “Others” reflects India’s broad presence across multiple markets. Overall, the trade structure shows India as a quality-sensitive importer and a regionally focused exporter, closely integrated with South and Southeast Asian textile supply chains.

3.3 Cotton Yarn Industry

Yarn is a long continuous length of interlocked fibres, primarily used in the production of textiles through weaving, knitting, or other fabric-making techniques. Yarns can be broadly classified into natural and man-made (synthetic) categories, and further subdivided based on fibre origin, spinning technology, and structural form.

Cotton yarn is made from natural cotton fibres obtained from the seed hair of the cotton plant. India is one of the largest producers and exporters of cotton yarn globally. Cotton yarn is spun into various counts based on the thickness and strength of fibres and is commonly used in casual wear, innerwear, home textiles, and denim manufacturing.

3.1.1 Overview of Indian Cotton Value Chain

The Indian cotton value chain begins at the farm level and transitions through several stages— ginning, pressing, and spinning—before cotton is transformed into yarn and fabric. These intermediate processes form the backbone of India’s textile manufacturing ecosystem and are critical for both domestic supply and export readiness.

1. Ginning & Pressing

Ginning is the foundational mechanical process in the cotton value chain; wherein raw seed cotton (kapas) is processed to separate cotton fibres (lint) from seeds and field contaminants. This stage directly influences fibre quality parameters such as length, strength, cleanliness, and uniformity, which are critical for efficient spinning and high-quality yarn production.

Process Description

- Raw cotton is first cleaned to remove impurities such as leaves, sticks, dust, and sand.
- The ginning operation separates lint from seeds using mechanical action.
- In India, Double Roller (DR) ginning is the most prevalent method, particularly suitable for long-staple cotton due to lower fibre damage and superior lint quality.
- Saw ginning is also used in select regions, particularly where high processing speed and volumes are prioritised, though it is more suitable for short- to medium-staple cotton.

Pressing

- Post ginning, lint is compacted into standardized cotton bales, typically weighing around 170 kilograms as per Indian market norms.
- Bales are wrapped, labelled, and increasingly tagged with barcodes or QR codes, especially for traceability, organic certification, and export compliance.

Core Machine Used in Ginning

- **Cotton picker & module builder**—that pack cotton into modules for transport by truck. A feeder/dispenser then unloads modules for processing
- **Wad Buster** - It breaks up the clumps of seed cotton by tossing it against a screen. Loose remains fall through the screen openings down a narrow chute.
- **Steady Flow** - Then the seed cotton moves through this machine, which divides it equally between two processing lines.
- **Burr Machine** - On each line, the seed cotton enters a Burr Machine, which grabs the seed cotton with a circular saw and swings it against metal bars.
- **Gin Stands** - Multiple saw-type gin stands extract lint by pulling fibers through ribs, leaving seeds behind—standard in modern ginneries
- **Pneumatic and belt conveyors** - It transfer lint to cleaners, where finer impurities are removed

Types of Ginning:

- **Saw Ginning** - Saw ginning employs rapidly spinning circular saw blades that pull fibers through narrow ribs, effectively separating lint from seed cores and removing trash; this method is ideal for short- to medium-staple cotton with high contaminant content, and offers high throughput, though it can damage fibers and increase short-fiber and nep content.
- **Roller Ginning** - Roller ginning (also known as knife or McCarthy ginning) uses grooved leather rollers that gently grip the fibers and a stationary or rotary knife to slice the fibers away from seeds, preserving fiber length and purity and yielding cleaner, longer lint—making it the method of choice for long-staple cotton—but it processes more slowly and is best used with low-trash, well-moisturized cotton.

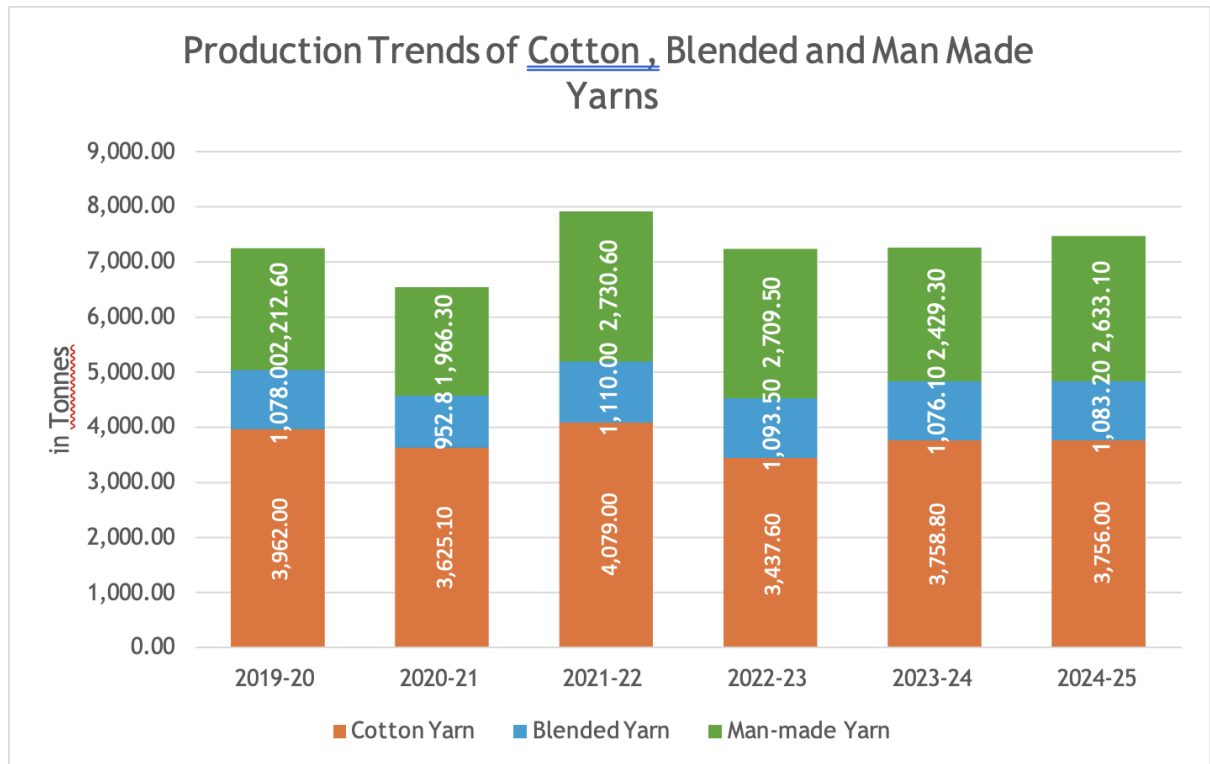
2. Spinning

Spinning is a critical value-addition stage where pressed cotton lint is converted into yarn through a series of mechanical processes including opening, cleaning, drawing, combing, and twisting. India has one of the largest spinning capacities globally, catering to both domestic consumption and export markets. Emerging trends in the spinning segment include increasing adoption of compact spinning technology, which improves yarn quality by reducing hairiness and enhancing strength and uniformity. At the same time, demand for organic, recycled, and sustainably sourced cotton yarns is rising, supported by growing certification under standards such as GOTS, BCI, and other sustainability frameworks, largely driven by compliance and sourcing requirements of global apparel brands.

Key Spinning Technologies

- **Ring Spinning:**

- Dominant technology in India
 - Produces medium to fine yarn counts
 - Delivers superior strength, smoothness, and durability
 - Widely used for apparel, shirting, and export-quality fabrics
- **Open-End (Rotor) Spinning:**
 - Used for coarser yarn counts
 - Faster and more cost-efficient process
 - Produces relatively lower-strength yarns
 - Suitable for denim, towels, and industrial textiles



Source – CMIE, Infomerics Analytics & Research

Between 2019–20 and 2024–25, cotton yarn production in India ranged from 3,962 to 4,079 thousand tonnes, 2021-22, remaining the largest segment despite fluctuations due to raw cotton availability and market conditions. Blended yarn showed steady performance, maintaining production between 952.8 thousand tonnes and 1,110 thousand tonnes, reflecting consistent demand for polyester-cotton and other blends. Man-made yarn exhibited volatility, rising sharply from 2,212.60 thousand tonnes in 2019–20 to 2,730.60 thousand tonnes in 2021–22 before stabilizing around 2,429 thousand tonnes in 2023–24 and increasing to 2,633.10 in 2024-25 highlighting its sensitivity to fibre prices and export demand. Overall, cotton yarn dominates, blended yarn demonstrates stable growth, and man-made yarn shows cyclical trends, indicating a gradual shift in the yarn segment composition.

3.3.3 Trade Dynamics for Cotton Yarn

India has long been a leading exporter of cotton yarn, contributing significantly to the global textile supply chain. India Exported over USD 3354.70 million in Apr-March 2025 of cotton yarn, as per the Directorate General of Commercial Intelligence and Statistics (DGCI&S). This makes cotton yarn one of the top textile-related export categories for the country. Indian cotton yarn is known for its high quality, wide range of counts, competitive pricing, and availability in both ring-spun and open-end forms, catering to diverse global fabric and garment manufacturing needs.

Trade Flow (In USD Million)	April-March 2024 (R)	Apr-Mar 2025 (R)
Export	3,576.34	3,354.70

Import	23.49	22.44
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Net Trade Surplus: USD 3,332.26 million in FY25

Major Imports

Major Countries	Apr-Mar2025(R)	% Share
Vietnam	11.70	52.14%
Egypt	7.55	33.63%
China	0.55	2.45%
U Arab Emts	0.52	2.32%
Italy	0.51	2.27%
Other	2.66	11.85%
Total	22.44	100%

Major Exports

Major Countries	Apr-Mar2025(R)	% Share
Bangladesh	1682.12	50.12%
China	216.09	6.44%
Peru	158.45	4.72%
Vietnam	156.63	4.67%
Egypt	153.08	4.56%
Other	988.33	29.46%
Total	3354.70	100%

Note: R – Revised Final, Source – Ministry of commerce and Industry (Directorate General of Commercial Intelligence and Statistics (DGCI&S))

The trade data indicates a sharply asymmetrical structure in value terms. On the import side, cotton yarn imports are highly concentrated, with Vietnam and Egypt together accounting for nearly 86% of total import value, suggesting India's reliance on these countries for specific yarn varieties, counts, or quality requirements not readily met by domestic production. The relatively small overall import value highlights that imports remain marginal and largely need-based. In contrast, exports are significantly larger and more diversified, with Bangladesh alone absorbing over 50% of India's cotton yarn export value, reflecting strong integration with Bangladesh's garment manufacturing ecosystem. China, Peru, Vietnam, and Egypt form a secondary demand base, while the sizeable "Others" share indicates broad market outreach. Overall, the data underscores India's position as a net exporter of cotton yarn, with imports playing a limited, quality-driven role and exports remaining the primary demand driver.

3.4 Organic Cotton Industry

Introduction

The organic cotton industry represents a rapidly emerging segment within the global textile value chain, driven by increasing emphasis on sustainability, environmental stewardship, and ethical sourcing practices. Organic cotton is cultivated without the use of synthetic fertilisers, pesticides, or genetically modified seeds, resulting in reduced environmental impact and improved soil health compared to conventional cotton. Growing consumer awareness regarding sustainable apparel, coupled with strong commitments by global fashion brands to reduce their ecological footprint, has significantly accelerated demand for organic cotton across apparel, home textiles, and allied applications. Supported by certification frameworks and traceability standards, the industry is gaining prominence despite its relatively smaller share of total cotton production, positioning organic cotton as a key growth driver within the broader natural fibre and sustainable textiles market.

Market Segmentation

Segment Category	Sub-Segments	Description
By Product Type	Long-Staple Cotton	Cotton with longer fibre length, used in premium apparel and higher-quality textiles.
	Short-Staple Cotton	Shorter fibre cotton for basic apparel and everyday fabric uses.
	Middle Staple Cotton	Mid-range fibre length serving a broad range of textile applications.
	Extra-long Staple Cotton	Premium fibre with superior strength, softness and durability.
	Others	Includes specialty or niche cotton types that don't fall under conventional staple categories.
By Application	Apparel	Organic cotton used in clothing such as shirts, T-shirts, casual

		and fashion apparel.
	Home Textiles	Bedding, towels, curtains, and other household textile products.
	Medical Supplies	Cotton used in medical products requiring hypoallergenic or chemical-free fibres.
	Personal Care Products	Items like cotton pads, hygiene products, baby care textiles.
	Others	Other organic cotton applications not categorized above.
By End User	Residential	Consumer use in clothing, household linen and personal textile products.
	Commercial	Business usage such as hotels, resorts, and institutional textiles.
	Industrial	Textile use in industrial applications like uniforms, workwear and technical fabrics.

Trend in Global Organic Cotton Consumption and Market Share

- Global consumption of organic cotton has witnessed a sustained increase in recent years, supported by growing environmental awareness, increasing emphasis on sustainable agriculture, and heightened scrutiny of environmental and social practices across textile and apparel supply chains.
- Organic cotton continues to account for a low single-digit share of total global cotton consumption; however, its market share has been gradually increasing due to stronger adoption by global apparel and home textile brands committed to sustainable and traceable sourcing.
- Demand growth has been largely brand-led, with several international apparel retailers and textile manufacturers setting medium- to long-term targets to increase the proportion of organic and sustainably sourced cotton in their raw material mix, thereby providing demand visibility and long-term offtake assurance.
- From a regional perspective, Asia Pacific accounts for a significant share of global organic cotton consumption, supported by its role as a major textile and garment manufacturing hub supplying export markets. Europe and North America remain key end-consumption regions, driven by higher consumer awareness, regulatory pressures, and ESG compliance requirements.
- Consumption of organic cotton is predominantly concentrated in the apparel segment, which represents the largest end-use application, followed by home textiles and niche applications such as baby wear and personal care textiles, where sustainability and chemical-free attributes are key purchasing considerations.
- Improvements in certification frameworks, traceability mechanisms, and supply-chain transparency have supported growth in organic cotton consumption by addressing concerns related to authenticity, quality consistency, and availability of certified organic fibre.
- While organic cotton typically commands a price premium over conventional cotton, increasing scale of cultivation, better agronomic practices, and long-term sourcing arrangements have helped moderate cost differentials, thereby supporting wider acceptance among manufacturers.
- Overall, the global organic cotton market is witnessing a gradual but structurally positive shift in consumption and market share, underpinned by sustainability-driven demand, improving supply-chain infrastructure, and regulatory and brand-level support, positioning organic cotton as an increasingly important segment within the global cotton and sustainable textiles ecosystem.

3.5 Indian Organic Cotton Industry

3.5.1 Overview on Organic Cotton, Cotton Seeds, and Cotton Linter

Organic cotton, cotton seeds, and cotton linter are integral components of the cotton value chain, collectively supporting textile, agricultural, and industrial applications. Each segment serves distinct end-use markets while remaining interlinked through cotton cultivation and processing activities.

Organic cotton refers to cotton cultivated using natural farming practices that avoid synthetic fertilizers, pesticides, and genetically modified seeds. The segment has gained increasing importance globally due to rising environmental awareness, stricter sustainability standards, and growing preference for eco-friendly textiles among consumers and brands. Organic cotton is primarily used in apparel, home textiles, and personal care products,

where demand is driven by sustainability commitments of global apparel brands, regulatory requirements in key export markets, and increasing adoption of certified and traceable raw materials. Although organic cotton constitutes a relatively small share of overall cotton production, its consumption has been increasing steadily, supported by long-term sourcing commitments and improved certification and traceability frameworks.

Cotton seeds are a key by-product of cotton cultivation and play a critical role in agricultural productivity and downstream industries. Cotton seeds are used for replanting, production of cottonseed oil, and as raw material for animal feed in the form of oil cake. The demand for cotton seeds is closely linked to cotton acreage, crop productivity, and farming practices, including the adoption of certified and organic seeds. Advances in seed technology, improved yields, and government support for agricultural development continue to influence the cotton seed market, making it an important component of the cotton ecosystem.

Cotton linter consists of the short fibres that remain attached to cotton seeds after the first ginning process and are removed through a secondary process known as delinting. Cotton linter is widely used in the manufacture of value-added products such as cellulose derivatives, viscose fibre, medical and hygiene products, specialty papers, and pharmaceuticals. Demand for cotton linter is driven by growth in end-use industries including textiles, healthcare, personal care, and industrial applications. The segment benefits from rising demand for biodegradable and natural raw materials, positioning cotton linter as a strategically important input for multiple industries.

Overall, organic cotton, cotton seeds, and cotton linter collectively contribute to value addition across the cotton supply chain. Increasing focus on sustainability, efficient resource utilisation, and diversification of cotton-based products is expected to support stable demand across these segments, reinforcing their relevance within the broader textile, agricultural, and industrial landscape.

Based on the production data, the share of organic cotton in total cotton production has increased significantly over the period, indicating a structural shift toward sustainable cotton cultivation. Organic cotton accounted for only 2.56% of total production, indicating that conventional cotton cultivation dominated the market, with organic farming limited due to factors such as lower awareness, higher certification costs, and lower yields.

By 2025, this share is estimated to rise in range between 26-29%, signalling a transformational shift in the cotton sector toward sustainable and environmentally responsible practices. This significant increase is driven by multiple factors: growing global and domestic demand for sustainable textiles, stricter sourcing and sustainability requirements from apparel brands, wider adoption of organic farming techniques by farmers, and improved certification and supply-chain mechanisms.

The increase from 2.56% to estimate of 26-29% over this period represents a more than tenfold growth in the proportion of organic cotton, highlighting its rapidly expanding role within India's cotton production landscape. This trend is expected to continue, positioning organic cotton as a key driver of future growth and value creation in the Indian cotton industry.

3.5.2 Trend in Indian Organic Cotton

- **Gradual Increase in Consumption:** Consumption of organic cotton in India has shown a steady upward trend, reflecting growing demand from textiles, apparel, home furnishings, and niche segments that prioritise sustainability and chemical-free raw materials.
- **Driven by Export Demand:** A significant portion of India's organic cotton consumption is linked to exports, with global brands and manufacturers sourcing certified organic cotton from India for use in apparel and textile products sold in Europe, North America, and other developed markets.
- **Strong Domestic Uptake:** Alongside export demand, domestic consumption of organic cotton has also grown, supported by an expanding market for eco-friendly fashion, organic lifestyle products, and increased consumer awareness regarding environmental and health concerns associated with conventional cotton.
- **Improving Market Share:** Although organic cotton continues to represent a relatively small share of India's total cotton consumption in volume terms, its market share has gradually expanded over recent years as more textile mills, garment manufacturers, and brands incorporate organic cotton into their product portfolios.
- **Brand and Retail Adoption:** Indian and international brands operating in India have increasingly integrated organic cotton into their offerings, often backed by sustainability commitments, eco-labelling, and marketing focused on traceability and certified organic credentials.
- **Supportive Certification Infrastructure:** The growth in organic cotton consumption has been supported by improved certification and traceability systems under recognised standards (such as GOTS and NPOP), ensuring that products meet global organic criteria and enhancing buyer confidence.

- **Linkage to Farmer Initiatives:** Expansion of organic cotton consumption is supported by organised supply chain initiatives that link certified organic farmers to end-users, enabling more reliable supply and reducing transaction costs for manufacturers.
- **Price Premium and Value Perception:** Organic cotton typically commands a premium over conventional cotton, which has shaped consumption patterns toward value-added and differentiated textile products rather than commodity bulk consumption.
- **Policy and Market Awareness:** Government and industry bodies have promoted organic farming and sustainable textiles, contributing to broader visibility of organic cotton and aiding its gradual penetration into mainstream textile markets.
- **Emerging Regional Demand:** While consumption remains concentrated in areas with established textile clusters (e.g., Gujarat, Maharashtra, Karnataka), there is emerging interest in other regions as processing capacity and brand engagement expand.

3.5.5 Demand Drivers

- **Rising global sustainability focus:** Increasing emphasis on environmental sustainability and responsible sourcing by global apparel, textile, and lifestyle brands has significantly boosted demand for Indian organic cotton, which is widely recognised for its availability and certified supply base.
- **Export-led demand growth:** India's strong position as a leading exporter of organic cotton and organic cotton-based textiles has resulted in sustained demand from international markets, particularly Europe and North America, where regulatory standards and consumer expectations favour certified organic materials.
- **Brand sourcing commitments:** Long-term commitments by international and domestic brands to increase the share of organic and sustainable fibres in their product portfolios have provided structural support to demand for organic cotton sourced from India.
- **Growing domestic eco-conscious consumption:** Rising awareness among Indian consumers regarding environmental impact, health considerations, and ethical production practices has led to increased acceptance of organic cotton in apparel, baby wear, home textiles, and personal care products.
- **Improved certification and traceability:** The availability of robust certification frameworks and traceability systems has enhanced buyer confidence in Indian organic cotton, facilitating wider adoption across textile and garment manufacturing value chains.
- **Price premium and value-added positioning:** Organic cotton commands a premium over conventional cotton, making it attractive for manufacturers and brands focused on higher margin, differentiated, and value-added textile products.
- **Government and institutional support:** Promotion of organic farming practices, sustainability initiatives, and export facilitation measures by government and industry bodies has indirectly supported demand for organic cotton.
- **Expansion of sustainable textile manufacturing:** Growth in India's sustainable textile ecosystem, including organic yarn, fabric, and garment manufacturing capacity, has increased domestic consumption of organic cotton as a key raw material.
- **Alignment with ESG and compliance requirements:** Increasing focus on ESG reporting and compliance by global buyers has encouraged greater sourcing of organic cotton from reliable suppliers, reinforcing demand from organised textile players.

3.6 Indian Fabric Industry

The fabric industry forms a critical link in the textile value chain, bridging yarn production and finished garment manufacturing. It encompasses the conversion of yarn into woven, knitted, and non-woven fabrics that are used across a wide range of applications including apparel, home textiles, technical textiles, and industrial uses. The industry plays a significant role in supporting downstream sectors and contributes meaningfully to employment generation, export earnings, and value addition within the broader textile ecosystem.

Types of Fabric

The Indian fabric industry comprises three major categories of fabrics—woven, knitted, and non-woven—each differing in structure, manufacturing techniques, applications, and market dynamics.

- **Woven fabrics** – These are produced by interlacing two sets of yarns—warp (longitudinal) and weft (horizontal)—at right angles on a loom. This traditional and widely used fabric type is known for its dimensional stability and strength. Woven fabrics can be categorized into different weaves such as plain

weave (e.g., voile and poplin), twill weave (e.g., denim and drill), and satin weave (used in premium garments and furnishings). These fabrics dominate India's production landscape and are widely used in apparel, home furnishings, industrial applications, and exports. India's large cotton base supports the widespread manufacturing of cotton-based woven fabrics, especially in Gujarat and Maharashtra.

- **Knitted fabrics** - On the other hand, are formed by looping yarns either in a weft or warp direction. This method imparts flexibility, softness, and stretchability, making these fabrics particularly suitable for sportswear, casualwear, innerwear, and children's clothing. India's leading knitwear cluster is Tirupur in Tamil Nadu, which is globally recognized for producing high-quality cotton knits. Knitted fabrics are gaining popularity due to changing fashion trends and rising demand for comfort wear.
- **Non-woven fabrics** - These are engineered by bonding fibers together using thermal, chemical, or mechanical processes, rather than weaving or knitting. These fabrics are typically made from synthetic fibers like polypropylene and are widely used in medical textiles (e.g., surgical masks, gowns), hygiene products, automotive filters, geotextiles, and packaging. With the rise of technical textiles and government support under the National Technical Textiles Mission, the non-woven segment is witnessing rapid growth, especially in post-pandemic sectors like healthcare.

In summary, these three fabric types—woven for durability, knitted for comfort, and non-woven for functionality—form the backbone of India's diversified textile production and are critical to meeting the needs of both traditional and modern end-user industries

3.6.1 Dyed/Printed Fabrics Segment

The dyed and printed fabric segment in India plays a crucial role in adding aesthetic value and market appeal to both traditional and modern textiles. This segment has evolved from using conventional dyeing and manual printing methods to more eco-friendly and technologically advanced processes, driven by both environmental concerns and global market demands.

Dyed and Printed Fabrics

Dyeing and printing are two of the most widely used value-addition processes in cotton fabric manufacturing, playing a critical role in enhancing both the aesthetic appeal and marketability of textile products. In the dyeing process, colour is applied uniformly across the entire fabric, either through chemical dyes or increasingly, through natural and plant-based dyes in the sustainable textile segment. Techniques such as reactive dyeing (commonly used for cotton), pigment dyeing, vat dyeing, and direct dyeing are employed depending on the colour fastness required, cost, and the nature of the product. Each method varies in its affinity for the fiber, resistance to washing and sunlight, and vibrancy of output.

Printing, on the other hand, refers to the application of colour or pattern only on specific areas of the fabric. Traditional block printing, rotary screen printing, and more recently digital printing are popular methods used in Indian cotton textiles. Digital printing is gaining momentum due to its ability to offer shorter turnaround times, small batch flexibility, and high-definition designs. It is especially favoured by fast fashion brands and export houses catering to markets like the EU, UK, and U.S., where design customization and speed-to-market are critical.

These dyed and printed cotton fabrics are used across a wide range of applications such as shirts, dresses, sarees, bedsheets, children's wear, traditional ethnic garments, and uniforms. With consumers increasingly seeking eco-conscious fashion choices, there is a noticeable shift toward AZO-free dyes, low-water dyeing techniques, and digital pigment printing that reduce environmental impact.

As a result, dyeing and printing have transformed from basic textile finishing steps to strategic differentiators that add both design and functional value to Indian cotton products in domestic and global markets.

Types of Printing Styles

Fabric can be printed in three different styles: direct, discharge, & resist styles.

- **Direct Style** - The most common style of printing textile fabric is direct printing. The dye is directly applied onto white fabric or coloured fabric. The printed portion is significantly darker than the dyed background. The direct style of printing is used in block printing, screen printing, or roller printing methods.
- **Discharge style** - Discharge printing in textile is also known as extract printing. It is based on the chemical destruction of the original dye in the printed area. The discharging agents used can be oxidizing or reducing agents, acids, alkalis and various salts. For discharge printing, the ground of the substrate should be dischargeable. It is recommended that dyed discharge fabric should be pre-padded with 2-3 GPL Resist salt. The actual amount of discharging agent requirement for optimum discharge will depend upon:
 - The dyes to be discharge.
 - The depth of the ground.
 - The fabric being printed.
 If no colour is added to the discharge print paste, the result is a white discharge. Discharge is only carried out by reduction. Colour discharge printing in textile can be done by Pigment dispersion on Reactive or Vat dye on the reactive ground.
- **Resist style** - In the resist style of printing style, RFD fabric is first printed with resist paste which prohibits the penetration of the dye into the fabric. The fabric is then dyed and subsequently, the resist paste is removed & leaving the desired pattern.

3.6.2 End User Industries for Fabrics

Fabric, especially woven cotton and cotton-blended fabrics, is a foundational material used across a broad spectrum of industries. With increasing emphasis on sustainability, functional finishes, and technical textiles, the application of fabrics has expanded far beyond traditional clothing. Below are the major end-user industries:

End-User Industry	Key Applications	Common Fabric Types Used
Apparel & Fashion	Shirts, trousers, dresses, ethnic wear, uniforms, casual wear	Cotton woven fabrics, cotton blends, stretch fabrics, organic cotton
Automotive Interiors	Seat covers, roof lining, door panels, sun visors, floor mats	Cotton-polyester blends, flame-retardant & UV-resistant fabrics
Medical & Healthcare	Hospital gowns, bed linen, surgical drapes, masks, bandages	Antimicrobial cotton, non-woven blends, hypoallergenic fabrics
Home Furnishings	Curtains, cushion covers, upholstery, bed linens, towels, tablecloths	Cotton, cotton-linen blends, yarn- dyed & printed fabrics
Bags & Accessories	Travel bags, backpacks, handbags, belts, gloves	Canvas, denim, twill cotton, water- resistant fabrics
Industrial & Technical	Filtration cloths, conveyor belts, protective gear, geotextiles	Coated cotton, functional blends, high-tensile technical textiles
Childcare Products	Baby clothes, nappies, blankets, bibs, soft toys	GOTS-certified organic cotton, ultra-soft and breathable fabrics

4. Market Dynamics

4.1 Growth Drivers

India's cotton industry is witnessing sustained growth, supported by rising domestic and global demand for cotton-based textiles, increasing preference for sustainable and natural fibres, and continued expansion across apparel, home textiles, and technical textile segments. Government support through minimum support price (MSP) mechanisms, productivity enhancement initiatives, and export facilitation measures has strengthened farmer participation and production stability. At the same time, growing adoption of organic and certified cotton,

technological advancements in farming and processing, and stronger integration with global textile supply chains are enhancing demand for high-quality cotton and cotton-derived products. These factors collectively reinforce the cotton industry's role as a foundational pillar of India's textile value chain.

Market Drivers and Impact Assessment (FY2026 – FY2033)

Driver	Impact		
	1–2 Years	3–4 Years	5–7 Years
1. Rising domestic and global demand for cotton-based apparel and home textiles	High	High	High
2. Increasing preference for sustainable, organic and certified cotton	Medium	High	High
3. Expansion of India's textile and garment manufacturing capacity	High	High	High
4. Export-led demand supported by global sourcing diversification	Medium	High	High
5. Government support through MSP, procurement, and farmer welfare schemes	High	High	High
6. Adoption of improved cotton seed varieties and better agronomic practices	Medium	High	High
7. Growth in technical textiles and cotton-blended functional fabrics	Medium	Medium	High
8. Strengthening of traceability, certification, and ESG compliance requirements	Medium	High	High
9. Increasing mechanization and modernization in ginning and spinning operations	Medium	High	High
10. Rising disposable incomes and population-driven clothing consumption	High	High	High
11. Expansion of organic farming initiatives and sustainable agriculture programs	Medium	Medium	High
12. Integration of digital technologies in cotton farming and supply chains	Medium	Medium	High

Source – Infomerics Analytics & Research

- **Rising domestic and global demand for cotton-based apparel and home textiles** - Cotton continues to be the preferred natural fibre for apparel and home textiles due to its comfort, breathability, and versatility. Growth in population, urbanisation, and rising disposable incomes in both domestic and export markets has led to higher consumption of cotton garments, bed linen, towels, and furnishing fabrics, thereby supporting sustained demand for raw cotton.
- **Increasing preference for sustainable, organic and certified cotton** - Growing environmental awareness among consumers and stricter sustainability requirements from global brands have accelerated the shift toward organic and responsibly sourced cotton. Certified cotton is increasingly favoured due to lower environmental impact, reduced chemical usage, and improved traceability, supporting incremental demand for premium cotton varieties.
- **Expansion of India's textile and garment manufacturing capacity** - Continued investments in spinning, weaving, knitting, and garmenting capacities have strengthened domestic cotton consumption. Capacity expansion across integrated textile parks and private manufacturing units has increased raw cotton offtake, reinforcing demand from downstream processing segments.
- **Export-led demand supported by global sourcing diversification** - Global textile and apparel buyers are increasingly diversifying sourcing away from single-country dependence, benefiting India's cotton industry. India's availability of raw cotton, large-scale spinning capacity, and competitive cost structure have enhanced its attractiveness as a reliable sourcing destination, supporting export-linked cotton demand.
- **Government support through MSP, procurement, and farmer welfare schemes** - Minimum Support Price (MSP) mechanisms and procurement interventions provide income stability to cotton farmers, encouraging sustained cultivation. Government initiatives aimed at improving productivity, farmer welfare, and supply-chain efficiency contribute to production continuity and reduce volatility in cotton availability.
- **Adoption of improved cotton seed varieties and better agronomic practices** - Increased use of high-yielding and pest-resistant seed varieties, coupled with better irrigation, crop management, and pest-control practices, has supported improvements in cotton productivity and fibre quality. These advancements help stabilise supply and improve consistency for downstream users.
- **Growth in technical textiles and cotton-blended functional fabrics** - Rising demand for functional textiles in medical, hygiene, industrial, and protective applications has increased the use of cotton blends. Cotton's natural properties, when combined with man-made fibres, enhance comfort and performance, driving incremental demand from emerging application segments.
- **Strengthening of traceability, certification, and ESG compliance requirements** - Global buyers increasingly require transparent sourcing, traceability, and ESG compliance across the cotton value chain. The strengthening of certification systems and digital traceability platforms has improved buyer confidence in Indian cotton, facilitating long-term sourcing relationships.
- **Increasing mechanisation and modernisation in ginning and spinning operations** - Investments in modern ginning, baling, and spinning technologies have improved fibre quality, reduced contamination, and enhanced processing efficiency. Improved processing standards support higher realisations and expand market access, particularly in export markets.
- **Rising disposable incomes and population-driven clothing consumption** - India's large population base and gradual increase in disposable incomes continue to drive per-capita consumption of cotton-based clothing and home textiles. This structural demand driver supports long-term growth in cotton consumption, independent of short-term market fluctuations.
- **Expansion of organic farming initiatives and sustainable agriculture programs** - Increased adoption of organic farming practices and sustainability-focused agricultural programs has expanded the supply base for organic cotton. This supports growing demand from eco-conscious brands and contributes to diversification within the cotton industry.
- **Integration of digital technologies in cotton farming and supply chains** - Adoption of digital tools such as satellite-based crop monitoring, precision farming, and digital marketplaces has improved decision-making, efficiency, and transparency across the cotton value chain. These technologies support productivity enhancement and better demand-supply alignment.

1.1 Challenges

Challenge	Impact		
	1–2 Years	3–4 Years	5–7 Years
1. Climate change and weather volatility	High	High	High
2. Input cost inflation and margin pressure	High	High	Medium
3. Pest resistance and recurring crop health challenges	Medium	High	High
4. Trade uncertainties, export policy changes, and global demand volatility	Medium	High	High
5. Rising competition from man-made and alternative fibres	Medium	High	High
6. Challenges in scaling sustainable and organic cotton production	Medium	Medium	High

Source – Infomerics Analytics & Research

- **Climate Change and Weather Volatility** - Increasing frequency of erratic rainfall, droughts, heatwaves, and extreme weather events is impacting cotton yields, fibre quality, and regional output stability, leading to higher production risk.
- **Input Cost Inflation and Margin Pressure** - Rising costs of seeds, fertilisers, pesticides, fuel, and labour are increasing the cost of cultivation, compressing farmer margins and affecting acreage decisions for cotton.
- **Pest Resistance and Crop Health Challenges** - Growing resistance of pests such as pink bollworm to existing control measures has heightened crop vulnerability, increased production costs, and adversely affected yield consistency.
- **Trade uncertainties, export policy changes, and global demand volatility** - India's textile exports face a major setback following the U.S. decision in April 2025 to impose a 50% reciprocal tariff on Indian textile imports. As the U.S. is India's single largest export market, this steep tariff significantly undermines the sector's competitiveness, limits growth opportunities, and raises uncertainty for long-term sourcing commitments. Without favourable trade negotiations or policy interventions, Indian exporters may struggle to maintain market share and profitability in this critical destination.
- **Rising competition from man-made and alternative fibres** - Increasing adoption of synthetic and alternative fibres due to cost advantages, functional properties, and stable supply is exerting competitive pressure on cotton demand, particularly in price-sensitive apparel segments.
- **Challenges in Scaling Sustainable and Organic Cotton Production:** While demand for certified and organic cotton is increasing, scaling production remains constrained by higher certification costs, yield transition challenges, compliance requirements, and limited technical support for farmers.

2. Government Initiatives and Policy Support

The Government has undertaken multiple policy initiatives and schemes aimed at strengthening the textile sector across the value chain, improving global competitiveness, attracting investments, enhancing employment generation, and supporting both modern and traditional segments of the industry. These initiatives focus on scale creation, infrastructure development, technology upgradation, skilling, and export promotion.

1. Production Linked Incentive (PLI) Scheme for Textiles

The Government approved the Production Linked Incentive (PLI) Scheme for Textiles on September 8, 2021, with a total outlay of INR 10,683 crore over a five-year period. The scheme is designed to promote large-scale manufacturing of man-made fibre (MMF) apparel, MMF fabrics, and technical textile products, with the objective of achieving scale, improving cost competitiveness, and enhancing export potential. Financial years 2022–23 and 2023–24 were designated as gestation periods, while the performance period extends from FY2024–25 to FY2028–29. Under the scheme, 64 applications have been approved, involving proposed investments of approximately INR 19,798 crore, projected turnover of about INR 1.94 lakh crore, and estimated employment generation of over 2.45 lakh persons.

2. PM MITRA Parks and Textile Cluster Development

The Government approved setting up of 7 PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites with an outlay of INR 4445 crore for a period of 7 years up to 2027-28. Investment MoUs with expected investment potential of INR 27,434 crore+ have been signed. Infrastructure works worth INR 2590.99 crore have been started by all 7 State Governments. The scheme is expected to generate employment of 3 lakhs (1 lakh direct and 2 lakhs in indirect) with an estimated investment of ₹10,000 crore per park.



3. National Technical Textiles Mission (NTTM)

The National Technical Textiles Mission has been launched to position the country as a global leader in technical textiles. The mission focuses on research, innovation, and product development; promotion and market development; skilling and training of the workforce; and export promotion. The mission supports development of high-performance textiles for applications in sectors such as healthcare, infrastructure, defence, automotive, and industrial uses.

4. SAMARTH – Scheme for Capacity Building in the Textile Sector

The SAMARTH scheme is a demand-driven, placement-oriented skilling initiative aimed at addressing the requirement for skilled manpower across the textile value chain. The scheme focuses on training unemployed youth, women, and underprivileged sections of society to improve employability, productivity, and workforce availability in textile manufacturing and allied activities.

5. Amended Technology Upgradation Fund Scheme (ATUFS)

The Amended Technology Upgradation Fund Scheme (ATUFS) provides capital investment subsidies to encourage technology upgradation and modernisation of textile units. The scheme incentivises investment in benchmarked machinery, supporting improvements in productivity, quality, and cost efficiency, particularly in spinning, weaving, and processing segments.

6. Silk Samagra-2

This scheme supports the holistic development of India's sericulture sector. It offers support across the value chain, including research, rearing, cocoon production, silk yarn processing, and marketing. The scheme aims to increase raw silk productivity and encourage livelihood generation in rural areas.

7. National Handicrafts Development Programme (NHDP)

The National Handicrafts Development Programme (NHDP) is designed to provide comprehensive and need-based support to artisans engaged in the handicrafts sector. The scheme focuses on strengthening livelihoods through skill upgradation, design development, technology support, and marketing assistance. Under NHDP, support is extended for organising domestic and international exhibitions, buyer-seller meets, branding initiatives, and e-commerce enablement to improve market access for handicraft products. The programme also facilitates training and capacity-building initiatives to enhance productivity, product quality, and income levels of artisans, while promoting preservation of traditional crafts.

8. Comprehensive Handicrafts Cluster Development Scheme (CHCDS)

The Comprehensive Handicrafts Cluster Development Scheme (CHCDS) adopts a cluster-based approach to develop handicraft clusters with significant artisan concentration. The scheme aims to address structural gaps by providing integrated support for infrastructure development, common facility centres, raw material banks, technology upgradation, and design studios within identified clusters. CHCDS also promotes formation of producer groups and producer companies to improve collective bargaining power, operational efficiency, and sustainability of artisan communities. The scheme focuses on long-term development of clusters by improving scale, formalisation, and value addition, thereby enhancing competitiveness of handicraft products in domestic and export markets.

9. Cotton Sector reforms

The cotton sector supports 6 million farmers and 40–50 million people across value chains. To enhance transparency, the Kapas Kisan mobile app was launched, enabling farmer self-registration and slot booking. The 'Kasturi Cotton Bharat' Programme was launched, to enhance the global market acceptance of Indian cotton. Additionally, the Quality Control Order (QCO) 2023 for cotton bales has been deferred till August 2026.

10. Global Certifications and Buyer Requirements

To access international markets, Indian exporters must meet global certification standards and buyer requirements to ensure product quality, safety, and ethical sourcing. For example, prime-market buyers—including large retailers like Primark to premium brands such as H&M, which is committed to sourcing 100% of its cotton as organic, recycled, or from its own Primark Cotton Project—demand certifications such as GOTS (Global Organic Textile Standard) and OEKO-TEX Standard 100, ensuring transparent, traceable, and responsible sourcing. Meanwhile, recycle-market buyers—often sustainable brands and circular-economy-focused companies—expect OEKO-TEX Standard 100 (with recycled-material modules) and certifications like Global Recycled Standard (GRS) or Recycled Claim Standard (RCS) to guarantee that their recycled or reclaimed cotton inputs are safe, verifiable, and meet stringent ecological criteria.

- **GOTS (Global Organic Textile Standard)** - The leading textile processing standard for organic fibers. It includes ecological and social criteria for organic textile production, ensuring chemical restrictions and fair working conditions. Most organic cotton exporters seek GOTS certification to access premium markets.
- **OEKO-TEX Standard 100** - A globally recognized certification guaranteeing textiles are

free from harmful substances. Widely required by international buyers to ensure safety for consumers. Helps Indian manufacturers demonstrate compliance with strict chemical regulations.

3. PESTEL Analysis of the Industry

A comprehensive PESTLE (Political, Economic, Social, Technological, Legal, and Environmental) analysis provides insight into the macro-environmental factors influencing the cotton industry. These factors shape cultivation decisions, production volumes, pricing trends, trade flows, supply-chain efficiency, and long-term industry sustainability. Given the cotton industry's dependence on agricultural policies, climatic conditions, global textile demand, and regulatory frameworks, PESTLE analysis is essential for understanding structural opportunities and risks across the value chain.

Factors	Description
Political	<ul style="list-style-type: none"> • Government support through Minimum Support Price (MSP), procurement operations, and farmer welfare schemes plays a critical role in stabilising cotton prices and farmer incomes. • Agricultural and trade policies, including export incentives, import duty adjustments, and bilateral trade agreements, influence cotton competitiveness in global markets. • Initiatives promoting domestic textile manufacturing, sustainability, and indigenisation support long-term cotton demand. • Policy focuses on productivity improvement, quality enhancement, and sustainable agriculture shapes future supply dynamics.
Economic	<ul style="list-style-type: none"> • Cotton prices are sensitive to global demand–supply conditions, international trade flows, and macroeconomic cycles affecting the textile and apparel industry. • Rising input costs (seeds, fertilisers, labour, energy, and logistics) impact farmer profitability and cultivation decisions. • Exchange-rate movements influence export realisations and competitiveness of Indian cotton in international markets. • Overall cotton demand is closely linked to economic growth, disposable incomes, and consumption of textile and apparel products.
Social	<ul style="list-style-type: none"> • Cotton cultivation supports livelihoods of a large rural population, making the industry socially significant and politically sensitive. • Growing consumer awareness around sustainability, ethical sourcing, and organic products is influencing demand for certified and traceable cotton. • Labour availability, skill levels, and rural migration trends affect cultivation and harvesting efficiency. • Increasing expectations for farmer welfare, income stability, and inclusive growth influence policy and industry practices.
Technological	<ul style="list-style-type: none"> • Adoption of improved seed varieties, precision farming, and better agronomic practices is enhancing productivity and fibre quality. • Mechanisation in harvesting, ginning, and baling is reducing contamination and improving processing efficiency. • Digital platforms for procurement, traceability, and market linkages are improving transparency across the cotton value chain. • Technological advancements support compliance with sustainability and certification requirements demanded by global buyers.
Legal	<ul style="list-style-type: none"> • Cotton cultivation and trade are governed by agricultural regulations, MSP norms, procurement guidelines, and quality standards. • Compliance with export regulations, phytosanitary norms, and international certification standards is essential for accessing global markets. • Environmental and labour laws impact cultivation practices, chemical usage, and working conditions across the supply chain. • Contractual arrangements with ginners, traders, and textile manufacturers involve legal risks related to pricing, delivery, and quality disputes.

Environmental	<ul style="list-style-type: none"> • Cotton is a water-intensive crop, making production vulnerable to water scarcity, groundwater depletion, and climate change. • Increasing frequency of extreme weather events affects yields, fibre quality, and regional output stability. • Growing emphasis on reducing chemical usage, improving soil health, and lowering carbon footprint is reshaping cultivation practices. • ESG considerations and environmental compliance are becoming increasingly important for market access and long-term sustainability.
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4. Competitive Landscape

The cotton industry operates in a highly competitive and fragmented landscape, comprising cotton farmers, ginners, traders, spinning mills, exporters, and integrated textile players operating across domestic and global markets. Competitive intensity is shaped by variability in agricultural output, quality differentiation, price volatility, regulatory support mechanisms, and global trade dynamics. Participants compete primarily on fibre quality, scale of operations, procurement efficiency, cost competitiveness, traceability, and long-term relationships with downstream textile and apparel manufacturers.

4.1 Key Factors Shaping Competition

1. **Scale of Cultivation and Procurement Reach** - Players with access to large and diversified cotton-growing regions benefit from supply security and volume stability. Strong procurement networks and aggregation capabilities enable consistent raw material availability and better price negotiation across seasons.
2. **Fibre Quality, Consistency, and Contamination Control** - Cotton quality parameters such as staple length, strength, micronaire, and cleanliness are critical differentiators. Producers and ginners with better harvesting, ginning, and handling practices gain a competitive edge in supplying premium domestic and export markets.
3. **Cost Efficiency and Yield Productivity** - Competitive positioning is strongly influenced by cost of cultivation, ginning efficiency, logistics optimisation, and yield per hectare. Players with higher productivity and lower per-unit costs are better placed to withstand price volatility and margin pressures.
4. **Integration Across the Value Chain** - Vertically integrated participants spanning farming linkages, ginning, spinning, and trading benefit from better margin control, reduced intermediary dependence, and improved demand–supply alignment. Integration enhances responsiveness to market trends and buyer requirements.
5. **Export Capability and Global Market Access** - Established relationships with international buyers, compliance with export quality standards, and understanding of global trade norms enhance competitiveness. Export-oriented players benefit from diversified demand and reduced dependence on domestic consumption cycles.
6. **Traceability, Certification, and Sustainability Credentials** - Growing demand for certified, organic, and traceable cotton has made sustainability compliance a key competitive factor. Players aligned with global certification standards and ESG expectations are better positioned to serve premium brands and long-term contracts.
7. **Government Policy Alignment and MSP Participation** - Ability to effectively operate within government procurement frameworks, MSP mechanisms, and regulatory norms provides income stability and reduces downside risks, particularly for producers and aggregators.
8. **Supply Chain Efficiency and Infrastructure Strength** - Access to modern ginning

facilities, warehousing, transportation, and logistics infrastructure improves turnaround time, reduces losses, and enhances market responsiveness, strengthening overall competitive positioning.

4.2 Competitive Strategies

The cotton industry operates in a highly competitive and fragmented environment, influenced by agricultural variability, price volatility, quality differentiation, and evolving sustainability requirements. Competition spans across farmers, aggregators, ginners, traders, spinners, and exporters, with players differentiating themselves through scale, quality consistency, cost efficiency, supply-chain integration, and market access. As global textile and apparel markets increasingly emphasize traceability, sustainability, and reliable supply, industry participants are adopting a range of strategic initiatives to strengthen competitiveness and long-term viability. Key competitive strategies adopted by leading players in the cotton industry include:

1. **Strengthening Procurement Networks and Farmer Linkages** - Companies are expanding direct sourcing models, contract farming arrangements, and farmer engagement programs to secure consistent raw cotton supply, improve quality at the farm level, and reduce dependence on intermediaries.
2. **Focus on Quality Improvement and Contamination Control** - Investments in modern ginning infrastructure, improved harvesting practices, and quality monitoring systems help enhance fibre characteristics such as staple length, strength, and cleanliness, enabling access to premium domestic and export markets.
3. **Vertical Integration Across the Cotton Value Chain** - Players are pursuing integration across ginning, spinning, trading, and, in some cases, downstream textile processing to improve margin stability, reduce supply disruptions, and align production with market demand.
4. **Adoption of Sustainability and Certification Frameworks** - Increasing emphasis is being placed on organic cotton, Better Cotton, and other sustainability certifications to meet the requirements of global brands and retailers, improve traceability, and command pricing premiums.
5. **Cost Optimization and Productivity Enhancement** - Strategies focused on improving yields, reducing input costs, enhancing ginning efficiency, and optimizing logistics help mitigate price volatility and protect margins in a cost-sensitive industry.
6. **Export Market Diversification and Global Buyer Relationships** - Companies are strengthening relationships with international textile and apparel manufacturers, diversifying export destinations, and aligning product offerings with global quality and compliance standards to reduce reliance on any single market.
7. **Use of Digital Platforms and Traceability Solutions** - Digital tools for procurement, quality tracking, farmer onboarding, and inventory management are increasingly being adopted to improve transparency, efficiency, and responsiveness across the supply chain.
8. **Risk Management through Policy Alignment and Inventory Management:** Active participation in MSP mechanisms, prudent inventory management, and hedging strategies help manage price risks and policy-driven uncertainties, supporting earnings stability.

7.3 Key Industry Players

The Indian cotton ginning and textile industry comprises a mix of unlisted regional processors and large integrated textile manufacturers. While many ginning units operate in the unorganized segment, players like Milan Ginning Pressing Pvt Ltd represent a growing base of professionally managed firms focused on sustainable and high-quality cotton processing. The industry is critical to India's textile supply chain, especially as the country remains one of the largest cotton producers globally. The competitive landscape is shaped by the presence of vertically integrated textile conglomerates that offer spinning, weaving, and fabric production capabilities alongside standalone ginners.

Axita Cotton Ltd – According to the details mentioned on the company's website, the company was Incorporated in 2013 as a public limited company headquartered in Ahmedabad, Gujarat, Axita Cotton Ltd and its group firm Axita Exports Pvt Ltd commenced operations from a partnership dating back to 2007. The company specializes in cotton bales, cotton seeds, oil, and cotton seed cake, with a ginning and pressing capacity of ~87,600 MT per annum using modern machinery. It's certified under ISO 9001:2015, BCI, and GOTS, and it exports cotton bales to Pakistan, Bangladesh, and Vietnam.

Pashupati Cotspin Ltd. - Pashupati Cotspin Limited, headquartered in Gujarat, is a growing player in the Indian textile sector, primarily engaged in the manufacturing of cotton yarn and cotton bales. The company has established itself as a reliable and quality-conscious producer, operating with semi-integrated manufacturing facilities that enable greater control over the ginning and spinning processes. This integration not only supports consistent product quality but also allows for better cost optimization across its production cycle. The company caters predominantly to the domestic textile and apparel industry, supplying cotton yarn to fabric manufacturers, power loom clusters, and small-scale garment producers. However, in recent years, it has started to diversify its revenue streams by gradually building a modest presence in export markets, targeting neighbouring countries and select buyers in Asia and the Middle East. Its focus on quality consistency, operational prudence, and financial discipline has allowed it to grow steadily within the competitive spinning segment. Although it operates on a smaller scale compared to large integrated mills, it remains a relevant peer for companies.

12.4 Barriers to Entry

Entering the cotton industry involves multiple structural and operational challenges arising from agricultural dependence, price volatility, regulatory frameworks, and entrenched supply-chain networks. While cultivation itself may appear accessible, achieving scale, consistency, and commercial viability across ginning, trading, and export segments presents significant barriers that favour established participants. Key barriers to entry in the cotton industry include:

- 1. Access to Scale and Reliable Raw Cotton Supply** - Effective participation in the cotton value chain requires access to large and consistent volumes of raw cotton. Established players benefit from extensive farmer networks, aggregation systems, and procurement reach, making it difficult for new entrants to secure dependable supply at competitive prices.
- 2. Capital Investment in Ginning, Storage, and Logistics Infrastructure** - Entry beyond primary trading requires substantial investment in modern ginning units, contamination control systems, warehousing, and transportation infrastructure. These capital requirements create a high threshold for new entrants seeking to compete on quality and efficiency.
- 3. Quality Control and Fibre Consistency Requirements** - Cotton buyers demand strict adherence to fibre quality parameters such as staple length, strength, micronaire, and cleanliness. Building systems and expertise to consistently meet these standards requires experience, technology, and sustained investment, posing a barrier for inexperienced entrants.
- 4. Exposure to Price Volatility and Working Capital Intensity** - Cotton procurement and trading are highly working-capital intensive due to seasonal procurement cycles, inventory holding, and price fluctuations. New entrants with limited financial strength face higher risk from market volatility and delayed price realisation.
- 5. Regulatory Compliance and Policy Dependence** - Compliance with MSP mechanisms,

procurement norms, export regulations, quality standards, and certification requirements (including organic and sustainable cotton standards) adds operational complexity and cost, favouring established players familiar with regulatory processes.

- 6. Established Buyer Relationships and Market Credibility** - Long-standing relationships with spinning mills, textile manufacturers, and global buyers provide incumbents with repeat business and pricing stability. New entrants often lack the credibility, track record, and pre-qualification required to access premium or export markets.
- 7. Sustainability and Certification Entry Costs** - Entry into higher-value segments such as organic or certified cotton involves certification costs, audit requirements, traceability systems, and transition-period risks, creating additional hurdles for new participants.
- 8. Economies of Scale and Cost Competitiveness** - Established players benefit from economies of scale in procurement, processing, storage, and logistics, enabling lower per-unit costs. New entrants typically struggle to match these cost efficiencies, particularly in price-sensitive markets.

7.5 Company Positioning – Milan Ginning Pressing Limited

The Company was incorporated in 1995 and is engaged in the manufacturing and export of cotton bales, cotton seeds and cotton cake across domestic and international markets, operating across the cotton value chain. Over the years, the Company has established itself as a reliable supplier to both domestic spinning mills and global buyers, catering to consistent demand from the textile sector.

The cotton industry is characterised by the seasonal availability of raw cotton and relatively stable year-round demand from spinning mills and exporters. Raw cotton arrivals are typically concentrated during the harvest season from October to March, while demand remains steady throughout the year. In line with this industry dynamic, the Company undertakes procurement during peak arrival periods and maintains adequate inventory levels to enable continuous processing and ensure uninterrupted supply to its customers.

The Company commenced operations as a cotton trading business and subsequently expanded into ginning and pressing activities through the establishment of its manufacturing facility. It has since developed capabilities in processing raw cotton into cotton bales for the domestic cotton yarn industry, along with by-products such as cotton seeds and linters. Its manufacturing facility, located at Limbdi, District Surendranagar, Gujarat, India, is equipped with automated infrastructure, including more than 36 double roller ginning machines and modern ginning and pressing equipment, supporting operational efficiency and scalability.

The Company is integrated into global textile supply chains and forms part of the vendor ecosystem for international brands such as C&A, H&M, Primark, Inditex, PVH, Jako and Carrefour for organic cotton. It also supplies cotton yarn through its group company, Sustainable Spinning & Commodities Private Limited, enabling a broader presence across the downstream textile value chain.

Further, the Company adheres to recognised sustainability and quality standards and has obtained certifications such as the Primark Sustainable Cotton Programme (PSCP), Better Cotton Initiative (BCI) and OEKO-TEX Standard 100, which support its export capabilities and align its operations with evolving global sourcing requirements.

Quality and Sustainable Certification

The Company follows sustainability and quality standards aligned with international practices and has obtained multiple certifications to support its operations and exports:

- **Primark Sustainable Cotton Programme (PSCP) Certification:** The Company is a certified manufacturer under PSCP, enabling supply of sustainably sourced cotton yarn and fabrics based

on client requirements.

- **Better Cotton Initiative (BCI) Certification:** The Company is certified under BCI, which promotes environmentally sustainable cotton cultivation and ensures fair practices for farmers and workers.
- **OEKO-TEX Standard 100 Certification:** This certification ensures that products are tested for harmful substances and are safe for human use, supporting compliance with international quality standards.

Overall, the Company is positioned as an established and integrated cotton processor with strong procurement capabilities, efficient manufacturing infrastructure, participation in global supply chains and adherence to sustainability standards, enabling it to effectively capitalize on industry demand dynamics.

8. Future Outlook

The cotton industry is expected to witness steady and healthy growth over the medium to long term, underpinned by strong structural demand drivers, expanding global textile consumption and an increasing preference for natural and sustainable fibres. Growth is expected to be supported by rising population, increasing disposable incomes, and higher demand for cotton-based apparel, home textiles, and technical textiles, particularly across emerging economies. However, ongoing geopolitical tensions involving the United States, Israel and Iran have added an element of uncertainty to global trade flows indirectly impacting the textile industry through fluctuations in crude oil prices, increased logistics and freight costs and potential disruptions in key export markets.

India being one of the largest producers and consumers of cotton, is well-positioned to benefit from this momentum, driven by a robust and integrated textile value chain, growing export opportunities and continued government support through initiatives such as Minimum Support Price (MSP) mechanisms, technology upgradation schemes and productivity enhancement programs. Notably, recent trade developments are expected to further strengthen the sector's outlook, with India entering a trade framework with the United States, which provides preferential market access and tariff reductions for key sectors including textiles and apparel, thereby improving export competitiveness and enabling higher sourcing from global buyers. In addition, the conclusion of the India–European Union Free Trade Agreement (2026) is expected to significantly enhance market access by reducing or eliminating tariffs on most traded goods, including textiles, thereby boosting exports and strengthening India's position in global cotton value chains.

A notable industry trend is the increasing global shift towards organic, sustainable, and traceable cotton, driven by evolving consumer preferences and tightening environmental standards, which is likely to create opportunities for premiumisation and value-added products. Technological advancements, including improved seed varieties, mechanisation, precision farming, and digital supply chain traceability, are expected to enhance productivity, quality, and operational efficiency across the value chain. Additionally, India's competitive advantages, such as cost-effective labour, a large cultivation base, and diversified export markets, are expected to strengthen its position in global cotton and textile trade.

However, the industry remains exposed to certain risks, including volatility in cotton prices due to global supply-demand imbalances, competition from man-made fibres such as polyester, susceptibility to climatic variations such as erratic monsoons and pest infestations, and relatively lower yield levels compared to global benchmarks. Notwithstanding these challenges, the overall outlook for the cotton industry remains positive and structurally robust, supported by favourable demand dynamics, evolving global trade linkages, policy support, and increasing emphasis on sustainability, positioning it as a critical contributor to agricultural income, rural livelihoods,

BUSINESS OVERVIEW

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled “Forward-Looking Statements” beginning on page 20 for a discussion of the risks and uncertainties related to those statements and also the sections titled “Risk Factors”, “Our Industry”, “Summary of Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 22, 128, 62 and 238 respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve months ended March 31 of that year.

Unless the context otherwise requires, references in this section to “our Company”, “we”, “us”, or “our” are to Milan Ginning Pressing Limited.

Unless otherwise indicated or the context requires otherwise, the financial information for the six months period ended on September 30, 2025 and Fiscal 2025, Fiscal 2024 and Fiscal 2023 included herein have been derived from our restated balance sheets as at September 30 2025, March 31, 2025, March 31, 2024 and March 31, 2023, and our restated statements of profit and loss, cash flows and changes in equity for the period ended on September 30, 2025 and fiscal years ended March 31, 2025, March 31, 2024 and March 31, 2023 of the Company, together with the statement of significant accounting policies, and other explanatory information thereon.

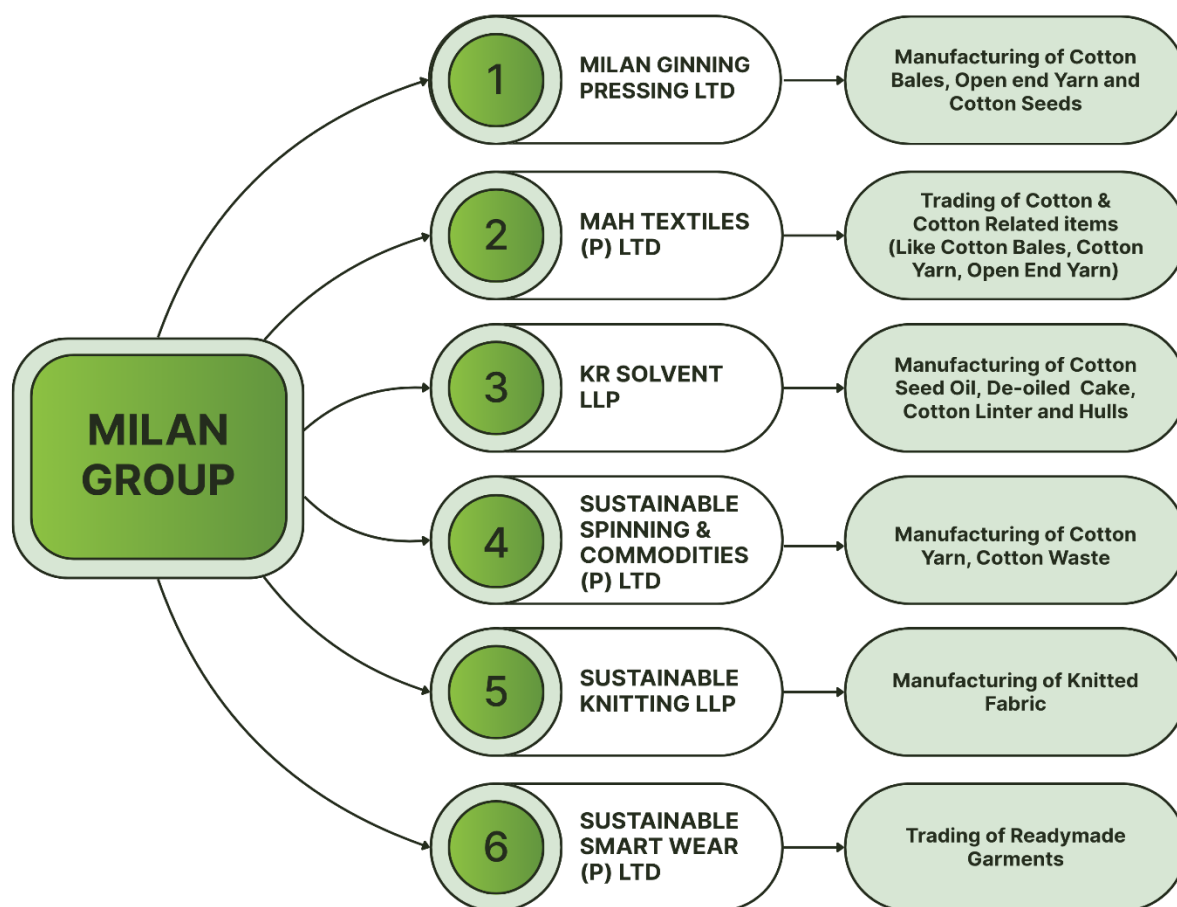
Unless otherwise indicated, industry and market data used in this section have been derived from the report titled “Cotton Industry” dated March 30, 2026 (the “Infomeric Report”) prepared and issued by Infomeric Analytics And Research Private Limited which has been commissioned by and paid for by our Company exclusively in connection with this Public Issue for the purposes of confirming our understanding of the industry in which we operate. The data included herein includes excerpts from the Research Report and may have been re-ordered by us for the purposes of presentation. The Infomeric Report will form part of the material documents for inspection and a copy of the Research Report is available on the website of our Company at <https://www.milangroupindia.com/milanginning.aspx>. Unless otherwise indicated, operational, industry and other related information included herein with respect to any particular year refers to such information for the relevant financial year. We have used information from the Infomeric Report which we commissioned for industry data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks. For further details, please refer to the chapter titled as “Risk Factors” beginning on page 22.

OVERVIEW

Our company was incorporated as Milan Ginning Pressing Private Limited, on April 25, 1995, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Ahmedabad. Consequent upon the conversion of our Company from Private Limited Company to Public Limited Company, the name of our Company was changed to “Milan Ginning Pressing Limited” and fresh Certificate of Incorporation dated June 21, 2024, was issued by the Registrar of Companies, Central Processing Centre.

Milan Ginning Pressing Limited is engaged in the business of manufacturing cotton bales and open-end yarns. Our operations involve processing raw seed cotton through the ginning and pressing process, whereby cotton lint is separated from cotton seeds. The cotton lint obtained from the ginning process is further cleaned and compressed into cotton bales, which are supplied to spinning mills and other textile manufacturers for conversion into yarn and fabrics used across a broad range of end-use segments including denim, terry towels, shirting, sheeting, sweaters, socks, bottom wear, home textiles and industrial fabrics. The cotton seeds generated during the ginning process are sold to processors including KR Solvent LLP which is also engaged in extraction of cottonseed oil and manufacturing of related by-products such as cotton linter, de-oiled cakes and hulls. In addition to manufacturing activities, we also undertake trading of cotton bales, cotton yarn, open-end yarn, fabric, cotton polyester blended yarn and garments.

MILAN GROUP



The Milan Group operates across multiple segments in the cotton and textile value chain:

- **Milan Ginning Pressing Limited (Issuer Company):** Produces cotton bales, open-end yarn, and cotton seeds
- **K R Solvent LLP (Subsidiary):** Produces cottonseed oil, cotton linter, de-oiled cake, and hulls
- **MAH Textiles Private Limited (Subsidiary):** Trades in group products and plans to set up a dyeing and printing plant
- **Sustainable Spinning & Commodities Private Limited (Group Company):** Manufactures cotton yarn
- **Sustainable Knitting LLP (Group Entity):** Produces knitted fabrics
- **Sustainable Smart Wear Private Limited (Group Company):** Trades in Readymade Garments

Production of cotton bales, open end yarn and cotton seeds through our Company (Milan Ginning Pressing Limited)

The company produces cotton bales, open-end yarn, and cotton seeds. Raw cotton is first cleaned to separate fibre and seeds. The fibre (cotton lint) is then processed and compressed into bales, which are packed, labelled, and stored for sale or further use. The seeds generated during this process are used as a by-product. The company also produces open-end yarn in different counts based on customer needs.

Producing cotton seed oil and related products through our subsidiary (KR Solvent LLP)

Cotton seeds obtained from the ginning process are further processed to remove linters and produce delinted seeds. These seeds are used for oil extraction. The subsidiary extracts cottonseed oil using various methods and also produces by-products such as cotton linter, de-oiled cake, and hulls.

**Trading and Proposed Expansion into fabric processing through our subsidiary
(MAH Textiles Private Limited)**

This subsidiary currently trades in cotton and related products produced by the group. It is now planning to set up a dyeing and printing unit for knitted fabric, with a proposed capacity of 6,000 metric tons per year. The project cost of ₹ 92.72 crores will be funded through IPO proceeds, bank loans, and promoter contributions.

**Manufacturing of cotton yarn through our group company
(Sustainable Spinning & Commodities Private Limited)**

This group company manufactures cotton yarn for weaving and hosiery. It operates a spinning mill and produces quality yarn, including combed and compact yarn, catering to both domestic and international markets.

**Production of knitted fabrics through our group entity
(Sustainable Knitting LLP)**

This entity manufactures a variety of knitted fabrics using different yarn types. It uses in-house knitting machines as well as outsourced production to meet demand and ensure consistent quality and supply.

**Trading of Readymade Garments through our group company
(Sustainable Smart Wear Private Limited)**

This group company is engaged in trading of readymade garments such T-shirts, Sportswear, Kids wear and hosiery items etc.

COTTON INDUSTRY

India, the second-largest consumer, displays a stable consumption pattern, fluctuating modestly between 5.33 and 5.7 million tonnes during 2021 to 2025. The marginal drop in 2025 may be attributed to supply constraints or shifts in domestic textile production. Pakistan's consumption is marked by greater volatility, climbing to 2.45 million tonnes in 2022, before tapering off to 2.1 million tonnes in 2025, likely due to economic pressures and lower domestic output. Bangladesh, an important hub for global garment manufacturing, shows consistent growth in cotton consumption—from 1.64 million tonnes in 2021 to a projected 1.85 million tonnes by 2025—driven by export-led expansion in its textile sector. Vietnam's consumption remains relatively steady, ranging between 1.52 and 1.3 million tonnes during 2021 to 2023, India, the second-largest consumer, displays a stable consumption pattern, fluctuating modestly between 5.33 and 5.7 million tonnes during 2021 to 2025. The marginal drop in 2025 may be attributed to supply constraints or shifts in domestic textile production. Pakistan's consumption is marked by greater volatility, climbing to 2.45 million tonnes in 2022, before tapering off to 2.1 million tonnes in 2025, likely due to economic pressures and lower domestic output. Bangladesh, an important hub for global garment manufacturing, shows consistent growth in cotton consumption—from 1.64 million tonnes in 2021 to a projected 1.85 million tonnes by 2025—driven by export-led expansion in its textile sector. Vietnam's consumption remains relatively steady, ranging between 1.52 and 1.3 million tonnes during 2021 to 2023, with slight recovery anticipated by 2025, supported by ongoing foreign investment and industrial growth.

The Indian cotton industry is a cornerstone of the country's textile value chain, supporting large-scale employment, rural livelihoods, and export-oriented manufacturing. India is one of the world's largest producers, consumers, and exporters of cotton, with a strong cultivation base spread across states such as Gujarat, Maharashtra, Telangana, and Punjab. Despite substantial domestic production, India continues to import cotton to address quality requirements, fibre-length specifications, and periodic supply deficits arising from yield volatility and climatic variability. The industry benefits from a well-developed spinning and weaving infrastructure, making cotton critical for yarn, fabric, and apparel exports. However, the sector remains exposed to fluctuations in global prices, input costs, and monsoon dependence, while increasing emphasis on sustainability, traceability, and productivity enhancement is shaping the long-term outlook of the Indian cotton industry.

Gujarat strikes an optimal balance with 23.99 lakh hectares of cotton area, producing 74.41 lakh bales, and achieving the highest yield nationally at 527 kg/hectare. This makes Gujarat the most productive state on a per-hectare basis.

In connection with the above business operations, our Company for the six-month period ended September 30, 2025, recorded the highest revenue growth among the selected peer companies, reflecting increased demand for cotton bales and open-end yarn and efficient capacity utilisation. Based on the peer benchmarking for FY 2025 and the period ended September 2025 presented in the Industry Report, our Company reported on standalone basis the highest Total Operating Income of ₹80,059.46 lakh in FY 2025 and ₹47,398.81 lakh for the period ended September 2025 among the selected peer companies, namely Pashupati Cotspin Limited and Axita Cotton Limited. The Company also recorded Total Income of ₹81,045.59 lakh in FY 2025 and ₹47,624.12 lakh for the period ended September 2025. Further, the Company recorded a Return on Net Worth of 27.45% and 14.35%, and ROCE of 11.29% and 10.68% for FY 2025 and the period ended September 2025, respectively, which are higher than those of the selected peers, based on the reported financial metrics. (Source: Infomerics Report)

KEY PERFORMANCE INDICATORS (KPI)

Particulars	For six months period ended Sept. 30, 2025*	For financial year ended March 31, 2025	For financial year ended March 31, 2024	For financial year ended March 31, 2023#
	Consolidated			Standalone
Revenue from Operations (₹ in Lakhs) ⁽¹⁾	50,185.08	82,576.35	90,188.41	68,275.02
EBITDA (₹ in Lakhs) ⁽²⁾	1,327.66	2,156.93	2,140.20	1,434.98
EBITDA Margin (%) ⁽³⁾	2.65%	2.61%	2.37%	2.10%
Profit After Tax (₹ in Lakhs) ⁽⁴⁾	755.61	1,111.40	1,145.92	628.78
PAT Margin (%) ⁽⁵⁾	1.51%	1.35%	1.27%	0.92%
RoE (%) ⁽⁶⁾	13.53%	23.77%	33.69%	28.73%
RoCE (%) ⁽⁷⁾	10.22%	17.20%	18.34%	20.74%
Debt – Equity Ratio (Times) ⁽⁸⁾	0.95	1.09	1.48	1.22
Current Ratio (Times) ⁽⁹⁾	1.12	1.15	1.13	1.05

* Not Annualised

Figures for March 31, 2023 are presented on a standalone basis, as MAH Textiles Private Limited and KR Solvent LLP were considered as subsidiaries during FY 2023–24.

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their examination report dated March 28, 2026.

The method of computation of above KPIs is set out below:

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.
- 2) EBITDA is defined as sum of Profit before Tax, Interest Expenses, Depreciation and Amortization Expenses and deducting Interest Income for the period/year.
- 3) EBITDA Margin (%) is calculated as EBITDA for the period/year divided by Revenue from Operations for the period/year.
- 4) Profit after Tax for the period/year is defined as Profit for the period/year as appearing in the Restated Financial Information.
- 5) PAT Margin (%) is calculated as Profit after tax for the period/year divided by Revenue from Operations for the period/year.
- 6) RoE (Return on Equity) (%) is calculated as Profit after Tax for the period/year divided by Restated Average Shareholders Fund at the end of the period/year.
- 7) RoCE (Return on Capital Employed) (%) is calculated as Profit before tax plus Interest expenses divided by Capital employed for the period/year. Capital Employed includes sum of Net-worth, Minority interest, Deferred tax Liabilities, Long-Term Borrowing, Short-Term Borrowing and deducting Intangible Assets.
- 8) Debt-Equity ratio is calculated as Total debt /Total equity;
- 9) Current ratio calculated as current assets divided by current liabilities.

The product wise bifurcation of revenue from operations from manufacturing and trading of our products for the six months period ended September 30, 2025, and financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, is set out below:

On Consolidated basis

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
Manufacturing	4,116.23	8.20%	16,575.70	20.07%	18,477.94	20.49%	18,437.43	27.00%
Cotton Bales	930.28	1.85%	7,862.43	9.52%	9,260.17	10.27%	12,242.71	17.93%
Open End Yarn	1,242.51	2.48%	2,554.52	3.09%	3,706.08	4.11%	2,790.21	4.09%
Cotton Seeds (by-product of ginning process)	211.55	0.42%	-102.54 [§]	-0.12%	2,708.51	3.00%	3,404.51	4.99%
Cotton Linter	-	-	111.47	0.13%	261.80	0.29%	-	-
Cotton Seeds Oil	743.30	1.48%	2,281.60	2.76%	2,209.64	2.45%	-	-
De-Oil Cake	572.30	1.14%	2,240.75	2.71%	310.55	0.34%	-	-
Hulls	416.29	0.83%	1,627.47	1.97%	21.19	0.02%	-	-
Trading	46,068.86	91.80%	66,000.64	79.93%	71,710.47	79.51%	49,837.57	73.00%
Cotton Bales	28,666.98	57.12%	22,231.51	26.92%	33,620.32	37.28%	14,504.64	21.24%
Open-end Yarn	1,859.57	3.71%	5,604.61	6.79%	1,927.64	2.14%	365.91	0.54%
Fabric	377.29	0.75%	1,916.67	2.32%	2,323.93	2.58%	391.51	0.57%
Cotton Polyester Blended Yarn	-	-	-	-	0.85	0.00%	5.07	0.01%
Cotton Yarn	15,076.07	30.04%	35,287.34	42.73%	32,410.36	35.94%	29,932.00	43.84%
Cotton Seeds Oil	-	-	-	-	-	-	2,056.64	3.01%
Cotton Linter	-	-	-	-	-	-	354.23	0.52%
De-Oil Cake	-	-	-	-	-	-	226.64	0.33%
Hulls	-	-	-	-	-	-	27.76	0.04%
Other Misc Products [^]	45.53	0.09%	412.06	0.50%	606.07	0.67%	1,121.64	1.64%
Others [*]	43.42	0.09%	548.45	0.66%	821.30	0.91%	851.53	1.25%
Total	50,185.08	100.00%	82,576.35	100.00%	90,188.41	100.00%	68,275.02	100.00%

[§] Sales Return

[^] Other Misc Products include Dropping Waste, Lickrin Waste, Noicomber, Waste Oil, Bardan, Cotton Seed Waste, Waste Putti

^{*} Others include the revenue generated from Rod Tep Script which is a Tradeable License.

[#] Figures for March 31, 2023 are presented on a standalone basis, as MAH Textiles Private Limited and KR Solvent LLP were considered as subsidiaries during FY 2023–24.

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

On Standalone basis

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
Manufacturing	2,607.58	5.50%	11,052.33	13.81%	15,674.76	17.42%	18,437.43	27.00%
Cotton Bales	930.28	1.96%	6,633.42	8.29%	9,260.17	10.29%	12,242.71	17.93%

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
Open End Yarn	1,242.51	2.62%	2,554.52	3.19%	3,706.08	4.12%	2,790.21	4.09%
Cotton Seeds (by-product of ginning process)	434.79	0.92%	1,864.39	2.33%	2,708.51	3.01%	3,404.51	4.99%
Trading	44,791.24	94.50%	69,007.13	86.19%	74,299.58	82.58%	49,837.57	73.00%
Cotton Bales	27,982.70	59.04%	22,421.73	28.01%	33,620.32	37.37%	14,504.64	21.24%
Open-end Yarn	1,894.78	4.00%	5,544.82	6.93%	1,909.54	2.12%	365.91	0.54%
Fabric	246.40	0.52%	1,916.67	2.39%	2,323.93	2.58%	391.51	0.57%
Cotton Polyester Blended Yarn	-	-	-	-	0.08	0.00%	5.07	0.01%
Cotton Yarn	13,457.32	28.39%	35,391.52	44.21%	32,410.36	36.02%	29,932.00	43.84%
Cotton Seeds Oil	724.09	1.53%	2,281.60	2.85%	2,209.64	2.46%	2,056.64	3.01%
Cotton Linter	-	-	111.47	0.14%	261.81	0.29%	354.23	0.52%
De-Oil Cake	109.95	0.23%	175.8	0.22%	136.53	0.15%	226.64	0.33%
Hulls	109.74	0.23%	297.09	0.37%	-	-	27.76	0.04%
Other Misc Products [^]	222.85	0.47%	317.98	0.40%	606.07	0.67%	1,121.64	1.64%
Others*	43.41	0.09%	548.45	0.69%	821.30	0.91%	851.53	1.25%
Total	47,398.81	100.00%	80,059.46	100.00%	89,975.11	100.00%	68,275.02	100.00%

[^] Other Misc Products include Dropping Waste, Lickrin Waste, Noicomber, Waste Oil, Bardan, Cotton Seed Waste, Waste Putti

* Others include the revenue generated from Rod Tep Script which is a Tradeable License.

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

Further the product wise bifurcation of revenue from operations into domestic sales and export sales for the six-month period ended September 30, 2025, and the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, is set out below:

₹ in lakhs

Products	For six months period ended September 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]
	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Standalone
Domestic	46,112.89	43,587.28	68,055.60	65,538.71	62,930.77	62,717.46	46,533.13
Exports	4,072.19	3,811.53	14,520.75	14,520.75	27,257.65	27,257.65	21,741.89
Total	50,185.08	47,398.81	82,576.35	80,059.46	90,188.41	89,975.11	68,275.02

[#] Figures for March 31, 2023 are presented on a standalone basis, as MAH Textiles Private Limited and KR Solvent LLP were considered as subsidiaries during FY 2023-24.

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

The above revenue bifurcation reflects the nature of our operations and contribution of our manufacturing and trading activities, which is supported by our operational infrastructure and facilities. Our Registered Office and manufacturing facility are located at Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Limbdi, District-Surendranagar (Gujarat) – 363421, and span an area of approximately

22,864.75 square metres. The facility is equipped with ginning, pressing and open-end spinning machinery which support our production operations. The machinery installed at our facility has been approved under the Technology Mission on Cotton (TMC) Project of the Ministry of Textiles, Government of India. Our Company has been engaged in the cotton industry for over three decades. The business initially commenced with trading of raw cotton and subsequently expanded into establishing a ginning and pressing facility for processing seed cotton into cotton bales.

In connection with our business operations, we operate primarily in the business-to-business (B2B) segment, supplying our products to buyers such as spinning mills, textile manufacturers, traders and other processors within the textile value chain including our subsidiaries and group entities. Our products, including cotton bales and open-end yarn, are supplied to customers who utilize them as raw materials for further processing into yarn, fabric and other textile products.

While we also undertake export sales, a substantial portion of our revenue from operations continues to be derived from domestic sales in India, and the geographical distribution of our sales is set out below:

On Consolidated basis

(In ₹ Lakhs)

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
Domestic	46,112.89	91.89%	68,055.60	82.42%	62,930.77	69.78%	46,533.13	68.16%
Andhra Pradesh	-	-	59.47	0.07%	273.74	0.30%	51.59	0.08%
Bihar	-	-	0.33	0.00%	-	-	-	-
Dadra & Nagar Haveli	-	-	478.87	0.58%	302.84	0.34%	446.74	0.65%
Gujarat	35,316.82	70.37%	39,589.14	47.94%	39,748.36	44.07%	36,322.10	53.20%
Haryana	107.56	0.21%	1,257.30	1.52%	2,105.52	2.33%	244.01	0.36%
Himachal Pradesh	-	-	-	-	200.46	0.22%	-	-
Karnataka	160.45	0.32%	483.41	0.59%	563.78	0.63%	13.02	0.02%
Madhya Pradesh	212.10	0.42%	837.56	1.01%	1,567.60	1.74%	1,100.52	1.61%
Maharashtra	4,263.44	8.50%	7,539.36	9.13%	7,233.96	8.02%	4,070.11	5.96%
New Delhi	43.42	0.09%	374.51	0.45%	575.94	0.64%	261.81	0.38%
Punjab	198.12	0.39%	1,029.23	1.25%	524.38	0.58%	-	-
Rajasthan	237.69	0.47%	229.25	0.28%	295.48	0.33%	563.30	0.83%
Tamil Nadu	5,481.39	10.92%	15,990.08	19.36%	8,273.64	9.17%	3,034.28	4.44%
Telangana	25.89	0.05%	39.62	0.05%	818.02	0.91%	-	-
Uttar Pradesh	66.01	0.13%	147.49	0.18%	208.24	0.23%	378.95	0.56%
West Bengal	-	-	-	-	238.80	0.26%	46.70	0.07%
Exports	4,072.19	8.11%	14,520.75	17.58%	27,257.65	30.22%	21,741.89	31.84%
Bangladesh	3,548.48	7.07%	10,786.02	13.06%	23,694.89	26.27%	19,812.95	29.02%
China	-	-	111.47	0.13%	549.74	0.61%	354.23	0.52%
Egypt	-	-	135.27	0.16%	354.56	0.39%	264.13	0.39%
Guatemala	-	-	-	-	71.15	0.08%	-	-
Indonesia	17.91	0.04%	-	-	-	-	-	-
Korea	65.04	0.13%	414.23	0.50%	35.93	0.04%	47.26	0.07%

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
Los Angeles	80.16	0.16%	79.38	0.10%	59.44	0.07%	-	-
Malaysia	127.01	0.25%	24.46	0.03%	-	-	-	-
Oman	-	-	7.88	0.01%	-	-	-	-
Philippines	28.71	0.06%	-	-	1,832.66	2.03%	865.14	1.27%
Portugal	50.23	0.10%	341.97	0.41%	-	-	-	-
Singapore	-	-	-	-	154.59	0.17%	-	-
South Korea	127.04	0.25%	50.79	0.06%	100.60	0.11%	197.05	0.29%
Sri Lanka	-	-	1,068.53	1.29%	257.29	0.29%	202.03	0.30%
Taiwan	27.61	0.06%	-	-	-	-	10.10	0.01%
Thailand	-	-	-	-	31.75	0.04%	-	-
Turkey	-	-	250.02	0.30%	115.05	0.13%	-10.99	-0.02%
Vietnam	-	-	1,250.74	1.51%	-	-	-	-
Total	50,185.08	100.00%	82,576.35	100.00%	90,188.41	100.00%	68,275.02	100.00%

[#] Figures for March 31, 2023 are presented on a standalone basis, as MAH Textiles Private Limited and KR Solvent LLP were considered as subsidiaries during FY 2023–24.

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

On Standalone basis

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
Domestic	43,587.28	91.96%	65,538.71	81.86%	62,717.46	69.71%	46,533.13	68.16%
Andhra Pradesh	-	-	59.47	0.07%	273.74	0.30%	51.59	0.08%
Bihar	-	-	0.33	0.00%	-	-	-	-
Dadra & Nagar Haveli	-	-	478.87	0.60%	302.84	0.34%	446.74	0.65%
Gujarat	33,330.81	70.32%	38,078.36	47.56%	39,618.96	44.03%	36,322.10	53.20%
Haryana	76.96	0.16%	1,205.73	1.51%	2,105.52	2.34%	244.01	0.36%
Himachal Pradesh	-	-	-	-	200.46	0.22%	-	-
Karnataka	160.45	0.34%	158.47	0.20%	563.78	0.63%	13.02	0.02%
Madhya Pradesh	212.10	0.45%	837.56	1.05%	1,567.60	1.74%	1,100.52	1.61%
Maharashtra	3,974.48	8.39%	7,532.28	9.41%	7,233.96	8.04%	4,070.11	5.96%
New Delhi	43.42	0.09%	374.51	0.47%	575.94	0.64%	261.81	0.38%
Punjab	187.52	0.40%	851.27	1.06%	450.10	0.50%	-	-
Rajasthan	31.68	0.07%	65.41	0.08%	295.48	0.33%	563.30	0.83%
Tamil Nadu	5,477.67	11.56%	15,709.32	19.62%	8,273.64	9.20%	3,034.28	4.44%
Telangana	25.89	0.05%	39.62	0.05%	818.02	0.91%	-	-

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
Uttar Pradesh	66.01	0.14%	147.49	0.18%	198.62	0.22%	378.95	0.56%
West Bengal	-	-	-	-	238.8	0.27%	46.70	0.07%
Exports	3,811.53	8.04%	14,520.75	18.14%	27,257.65	30.29%	21,741.89	31.84%
Bangladesh	3,287.82	6.94%	10,786.02	13.47%	23,694.89	26.33%	19,812.95	29.02%
China	-	-	111.47	0.14%	549.74	0.61%	354.23	0.52%
Egypt	-	-	135.27	0.17%	354.56	0.39%	264.13	0.39%
Guatemala	-	-	-	-	71.15	0.08%	-	-
Indonesia	17.91	0.04%	-	-	-	-	-	-
Korea	65.04	0.14%	414.23	0.52%	35.93	0.04%	47.26	0.07%
Los Angeles	80.16	0.17%	79.38	0.10%	59.44	0.07%	-	-
Malaysia	127.01	0.27%	24.46	0.03%	-	-	-	-
Oman	-	-	7.88	0.01%	-	-	-	-
Philippines	28.71	0.06%	-	-	1,832.66	2.04%	865.14	1.27%
Portugal	50.23	0.11%	341.97	0.43%	-	-	-	-
Singapore	-	-	-	-	154.59	0.17%	-	-
South Korea	127.04	0.27%	50.79	0.06%	100.60	0.11%	197.05	0.29%
Sri Lanka	-	-	1,068.53	1.33%	257.29	0.29%	202.03	0.30%
Taiwan	27.61	0.06%	-	-	-	-	10.10	0.01%
Thailand	-	-	-	-	31.75	0.04%	-	-
Turkey	-	-	250.02	0.31%	115.05	0.13%	-10.99*	-0.02%
Vietnam	-	-	1,250.74	1.56%	-	-	-	-
Total	47,398.81	100.00 %	80,059.46	100.00 %	89,975.11	100.00 %	68,275.02	100.00 %

* Sales return

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

To ensure continuity in its operations, our Company undertakes procurement of raw seed cotton during the cotton harvesting season in India, which generally occurs between October and March, when availability of cotton is relatively higher. During this period, raw cotton is procured from farmers, agricultural markets and traders based on prevailing market conditions and quality parameters. The procured raw cotton is subsequently processed at our manufacturing facility through the ginning and pressing process to produce cotton bales. We also procure the cotton waste generated during processing of cotton yarn by Sustainable Spinning and Commodities (P) Limited which is utilized for manufacturing open-end yarn.

The execution and management of the above business operations is supported by our Promoters, who play an important role in the strategic direction and growth of our Company. With their industry experience and understanding of the cotton processing and textile sector, the Promoters have been instrumental in establishing and expanding the operations of our Company. They continue to remain involved in guiding the business strategy and overseeing key operational decisions of the Company. Our Promoters are supported by our Key Managerial Personnel and senior management team who assist in managing the day-to-day operations of the Company. For further details, see “Our Promoters and Promoter Group” and “Our Management” beginning on pages 229 and 214, respectively.”

In course of our operations, we are also conscious of the environmental impact of our operations and have undertaken initiatives to incorporate renewable energy sources. As part of these efforts, our Company has installed a rooftop solar power plant at its manufacturing facility located at Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Limbdi, District-Surendranagar (Gujarat) – 363421 and has also established a windmill located at Survey No. 202 P, Village Vankiya, Babra, Amreli, Gujarat for captive power generation. The electricity generated from these renewable energy installations is utilized for meeting a portion of the power requirements of our manufacturing operations.

The rooftop solar power plant and windmill were commissioned in 2023. The installed capacity of the rooftop solar power plant and windmill stands at approximately 0.40 MW (400 KW AC and 400 KW DC HT connection) and 2.00 MW, respectively. The power generated from these installations is primarily used for captive consumption at our manufacturing facility, resulting in optimization of power costs and supporting our operational requirements.

These initiatives reflect our focus on adopting energy-efficient and environmentally responsible practices while supporting the sustainability of our operations.

OUR STRENGTHS

1. Strategically located manufacturing facility with Storage Infrastructure

Our Manufacturing Facility is a strategically located facility with scope for future expansion:

- **Strategic Location:** Our manufacturing facility is located in Gujarat, which is one of the key cotton producing states in India. The proximity to cotton growing regions enables us to procure raw seed cotton from farmers, traders and agricultural markets in the surrounding regions, thereby reducing logistics costs and supporting efficient procurement. This geographic advantage assists us in streamlining procurement, production scheduling and supply of our products to customers operating within the textile industry. Additionally, the proximity of our manufacturing facility to major port infrastructure, including Mundra Port, supports efficient movement of goods and facilitates access to export markets.

The facility also benefits from connectivity through road and logistics infrastructure, enabling movement of raw materials and finished goods to customers located across different regions of India. The location of the facility provides access to transportation networks which support efficient dispatch and delivery of our products.

- **Storage Infrastructure:** Our manufacturing facility is supported by storage areas within the premises for handling raw materials and finished goods. Raw seed cotton procured for our operations is stored in designated areas prior to processing through ginning and pressing operations. Similarly, finished products including cotton bales and open-end yarn are stored in organized sections within the facility prior to dispatch to customers.
- **Future Expansion:** Our manufacturing facility spans a total land area of approximately 22,864.75 sq. metres, of which the built-up area covers approximately 5,932.54 sq. metres, representing 25.95% of the total land area. The balance land, after excluding the built-up area, is primarily utilized for open storage of raw materials and finished goods and provides scope for future expansion of our manufacturing operations, subject to business requirements and regulatory approvals. As of Fiscal 2025, the facility has an annual installed capacity of approximately 7,000 metric tons for cotton bales and approximately 2,430 metric tons for open-end yarn.

The storage infrastructure supports handling of materials, movement of inventory and timely dispatch of products in accordance with production schedules and customer requirements. The availability of storage space within the premises assists us in managing inventory and maintaining continuity in our operations.

2. Adoption of Renewable Energy Supporting Sustainable and Cost-Supporting Operations

Our Company has undertaken initiatives to incorporate renewable energy sources in its operations in order to improve energy efficiency and reduce dependence on conventional power sources. As part of these initiatives,

we have installed a rooftop solar power plant at our manufacturing facility and have also established a windmill for captive power generation.

The rooftop solar power plant and windmill were commissioned in 2023. The installed capacity of the rooftop solar power plant and windmill stands at approximately 400KW AC, 400KW DC HT and 2.00 MW, respectively. The electricity generated from these renewable energy installations is utilized primarily for captive consumption at our manufacturing facility and contributes towards meeting a portion of the power requirements of our operations.

The adoption of renewable energy supports optimization of power costs and assists in improving the overall energy efficiency of our manufacturing operations. It also reflects our focus on adopting environmentally responsible practices and supporting sustainable operations. The use of renewable energy infrastructure contributes to improving operational stability and reducing exposure to fluctuations in conventional power costs.

3. *Presence across multiple stages of the cotton value chain through our subsidiaries and group entities*

Our Company, along with its subsidiaries, including MAH Textiles Private Limited (“MAH”) and KR Solvent LLP (“KR Solvent”), operates across different segments of the cotton and textile value chain, resulting in linkages across products and processes.

Our operations commence with procurement of raw cotton, which is processed at our manufacturing facility through the ginning and pressing process to produce cotton bales and cotton seeds as a by-product. The cotton bales produced by our Company are supplied to spinning mills and textile manufacturers for further processing into yarn and fabric. During FY 2024-25, our Company produced approximately 3,692 MT of cotton bales and 1701 MT of Open end yarn.

KR Solvent utilizes the cotton seeds supplied by our Company as a key raw material for extraction of cottonseed oil and manufacturing of related by-products such as de-oiled cakes, cotton linters and hulls. The products manufactured by KR Solvent are further utilized across various applications, including cattle feed, edible and industrial oil, and other industrial uses.

Further, MAH, our subsidiary, is engaged in the trading of cotton and cotton-related products, including cotton bales, yarn and other textile products manufactured by our Company and other group entities. Through its trading operations, MAH facilitates distribution of such products to customers within the textile value chain. MAH is also planning to set up a knitted fabric dyeing and printing unit with a capacity of 6,000 MTPA, with a project cost of ₹92.72 crores, to be funded through IPO proceeds, bank loans, and promoter contributions.

Through the above, our Company and its subsidiaries operate across interconnected stages of the cotton value chain, comprising processing of raw cotton into cotton bales and yarn, generation and utilization of cotton seeds, extraction of cottonseed oil and related by-products such as de-oiled cakes, and trading of cotton and textile products.

In addition, our group company Sustainable Spinning & Commodities Private Limited (SSCPL) uses cotton bales supplied by us to produce cotton yarn. The cotton waste generated in this process is reused by our Company to manufacture open-end yarn. Further, Sustainable Knitting LLP (SKL) uses the cotton yarn supplied by us to produce knitted fabric.

4. *Efficient Raw Material Procurement and Supplier Network*

Our Company benefits from a supply chain that supports procurement of raw materials and supply of finished products within the textile value chain. Our manufacturing facility is located in Gujarat, which is one of the major cotton producing regions in India. This strategic location reduces logistics costs and ensures proximity to raw material sources. The proximity to cotton growing regions enables us to procure raw seed cotton from farmers, traders and agricultural markets, facilitating availability of raw materials for our ginning and pressing operations.

The presence of cotton cultivation in the surrounding regions enables us to source raw cotton during the harvesting season in India, which typically occurs between October and March, when availability of cotton

is relatively higher. This enables us to procure raw materials in accordance with our production requirements and operational schedules.

Our manufacturing facility is located in Surendranagar, Gujarat, which is in proximity to cotton-growing regions, with cotton cultivation areas situated within an approximate radius of 50 km. This proximity enables farmers from nearby areas to bring raw seed cotton directly to our manufacturing facility, facilitating timely procurement and reducing reliance on organized transportation infrastructure for sourcing of raw materials. The Surendranagar region is conducive for cotton cultivation, which supports availability of raw cotton in the surrounding areas during the harvesting season.

Our manufacturing facility also includes storage areas within the premises for handling and storage of raw materials and finished goods. The availability of storage infrastructure assists us in managing inventory and maintaining continuity in our manufacturing operations. Accordingly, our procurement profile may vary across periods depending on procurement requirements and market conditions, including the nature, volume and source of raw materials procured during a particular fiscal.

5. Track Record of financial and operational performance

Our Company has demonstrated an increase in revenues and profitability. We believe that our focus on operational and functional excellence has contributed to our track record of healthy financial performance. Our revenue from operations increased from ₹ 68,275.02 lakhs in Fiscal 2023 to ₹ 82,576.35 lakhs in Fiscal 2025, representing a CAGR of 9.98%. During the same period, our PAT margin rose from ₹ 628.78 lakhs to ₹ 1,111.40 lakhs reflecting enhanced cost efficiency and profitability.

6. Integrated Cotton Processing Operations with Focus on Product Quality

Our Company operates an integrated cotton processing facility which supports multiple stages of cotton processing including raw cotton handling, cleaning, ginning, bale pressing and open-end yarn manufacturing. The presence of various processing machines at our manufacturing facility enables us to undertake different stages of cotton processing in a coordinated manner.

Our manufacturing operations commence with procurement and handling of raw seed cotton, which is weighed using a weighbridge and subsequently cleaned using equipment such as kodi cleaners and super cleaners to remove impurities. The cleaned cotton is then processed through ginning machines, which separate cotton lint from cotton seeds. The cotton lint is subsequently compressed into cotton bales using bale pressing machines.

In addition to ginning operations, our manufacturing facility is equipped with machinery for processing cotton bales and waste sourced from spinning mills into open-end yarn, including blowroom machinery for opening and cleaning, carding machines for separation and impurity removal, drawframe machines for improving uniformity, and open-end rotor spinning machines for yarn manufacturing.

Our facility also includes supporting infrastructure such as conveyor systems for material movement, humidification systems for maintaining optimal fiber conditions, compressors, dust collection systems, transformers and DG sets, which support efficient functioning of the manufacturing process.

The availability of these processing and supporting machines enables us to undertake cotton processing and open-end yarn manufacturing operations at our facility while maintaining operational efficiency and supporting the quality requirements of our customers.

Details of Major Machinery installed at our Manufacturing Facility is set out below

Sl. No.	Particulars	Quantity	End Use
1	Weighbridge	1	Weighing of Raw Material & Finished Goods
2	Kodi Cleaner	2	Cleaning of Raw Material
3	Conveyor System	2	Movement of materials from hard box to Ginning machine
4	DR Ginning Machine	48	Ginning of Raw Materials
5	Super Cleaner	1	Cleaning of Materials

Sl. No.	Particulars	Quantity	End Use
6	Bale Pressing Machine	1	Pressing of Finished Materials
7	Hard Box	1	Collection of Raw Materials
8	Conveyor System	1	Movement of materials from hard box to Ginning machine
9	Blowroom: Blendomet, MPMunimix, CLP, CLC3, Vetal scanner, Ductex	--	To process opening, cleaning, and blending of cotton fiber tufts without overstressing of fibers
10	Card	5	Separates individual fibers and removes impurities
11	Finishing drawframe	3	Improves the quality and uniformity of a loosely twisted strand of fibers, before it is spun into yarn.
12	Open end spinning machine	3	Open End Rotor Spinning Machine
13	Compressor + Dryer+ Receiver	2	Compressed air powers the machinery in ginning mills, which separates cotton lint from the seed
14	Humidification Plant	1	For Humidification of the product to be manufactured.
15	Dust collector & Processing Plant	1	Dust emissions from Raw cotton.
16	Transformer	1	Transformer used in a ginning machine to provide power to Plant
17	DG Set	1	DG Set used in case of power failure to provide power to Plant

As certified by Mr. Prashant Somnath Dashputre, Independent Chartered Engineer vide their certificate dated January 02, 2026

OUR STRATEGIES

1. Proposed Dyeing and Printing Facility through our Subsidiary

As part of our growth strategy, our Company proposes to expand its presence within the textile value chain through the establishment of a manufacturing facility for dyeing and printing of knitted fabrics through our wholly owned subsidiary, MAH Textiles Private Limited. Currently, our operations include the manufacturing of cotton bales and open-end yarn and trading of cotton yarn, fabrics and other textile related products. The proposed dyeing and printing facility is expected to support diversification of our product portfolio and enable us to expand into value-added textile processing activities, thereby allowing us to broaden our participation within the textile value chain and cater to a wider range of customers operating in the textile and apparel industry.

In connection with the proposed expansion, our Company intends to invest in our subsidiary, MAH Textiles Private Limited, in the form of equity capital for financing the construction of the factory building and factory shed and for meeting the cost of equipment and machinery for the proposed dyeing and printing manufacturing unit of knitted fabrics located at Limbdi, Surendranagar, Gujarat. Our subsidiary MAH Textiles Private Limited has obtained Consent to Establish (CTE) from the relevant regulatory authority for the proposed project. For further details, see “Objects of the Offer” on page 100.

2. Diversification of Product Portfolio

We intend to diversify our product portfolio by expanding our presence across additional stages of the textile value chain. Currently, our operations including our subsidiary primarily include the manufacturing of cotton bales, open-end yarn, Cotton Seed oil, Cotton Linter, De-oiled Cakes, Hulls and also trading of cotton bales, open end yarn, cotton yarn, knitted fabrics, cotton seed oil, cotton linter, de-oil cakes, hulls and other textile related products. These products are supplied to customers operating within the textile industry including spinning mills, textile manufacturers and traders.

As part of our strategy to broaden our product offerings, we propose to expand into fabric processing activities such as dyeing and printing of knitted fabrics through our wholly owned subsidiary, MAH Textiles Private Limited. The proposed expansion is expected to enable us to participate in value-added textile processing and complement our existing operations in cotton processing.

By diversifying our product portfolio, we intend to cater to a wider range of customers within the textile value chain and enhance our participation in different stages of textile manufacturing. This strategy is expected to support expansion of our business operations and provide opportunities to generate additional revenue streams over time.

3. Strengthening Presence within the Cotton and Textile Value Chain

We intend to strengthen our presence within the cotton and textile value chain by expanding our participation across multiple stages of textile processing. including our subsidiary primarily include the manufacturing of cotton bales, open-end yarn, Cotton Seed oil, Cotton Linter, De-oiled Cakes, Hulls and also trading of cotton bales, open end yarn, cotton yarn, knitted fabrics, cotton seed oil, cotton linter, de-oil cakes, hulls and other textile related products. These products are supplied to customers operating within the textile industry including spinning mills, textile manufacturers and traders.

Cotton bales produced through our ginning operations serve as an important raw material for spinning mills for manufacturing yarn, which is further processed into fabrics and other textile products. By participating in these stages of the cotton value chain, we supply products that form part of the broader textile manufacturing process.

In addition, through our proposed expansion into dyeing and printing of knitted fabrics through our wholly owned subsidiary, MAH Textiles Private Limited, we aim to extend our presence further within the textile value chain. This expansion is expected to enable us to participate in additional stages of textile processing and strengthen our position within the cotton and textile industry.

By strengthening our presence across different stages of the textile value chain, we aim to enhance our business opportunities and support the growth of our operations over time.

OUR CUSTOMERS

We supply our products to customers operating within the textile value chain, including spinning mills, textile manufacturers and traders. The details of the period of customer relationship with our customers for the six months period ended September 30, 2025 and for Fiscal 2025, 2024 and 2023 are set out below:

Period of Customer Relationship	Three months period ended September 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
More than 5 years	12	14	13	12
More than 3 years but less than 5 years	30	21	23	18
More than 1 year but less than 3 years	71	87	64	39
Less than 1 year	147	158	202	107
Total	260	280	302	176

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

In addition, our revenue from operations is derived from multiple customers operating within the textile value chain. The details of our top 10 customers for Fiscal 2025, Fiscal 2024 and Fiscal 2023 are set out below:

Particulars	For six months period ended September 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
	Consolidated						Standalone	



Top 1 Customer	10,218.57	20.36 %	3,787.61	4.59%	11,105.41	12.31%	17,335.15	25.39%
Top 3 Customers	21,744.53	43.33 %	9,177.66	11.11%	17,023.73	18.88%	25,762.92	37.73%
Top 5 Customers	24,389.32	48.60 %	13,902.84	16.84%	21,811.71	24.18%	32,447.76	47.53%
Top 10 Customers	28,682.85	57.15 %	22,497.10	27.24%	31,064.79	34.44%	42,374.93	62.07%

Figures for March 31, 2023 are presented on a standalone basis, as MAH Textiles Private Limited and KR Solvent LLP were considered as subsidiaries during FY 2023–24.


As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their examination report dated March 28, 2026.







OUR PRODUCTS

The following are the products being manufactured by Milan Ginning Pressing Limited

PRODUCT NAME	PICTURE	DESCRIPTION
Cotton seeds		Cotton seeds are small, oval-shaped, and have a hard, protective outer shell. They are typically covered in a thin, brown or black seed coat. Each cotton seed contains an embryo and a small amount of endosperm, which provides nutrients to the developing plant. The Cotton Seeds are high in oil and protein.
Cotton Bales		Cotton bales are large, rectangular bundles of raw cotton fibres that have been harvested from cotton plants. They are tightly compressed to reduce their volume for easier handling, storage, and transportation. However, this weight can vary depending on factors such as the moisture content of the cotton and the specific variety of cotton being baled.
Open End Yarn		Open-end spinning involves feeding the cotton fibres directly into a rotor spinning machine. In this process, the fibres are opened, cleaned, and twisted into yarn by the action of the rotating rotor and a stationary opening device.





Milan is also involved in trading of these products as follows:

PRODUCT NAME	PICTURE	DESCRIPTION
Cotton Bales		Cotton bales are large, rectangular bundles of raw cotton fibres that have been harvested from cotton plants. They are tightly compressed to reduce their volume for easier handling, storage, and transportation. However, this weight can vary depending on factors such as the moisture content of the cotton and the specific variety of cotton being baled.


PRODUCT NAME	PICTURE	DESCRIPTION
Cotton seed Oils		<p>Cottonseed oil is a type of vegetable oil extracted from the seeds of the cotton plant (<i>Gossypium</i> spp.). It is commonly used in cooking, food processing, and various industrial applications.</p>
Cotton Seed Husks (Hulls)		<p>Cottonseed husks are tough, fibrous, and generally have a coarse texture. They are the protective outer layer of the cottonseed and are usually removed during the processing of cotton seeds for oil extraction or other uses.</p> <p>They are primarily composed of cellulose, hemicellulose, and lignin, which are structural polysaccharides found in plant cell walls.</p>
De Oil Cake (DOC)		<p>"De-oil cake," also known as "de-oiled cake" or "oil cake," is a byproduct of the oil extraction process from cottonseeds. After the oil is extracted from the Cotton Seeds, what remains is a solid, fibrous material known as de-oil cake.</p>
Open End Cotton Yarn		<p>Open-end spinning involves feeding the cotton fibres directly into a rotor spinning machine. In this process, the fibres are opened, cleaned, and twisted into yarn by the action of the rotating rotor and a stationary opening device.</p>
Fabric		<p>Fabric is a textile material made by weaving, knitting, or bonding fibers together. It serves as the base material for garments, home furnishings, and industrial applications. Fabrics can be made from natural or synthetic fibres, offering a wide range of textures, weights, and functionalities for various end uses.</p>
Cotton yarn		<p>Cotton yarn is made exclusively from raw cotton, which are natural cotton obtained from the seed pods of the cotton plant. Cotton is known for its softness, breathability, and absorbency.</p>

PRODUCTS FROM OUR SUBSIDIARIES

Our Subsidiary KR Solvent LLP, is engaged in the processing of cotton seeds and manufacturing of related by-products. The principle products manufactured by KR Solvent LLP are set out below:

PRODUCT NAME	PICTURE	DESCRIPTION
Cotton seed Oils		Cottonseed oil is a type of vegetable oil extracted from the seeds of the cotton plant (<i>Gossypium</i> spp.). It is commonly used in cooking, food processing, and various industrial applications.
Cotton Seed Husks (Hulls)		Cottonseed husks are tough, fibrous, and generally have a coarse texture. They are the protective outer layer of the cottonseed and are usually removed during the processing of cotton seeds for oil extraction or other uses. They are primarily composed of cellulose, hemicellulose, and lignin, which are structural polysaccharides found in plant cell walls.
Cotton Linter		Cotton linter refers to the short fibres that adhere to cotton seeds after the longer fibres (used for textiles) are removed. These fibres are too short for spinning into yarn or fabric, but they have various industrial uses. They are often used to make paper products, cellulose-based plastics, and as a raw material for the production of viscose rayon. Cotton linters are valued for their cellulose content and are an important byproduct of the cotton industry.
De Oil Cake (DOC)		"De-oil cake," also known as "de-oiled cake" or "oil cake," is a byproduct of the oil extraction process from cottonseeds. After the oil is extracted from the Cotton Seeds, what remains is a solid, fibrous material known as de-oil cake.

Trading by KR Solvent

PRODUCT NAME	PICTURE	DESCRIPTION
Cotton Bales		Cotton bales are large, rectangular bundles of raw cotton fibres that have been harvested from cotton plants. They are tightly compressed to reduce their volume for easier handling, storage, and transportation. However, this weight can vary depending on factors such as the moisture content of the cotton and the specific variety of cotton being baled.

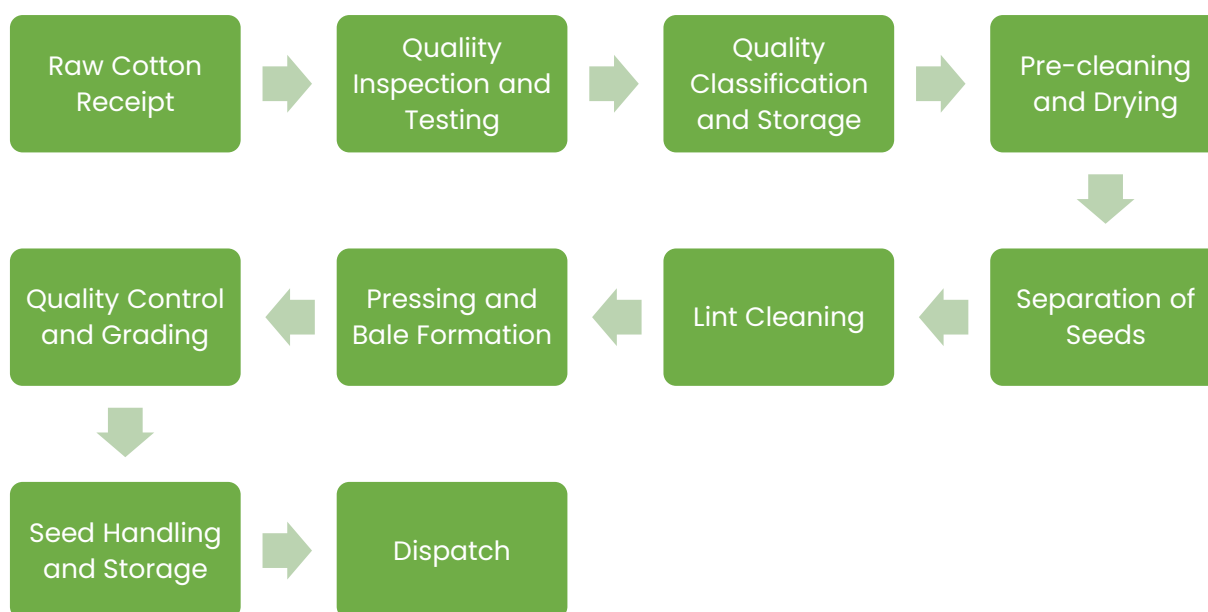
MAH Textiles Private Limited is involved in Trading:

PRODUCT NAME	PICTURE	DESCRIPTION
Cotton yarn		Cotton yarn is made exclusively from raw cotton, which are natural cotton obtained from the seed pods of the cotton plant. Cotton is known for its softness, breathability, and absorbency.
Open End Cotton Yarn		Open-end spinning involves feeding the cotton fibres directly into a rotor spinning machine. In this process, the fibres are opened, cleaned, and twisted into yarn by the action of the rotating rotor and a stationary opening device.
Fabric		Fabric is a textile material made by weaving, knitting, or bonding fibers together. It serves as the base material for garments, home furnishings, and industrial applications. Fabrics can be made from natural or synthetic fibres, offering a wide range of textures, weights, and functionalities for various end uses.

Manufacturing Process

We have our manufacturing unit set up at Survey No.555/P, Near Chorania 440 KV Sub Station, National Highway-8, Untadi, Limbdi, Surendranagar-363421 with dedicated manufacturing facilities for each of our product verticals.

Operational Workflow: Cotton Bales



□ **Raw Cotton Receipt:**

Raw cotton, often still in its seed cotton form, is first delivered to the ginning facility by farmers or growers and transported via logistics providers. Upon arrival, the cotton is unloaded from transport vehicles and weighed to record the incoming quantity with the help of weigh bridge.

□ **Quality Inspection and Testing:**

After receipt, in-house quality personnel draw samples from different portions of the raw cotton and conduct preliminary inspection through physical examination. The inspection includes assessment of moisture content, presence of dirt, trash and other visible impurities. This preliminary inspection is undertaken to determine whether the raw cotton meets the quality requirements for further processing.

Where in-house quality personnel determine that further inspection is required, additional samples are sent to the in-house laboratory for detailed testing. The laboratory testing is conducted to assess quality parameters such as moisture levels, contamination and fibre condition. Based on such testing, the raw cotton is evaluated for suitability for further testing.

□ **Quality Classification and storage**

Following receipt and weighing, the raw cotton is stored in designated areas such as storage yards or feeding areas within the manufacturing facility, where it awaits further inspection and processing. At this stage, ginning facility staff are responsible for receiving, weighing, sampling and storing the raw cotton, while in-house quality control personnel conduct preliminary quality checks.

Based on inspection and testing, the raw cotton is thereafter classified into two categories, namely good quality and average quality, depending on parameters such as moisture, cleanliness and fibre condition.

Good quality cotton is primarily utilized for manufacturing cotton bales, whereas average quality cotton is utilized for manufacturing open-end yarn.

□ **Pre-Cleaning and Drying**

Prior to the ginning process, the seed cotton undergoes a pre-cleaning stage to remove foreign materials such as leaves, sticks, dust and other impurities. The seed cotton is fed into a pre-cleaner installed at our facility to improve separation efficiency and prevent damage during ginning. Further, a super cleaner is also installed for cleaning cotton after the ginning process and prior to feeding the material into the bale press machine.

The Company does not utilize mechanical dryers, as seed cotton is procured within accepted moisture parameters. Where required, the seed cotton is dried naturally in open sheds under sunlight and stacked prior to ginning to achieve desired moisture levels.

Ginning machine operators monitor and control the pre-cleaning equipment during this stage, while maintenance personnel ensure that the machinery functions efficiently prior to feeding the material into the ginning machines for further processing.

□ **Ginning Process – Separation of Seeds**

Following pre-cleaning, the seed cotton undergoes the ginning process, which is a critical step in separating cotton fibres from cotton seeds. The seed cotton is fed into ginning machines where rotating saws or roller gins are used to pull the fibres away from the seeds. The separated cotton lint is collected for further cleaning and pressing, while the cotton seeds are gathered separately as a by-product.

During the ginning process, additional cleaning systems may be used to remove fine dust particles and residual impurities through suction and air-blowing techniques, ensuring that clean lint progresses to the next stage. This cleaning helps improve fibre quality prior to pressing.

The separated cotton lint is thereafter transferred for further cleaning and pressing into cotton bales, while the cotton seeds generated during the process are collected separately and stored for sale to processors engaged in extraction of cottonseed oil and related by-products, including group entities such as KR Solvent.

□ **Lint Cleaning**

After the ginning process, the separated cotton lint may still contain fine trash particles, short fibres and other impurities that may affect fibre quality. To address this, the lint is passed through one or more stages of lint cleaning to remove residual leaf trash, motes and foreign matter. This cleaning process enhances the quality and grade of the cotton fibre prior to pressing.

Prior to ginning, seed cotton is passed through a pre-cleaner where trash and immature cotton balls (locally referred to as “kodi”) are removed. After completion of the ginning process, the lint cotton is further passed through a super cleaner for additional cleaning, wherein residual trash and small fibres (locally referred to as “kitti”) are removed. The cleaned lint cotton is thereafter transferred to the pressing unit for bale formation.

Ginning machine operators monitor the efficiency of the lint cleaning operations, while in-house quality control personnel inspect the lint post-cleaning to ensure that it meets the required quality standards prior to pressing.

□ **Pressing and Bale Formation**

Once the cotton lint is fully cleaned, it is fed into the pressing unit where it is compressed into standardized cotton bales suitable for storage, handling and transportation. The cleaned lint is loaded into an automatic pressing and baling machine and compacted into dense bales. The resulting bales are thereafter wrapped and strapped to maintain their shape and integrity.

Each bale is weighed and bale-wise weight records are maintained. The bales are labelled based on quality parameters and intended use, including domestic and export sales. Bales are also labelled based on applicable certification requirements such as organic, PSCI/PSCP, BCI and Regenagri, along with lot numbers. The labelled bales are then stored in designated areas within the manufacturing facility or dispatched based on quality parameters as determined by the quality control team.

Baling machine operators oversee the pressing process, while ginning facility staff manage handling, weighing and labelling of each bale prior to storage and dispatch.

□ **Quality Control and Grading**

Throughout and after the ginning and pressing process, cotton samples are routinely taken and tested to assess fibre quality parameters that determine the grade and market value of the cotton. This involves sampling lint from the processing line and/or directly from finished cotton bales. The Company has installed High Volume Instrument (HVI) testing equipment at its facility and undertakes lot-wise testing using the HVI machine. Testing is conducted for each lot comprising approximately 100 bales. The results of such testing are used for quality classification and dispatch planning.

Based on the test results, each bale may be assigned an appropriate grade or categorized based on quality specifications. These quality parameters may be used to determine suitability for customer requirements and pricing. Quality control personnel or designated classers are responsible for conducting such tests and grading the cotton, while ginning management may utilize the quality data for operational monitoring and marketing purposes.

Where required by customers, in-house test reports may be shared and, in certain cases, third-party testing may also be undertaken prior to dispatch of cotton bales.

□ **Seed Handling and Storage**

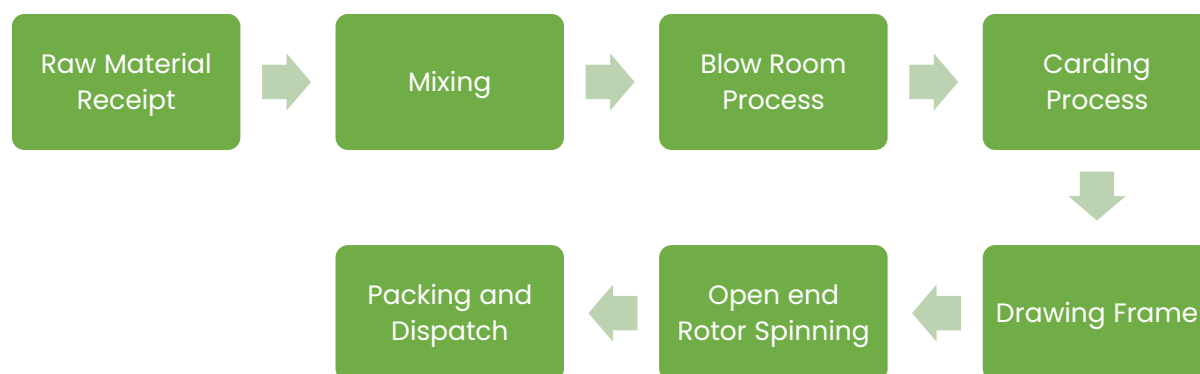
The separated cotton seeds generated during the ginning process constitute a by-product of our operations and are not treated as waste. After separation, the cotton seeds are collected separately from the ginning line and may be conveyed away from the gin stand for further handling. The seeds may undergo basic cleaning to remove lint, dust or trash prior to storage. The cotton seeds are subsequently loaded and transported to through third party transportation channels to buyers or processors engaged in extraction of cottonseed oil and manufacturing of related by-products such as cottonseed oil, de-oiled cake and other derivatives. A portion

of such cotton seeds is also supplied to group entities including KR Solvent, which utilizes the cotton seeds for manufacturing cottonseed oil and related by-products.

□ **Storage and Dispatch**

Once the cotton has been ginned, baled, and graded, it is prepared for sale to textile mills and other buyers. The sales process involves offering the bales to merchants or mills, finalizing transactions, and arranging transportation to the buyer's location. Proper documentation and record-keeping are maintained to ensure transparency and traceability in all sales. Ginning management and the sales team handle marketing and selling the ginned cotton, while merchants and textile mills act as the primary purchasers. Transport logistics providers are responsible for delivering the bales to their final destinations efficiently and securely.

Operational Workflow: Open end Yarn



□ **Raw Material Sourcing**

Raw cotton is procured in lots from various growing regions for use in open-end yarn production. As each lot differs in parameters such as fiber length, strength, micronaire value, and trash content, the cotton is carefully selected and classified to ensure consistency in yarn quality.

□ **Mixing (Bale Management)**

In this stage, multiple cotton lots (generally 12–15) are blended to create a uniform mix. The objective is to balance key fiber characteristics such as fiber length, strength, micronaire value, short fiber content, reflectance (RD value), yellowness (+B value), and trash content. Proper mixing helps achieve uniformity in the raw material and ensures consistent yarn output.

□ **Blow Room Process**

Cotton bales are opened into small tufts and subjected to cleaning and blending. This process removes impurities such as dust, trash, and unwanted fibers while ensuring proper mixing. Process efficiency is maintained through control of parameters such as beater speed, air pressure, and feed settings. The blow room prepares the material for the subsequent carding stage.

□ **Carding Process**

The carding process converts cotton tufts into individual fibers and forms a continuous strand known as sliver. It plays a key role in removing short fibers, neps, and residual impurities while improving fiber alignment. Modern carding machines are equipped with auto-levellers to ensure consistent sliver quality for further processing.

□ **Drawing Process**

- **First Drawing:** Multiple slivers from the carding stage are combined and drafted to improve uniformity and initial fiber alignment. This stage focuses on doubling and basic parallelization of fibers.
- **Second Drawing:** The sliver is further processed using additional doubling and drafting, supported by auto-levelling systems. This improves fiber alignment, blending, and uniformity, and ensures consistent sliver fineness before spinning. This stage represents the final opportunity to enhance material quality.

□ **Open-End Rotor Spinning**

The drawn sliver is fed into the rotor spinning machine, where fibers are separated and reassembled into yarn using a high-speed rotating rotor. The process includes automated systems for piecing, cleaning, and doffing, along with electronic yarn clearers to remove defects and maintain consistent yarn quality.

□ **Packing and Dispatch**

The finished yarn is conditioned through controlled steaming to achieve the required moisture content and improve its properties. It is then packed with proper lot identification and dispatched as per customer requirements, ensuring quality is maintained during handling and transportation.

CAPACITY UTILIZATION

The total installed capacity of our manufacturing unit and capacity utilisation for the period ended September 30, 2025 and fiscal year ended 2025, 2024 and 2023 are as follows:

Present production capacity of Milan Ginning Pressing Limited:

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Product	Cotton Bales			
Installed Capacity (MTPA)	7,000	7,000	7,000	7,000
Actual Production (MTPA)	702	3,692	5,660	5,522
Utilization (%)	10	53	81	79

As certified by Mr. Prashant Somnath Dashputre, Independent Chartered Engineer vide their certificate dated January 02, 2026

Particulars	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Product	Open End Yarn			
Installed Capacity (MTPA)	2,430	2,430	2,430	2,430
Actual Production (MTPA)	915	1,701	1,980	1,477
Utilization (%)	38	70	82	61

As certified by Mr. Prashant Somnath Dashputre, Independent Chartered Engineer vide their certificate dated January 02, 2026

RAW MATERIAL & SOURCING

The primary raw material required by our Company is seed cotton, which is procured seasonally during the cotton harvesting period from farmers, traders and participants operating in agricultural markets. The procurement is undertaken based on production requirements, availability of cotton during the harvesting season and prevailing market prices. Our Company primarily procures seed cotton directly from farmers who deliver the material to our manufacturing facility. In addition, procurement may also be undertaken from traders, commission agents and participants in agricultural produce markets located in proximity to our manufacturing facility at Limbdi, Gujarat.

The procurement requirements are assessed based on production planning, historical consumption trends and seasonal availability of cotton. The Company evaluates suppliers based on quality parameters, pricing and

availability. Prices are generally determined with reference to prevailing mandi rates, market conditions and quality of cotton. Upon receipt at the manufacturing facility, the seed cotton undergoes preliminary inspection for moisture content, trash levels and overall quality prior to acceptance.

Our manufacturing facility is located in Gujarat, which is one of the major cotton producing regions in India. The proximity to cotton growing areas enables us to procure raw seed cotton from surrounding regions, facilitating availability of raw material during the harvesting season. The geographical concentration of procurement is primarily from Gujarat and neighbouring states, depending on availability and pricing.

The raw cotton, once accepted, is unloaded and stored in designated storage areas within the manufacturing facility prior to processing. This enables us to maintain adequate inventory during the ginning season and supports continuity of operations.

Our procurement of raw cotton is generally undertaken on a need basis and we do not typically enter into long-term supply arrangements with suppliers. Accordingly, the composition of suppliers may vary across periods depending on availability, pricing and production requirements.

The composition of our procurement across product categories is set out below:

₹ in lakhs

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]
	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Standalone
Raw Cotton	1,369.31	1,369.31	8,336.72	6,531.27	12,966.81	12,966.81	17,942.60
Flat Waste	-	-	84.69	84.69	192.83	192.83	441.02
Hard Waste	24.89	24.89	51.99	51.99	204.23	204.23	288.86
Lickrin Waste	234.41	234.41	159.59	159.59	76.71	76.71	168.12
Noil Comber	389.65	389.65	896.75	896.75	1,150.17	1,150.17	1,286.52
Roving Waste	-	-	0.39	0.39	52.23	52.23	41.28
Cotton Seeds	1,209.24	-	3,210.21	-	46.91	-	-
Hexane	18.67	-	55.74	-	-	-	-
Cotton Bales	29,823.24	28,289.96	24,011.50	24,040.92	33,862.56	33,820.15	15,798.01
Cotton Linter	-	-	-	107.36	260.14	260.14	100.43
Cotton Seeds	-	-	-	-	180.84	180.84	-
Cotton Seeds Oil	-	693.12	-	2,256.51	2,191.05	2,209.73	2,058.79
Hulls	-	106.26	-	286.51	30,095.41	30,169.85	29.22
Cotton Yarn	13,106.84	12,796.13	31,432.35	31,594.65	135.70	135.70	25,051.69
DOC	-	106.63	75.73	170.59	1,786.99	1,767.07	216.93
Open End Yarn	1,966.70	1,936.67	6,405.92	6,498.26	2,172.49	2,172.49	234.28
Fabric	160.40	160.40	2,029.09	2,029.09	-	-	291.61
Dropping waste	-	-	-	-	-	-	5.42
Other products	8.39	-	3.79	-	-	-	2.26

Products	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]
	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Standalone
Total	48,311.73	46,107.41	76,754.47	74,708.57	85,375.07	85,358.94	63,957.02

* Others include Caustic Soda, Dropping Waste & Jute Yarn

[#] Figures for March 31, 2023 are presented on a standalone basis, as MAH Textiles Private Limited and KR Solvent LLP were considered as subsidiaries during FY 2023–24.

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

Further, the geographical distribution of our procurement is set out below:

₹ in lakhs

State	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]
	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Standalone
Andhra Pradesh	106.87	106.87	-	-	619.15	619.15	2,442.93
Madhya Pradesh	488.37	488.37	3,446.19	2,693.90	707.15	615.50	652.89
Rajasthan	202.33	202.33	143.27	125.26	177.21	177.20	0.19
Telangana	107.26	107.26	448.81	448.81	189.72	189.72	1,228.35
Dadra and Nagar Haveli and Daman and Diu	-	-	-	-	44.75	44.74	8.41
Delhi	-	-	255.44	255.44	6.82	6.82	-
Gujarat	40,343.08	39,098.29	56,468.17	61,515.12	74,013.31	74,412.12	56,967.87
Haryana	125.86	122.99	712.13	26.35	271.32	244.15	1,146.54
Karnataka	-	-	286.73	159.60	411.46	385.31	-
Madhya Pradesh	-	-	-	-	138.84	138.84	-
Maharashtra	3,337.64	3,117.95	4,891.68	4,033.37	4,802.74	4,766.45	1,118.82
Punjab	259.50	259.50	76.61	76.61	544.52	544.52	173.85
Tamil Nadu	3,250.92	2,513.95	9,891.12	5,239.79	3,137.77	2,904.11	181.01
Uttar Pradesh	-	-	6.00	6.00	204.67	204.67	-
Uttarakhand	89.90	89.90	128.32	128.32	105.64	105.64	36.16
Total	48,311.73	46,107.41	76,754.47	74,708.57	85,375.07	85,358.94	63,957.02

[#] Figures for March 31, 2023 are presented on a standalone basis, as MAH Textiles Private Limited and KR Solvent LLP were considered as subsidiaries during FY 2023–24.

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

In line with the above procurement profile, the details of our top suppliers for the last three fiscals are set out below:

Particulars	For six months period ended Sept. 30, 2025		For financial year ended March 31, 2025		For financial year ended March 31, 2024		For financial year ended March 31, 2023 [#]	
	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %	Amount (₹ in lakhs)	In %
Top 1 Supplier	11,005.74	22.78%	18,316.81	23.86%	17,718.37	20.75%	18,529.69	28.97%
Top 3 Suppliers	22,627.20	46.84%	24,072.88	31.36%	26,835.81	31.43%	26,555.36	41.52%
Top 5 Suppliers	25,298.54	52.37%	28,103.68	36.62%	30,897.31	36.19%	30,030.53	46.95%
Top 10 Suppliers	28,549.25	59.09%	75,778.22	98.73%	37,759.65	44.23%	34,484.73	53.92%

[#] Figures for March 31, 2023 are presented on a standalone basis, as MAH Textiles Private Limited and KR Solvent LLP were considered as subsidiaries during FY 2023–24.

As certified by our statutory auditor having peer review certificate M/s. Abhishek Kumar & Associates, Chartered Accountant vide their certificate dated March 31, 2026.

QUALITY CONTROL

We are committed to maintaining quality and sustainability standards across our production value chain. Our quality assurance processes are supported by certifications covering certain products. Our Company has obtained regenagri Chain of Custody certification for regenerative cotton products, including undyed fibres (lint cotton) and greige yarns (both carded and normally combed). Further, we hold OEKO-TEX® ORGANIC COTTON certifications covering yarns and comber noil made of 100% organic cotton (GMO not detectable), including raw white (greige), reactive yarn-dyed and softener finished products, produced using components partly pre-certified according to OEKO-TEX® ORGANIC COTTON and STANDARD 100. In addition, our Company participates in the Better Cotton Platform, which supports traceable and sustainable sourcing of cotton. The quality control processes followed by our Company across various stages of manufacturing are set out in the table below.

Quality Check Process:		
1.	Raw Material Inspection	<p>Step 1- Inspection begins with the arrival of raw cotton at the factory premises</p> <p>Step 2- Evaluate the quality of the cotton based on parameters such as fibre length, strength, colour, and cleanliness in our in-house lab.</p> <p>Step 3- Take representative samples from each raw cotton for further testing and analysis.</p>
2.	Lint Cleaning and Drying	<p>Step 1- Remove remaining impurities and short fibres from the lint using lint cleaners</p> <p>Step 2- Ensure lint is adequately dried to prevent moisture- related issues that could affect fibre quality.</p>
3.	Quality Testing and Inspection	<p>Step 1- Conduct tests on lint samples for fibre length, strength, micronaire value (fibre fineness) and color in house lab.</p> <p>Step 2- Measure the amount of non-fibre content (trash) present in the lint.</p> <p>Step 3- Classify the lint based on established grading standards for different quality levels.</p>

Quality Check Process:	
	Step 4: Test the strength of the yarn produced from the processed lint to ensure it meets the desired durability and performance standards.

MARKETING AND BRAND BUILDING

Our marketing and brand-building initiatives are led by Mr. Ajoy Ramchandra Shukla, Head of Marketing, who is responsible for planning and executing marketing campaigns, strengthening customer relationships and enhancing the visibility of our products across domestic and international markets. The marketing function focuses on direct customer engagement, participation in industry exhibitions and development of business relationships with traders, spinning mills and other participants in the cotton value chain.

As part of our marketing efforts, we participate in industry exhibitions and trade events to showcase our products, interact with potential customers and expand our market presence. For instance, we participated in the Oeko Tex Summit 2025 held in Dubai and Intex South Asia 2025 held in Bangladesh, where we showcased our product offerings and engaged with customers and industry participants. Such participation enables us to promote our brand, understand market trends and explore new business opportunities.

INFORMATION TECHNOLOGY SYSTEMS

Our Company utilizes information technology systems to support its accounting and operational processes. We use Kuber accounting software, which provides functionalities for maintaining books of accounts, recording purchase and sales transactions, inventory tracking and generation of financial reports. The system assists in monitoring procurement, sales, and financial data and supports day-to-day accounting and administrative functions of our Company.

The use of such software enables us to maintain records relating to purchases of raw materials, production-related expenses, sales transactions and inventory, and facilitates preparation of financial information and regulatory filings.

ENVIRONMENT, HEALTH AND SAFETY

Our Company places emphasis on maintaining safe working conditions and minimizing the environmental impact of its operations. We have adopted a Health, Safety and Environment Policy which outlines our approach towards occupational health, safety and environmental management across our operations.

The policy, inter alia, provides for maintaining a safe and healthy workplace, prevention of occupational illnesses, adherence to applicable health, safety and environmental regulations, and continuous improvement in environmental performance. In accordance with the policy, we undertake measures such as implementation of safety procedures for operations, periodic review of systems and processes, employee training on health and safety practices, monitoring of workplace conditions and identification of potential risks associated with our operations.

Further, the policy also provides for periodic audits of safety practices, investigation of incidents and implementation of corrective measures, monitoring of work environments, and conducting periodic health check-ups of employees, where required. We also seek to ensure compliance with applicable environmental and occupational health and safety requirements in relation to our manufacturing activities.

CORPORATE SOCIAL RESPONSIBILITY

Our Company has adopted a Corporate Social Responsibility Policy titled “Corporate Social Responsibility Policy” dated October 15, 2024, which sets out the framework for undertaking Corporate Social Responsibility (“CSR”) activities in accordance with the applicable provisions of the Companies Act, 2013.

The CSR Policy focuses on creating a positive impact on the environment, society, clients and employees. The key areas identified under the policy include promoting healthcare, eradicating hunger, poverty and malnutrition, promoting education, promoting gender equality and women empowerment, environmental sustainability, rural development projects, disaster relief and other community development initiatives. The policy also provides for

support towards protection of national heritage, promotion of traditional arts and handicrafts, rural sports, public libraries and assistance to communities affected by natural calamities.

CSR activities of the Company may be undertaken directly by the Company or through registered trusts, registered societies or Section 8 companies, in accordance with applicable law. The implementation and monitoring of CSR initiatives are carried out by the CSR Committee of the Board, which recommends CSR activities and the amount of expenditure to be incurred, and periodically reviews the CSR Policy.

The CSR Policy provides that the Company shall endeavor to spend, in each financial year, at least 2% of the average net profits of the three immediately preceding financial years on CSR activities, subject to applicability of statutory requirements. The CSR Policy is disclosed on the website of our Company and the details of CSR activities, if applicable, are included in the Board's Report.

COMPETITION

The cotton industry in which we operate is highly competitive and fragmented, with the presence of large integrated textile manufacturers, regional players and international suppliers. We compete primarily on the basis of product quality, consistency, pricing, customer relationships and timely delivery. Certain competitors may have larger installed capacities, greater financial resources, stronger distribution networks and economies of scale, which may enable them to offer competitive pricing and more favourable commercial terms.

In addition, some competitors may have backward integration into cotton procurement or forward integration into fabric and garment manufacturing, enhancing their operational efficiencies and product offerings. The industry is also witnessing increasing adoption of synthetic fibres such as polyester, nylon and elastane, which may reduce demand for cotton-based products including cotton yarn and cotton bales.

Given our focus on cotton-based products, competitive pressures and shifts in customer preferences may result in pricing pressure, loss of customers and impact our market position and profitability. For further information, see "*Risk Factors – Risk Factor 31: We operate in a highly competitive industry...*" on page 22 of this Draft Red Herring Prospectus.

UTILITIES - POWER, FUEL AND WATER

Power: Power requirements for our manufacturing operations are met through a combination of renewable energy sources and grid supply. Our Company has installed a rooftop solar power plant at the manufacturing facility with an installed capacity of 400 KW AC and 400 KW DC HT connection, which was commissioned in 2023 and is utilized for captive consumption. In addition, our Company operates a wind farm with an installed capacity of 2.00 MW, commissioned in 2023, located at Survey No. 202 P, Village Vankiya, Babra, Amreli, Gujarat. The electricity generated from the solar rooftop plant and wind farm is utilized for captive consumption and supports the power requirements of our ginning, pressing and open-end yarn manufacturing operations.


As per the electricity bill for September 2025 issued by Paschim Gujarat Vij Company Limited, the total consumption recorded for the manufacturing facility was 414,581 units, and adjustments were provided towards windfarm unit generation and solar agreement banking charges, indicating utilization of renewable energy generated through wind and solar sources.

Water: The ginning and pressing process undertaken by our Company is a dry process and does not require significant water consumption for manufacturing operations. However, our open end yarn process requires nominal water. Accordingly, water usage is limited to domestic and ancillary purposes. The water requirements for such purposes are met through Narmada Water pipeline connection and water tankers.

Fuel: Fuel requirements for our operations are minimal, as the manufacturing process is primarily power-driven. Our company has installed diesel generator for our registered office which is also used as backup power during interruptions in electricity supply, if required.

INTELLECTUAL PROPERTY RIGHTS

Following are the details of the Trademarks applied in the name of Milan Ginning Pressing Limited, in India:

Logo	Class	Category of Trademark	Application no.	Date of application	Status
	22	Device	6592257	26/08/2024	Formalities Check Pass

INSURANCE POLICIES

Our operations are subject to various risks, including those related to property damage, liabilities, and other unforeseen events. To mitigate these risks, we maintain a range of insurance policies, including fire, stock, and assets. These policies are provided by various insurance providers, and are reviewed periodically to ensure that they adequately cover the risks faced by our business. While we believe our insurance coverage aligns with industry standards. As such, we cannot provide assurance that all potential losses or claims will be covered or that we will not incur losses beyond the limits of our insurance policies. Also refer to section titled “*Risk Factors*” for the risk relating to inadequate insurance coverage, beginning from page 22 of this Draft Red Herring Prospectus. As on date of this Draft Red Herring Prospectus we have obtained various insurance policies such as insurance coverage in respect of certain risks related to.

Below are the Insurances taken by Milan Ginning Pressing Limited:

Insurer	Policy Number	Description of Property	Sum Insured (In ₹)	Premium Amount (In ₹)*	Expiry Date	Type of insurance
The New India Assurance Co. Ltd.	3317001125 0100000019	Stock, Building, Plant & Machinery	Building: 8,00,00,000 Plant & Machinery: 21,00,00,000 Stocks: 40,00,00,000	20,02,932	July 28, 2026	Fire Insurance
The New India Assurance Co. Ltd.	3317004625 0100000266	Stock	40,00,00,000	7,198	July 28, 2026	Burglary Insurance
The New India Assurance Co. Ltd.	3317004425 5100000008	Plant & Machinery	21,00,00,000	47,082	July 28, 2026	Machinery Breakdown
ICICI Lombard General Insurance Company Ltd.	4010/416207 828/00/000	Workman Compensation	4,10,16,000	50,144	November 05, 2026	Workman Compensation Insurance Policy
TATA AIG General Insurance Company Ltd.	0865078699	Marine Policy (Cotton Yarn)	Domestic: 3,00,00,000 Export: 7,00,00,000	17,700	May 25, 2026	Marine Insurance
TATA AIG General Insurance Company Ltd.	6520016500	Marine Policy (Cotton Bales, Cotton Seeds, Cotton Seeds Hulls, Cotton Linter, Noil Comber, Cotton Waste)	Domestic: 1,00,00,000 Export: 4,00,00,000	20,650	May 27, 2026	Marine Insurance

* including GST

HUMAN RESOURCES

Our Company has a total strength of 99 employees (including executive directors) as on February 28, 2026 which looks after the different aspects of our business-like finance, operations etc.

The classification of the Employees as per their qualification and designation is stated below: -

S.no.	Name of Department	No. of employee as on February 28, 2026
1.	Top Management (KMP)	2
2.	Account Department	6
3.	Information Technology Department	1
4.	Sales and Marketing	5
5.	Human Resources Department	2
6.	Purchase Department	3
7.	Administrative Department	3
8.	Finance and Banking	2
9.	Export Department	2
10.	Security Department	4
11.	Peon	3
12.	Vehicle Driver	2
13.	Factory Staff	61
Total		97

IMMOVABLE PROPERTIES

Details of Owned Properties of the Company

Address	Area	Purpose
Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Limbdi, District-Surendranagar (Gujarat)-363421	Acre 5.26 Guntha (22,864.75 sq. mtr.)	Registered Office, Manufacturing Unit and Warehouse of Milan Ginning Pressing Limited

Details of Properties taken on Lease by the Company

Address	Area	Purpose
Survey No. 202 P, Village Vankiya, Babra, Amreli, Gujarat*	10,000 sq.mtr.	Electricity Production through windmill

* The land was originally leased by the Collector, Amreli District to Inox Green Energy Services Limited for a period of 20 years vide Circular/Order No. CHI/JMN/3/VASHI/4265/2022 dated May 11, 2022, and has thereafter been sub-leased to Milan Ginning Pressing Limited pursuant to a Deed of Sub-lease dated May 18, 2022, at an annual lease rent of ₹ 15,000/- for the unexpired term of the original lease for development and running of wind farm project by installing 1 (one) Wind Turbine Generator (WTG) on the said land.

KEY INDUSTRY REGULATIONS

The following is an overview of certain sector specific laws and regulations in India which are applicable to the business and operations of our Company and our Subsidiaries. The information of laws and regulations available in this section has been obtained from publications available in public domain and is based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. The description of laws and regulations 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 substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company and our Subsidiaries are required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, see “Government and Other Approvals” on page 276.

The following is an overview of some of the important laws and regulations, which are relevant to the business of our Company.

A. BUSINESS RELATED LAWS AND REGULATIONS

National Textile Policy, 2000 (“NTP 2000”)

The NTP 2000 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 and to equip the textile industry to withstand pressure of import penetration and maintain dominant presence in the domestic market. The industry aims at developing a strong and vibrant textile industry that can produce quality products at acceptable process. This objective is sought to be achieved by liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. Major thrust areas of NTP 2000 includes increase in exports and innovating marketing strategies, product diversification along with quality consciousness, among others. Additionally, certain sector specific initiatives envisaged under the NTP 2000 include initiatives regarding improving the availability, productivity and quality of raw materials at reasonable prices for the industry, improving the production, productivity and quality of cotton. Initiatives were also proposed for the spinning sector, weaving sector, organized mill industries, power loom industry, knitting sector, processing and finishing sector for achieving ISO 9000 and ISO 14000 standards.

Salient objective of NTP is as follows –

- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Develop a strong multi-fibre base with thrust on product up-gradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose to revitalize the institutional structure;
- Make Information Technology (IT), an integral part of the entire value chain of textile;
- Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing; and
- Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfilment of these

objectives, vide the NTP, the Government has conveyed its commitment towards providing a conducive environment to enable the Indian textile industry to realize its full potential, achieve global excellence, and fulfil its obligation to different sections of society.

Production-Linked Incentive Scheme in Textiles Products:

In November 2020, the Union Cabinet approved the introduction of the Production-Linked Incentive Scheme in Textiles Products to enhance India's Manufacturing Capabilities as well as Exports. An amount of ₹10,683 crore has been approved as an outlay for a period of 5 years. This initiative will be implemented by the Ministry of Textile and is expected to cover forty product categories under man-made fibre.

Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act came into effect on April 1, 2011 and has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act provides that no person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the controller. The Legal Metrology Act contains provisions for verification of prescribed weight or measure by Government approved test centre. Qualifications are prescribed for legal metrology officers appointed by the Central Government or State Government. It also provides for exemption regulations of weight or measure norms for goods manufactured exclusively for export. Fee is levied under the Legal Metrology Act for various services. A director may be nominated by a company who is responsible for complying with the provisions of the enactment. There is penalty for offences and provision for compounding of offences under the Legal Metrology Act. Further, it provides for appeal against the decision of various authorities and empowers the Government to make rules for enforcing the provisions of the enactment.

The Textiles Committee Act, 1963

The Textile Committee Act, 1963 (the "Act") was enacted in 1963 to provide for the establishment of a committee for ensuring the quality of textiles and textile machinery and for matters connected therewith. The Act prescribes for establishment of a textile committee (hereinafter referred to as the "Textile Committee") with the general objective of ensuring a standard quality of textiles both for internal marketing and export purposes as well as standardisation of the type of textile machinery used for manufacture. In addition to the general objection as mentioned above, the function of the Textile Committee inter alia include, to undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery, promotion of export of textile and textile machinery, establishing or adopting or recognising standard specifications for textile and packing materials used in the packing of textiles or textile machinery for purpose of export and internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials, specify the type of quality control or inspection which will be applied to textile or textile machinery, provide for training in the techniques of quality control to be applied to textiles or textile machinery, provide for inspection and examination of textiles, textile machinery and packing material used in the packing of textile and textile machinery, establishing laboratories and text houses for testing of textiles and data collection and such other matters related to the textile industry.

Cotton Control Order 1986

The Cotton (Control) Order, 1986 ("Cotton Order") prescribes the maximum quantity of cotton that may be possessed by a manufacturer, a cotton ginning factory, a cotton pressing factory, a cotton ginning and pressing factory and a person (other than a member of a Hindu Undivided Family growing cotton). The Cotton Order establishes the office of the Textile Commissioner as the regulator thereunder. The Cotton Order further specifies the quality standards that have to be met while picking cotton for the purposes of export and domestic consumption as well as the markings that have to be made on the cotton bale before marketing of the same.

Textile Development and Regulation Order, 2001 ("Textile Order")

The Central Government in exercise of the powers conferred upon it under section 3 of the Essential Commodities Act, 1955 and in supersession of the Textile (Development and Regulation) Order, 1993 brought in force the Textile Order. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles is required to maintain books of accounts, data and other records relating to the business in the matter of production, processing, import, export, supply, distribution, sale, consumption etc. and shall furnish such returns or information in respect to the business as and when required by the Textile Commissioner. The Textile Order confers upon the Textile Commissioner powers to issue directions by notification with the prior approval of Central Government to any manufacturer regarding the specification or class of textiles which shall not be

manufactured, dyes and chemicals which shall not be used in the manufacture of textile, maximum and minimum quantity of textiles which shall be manufactured, maximum ex-factory or wholesale or retail price at which textiles shall be sold, markings to be made on textiles by manufacturers and the time and manner of such markings and direct the officer in charge of any laboratory to carry out or cause to be carried out such tests relating to any textiles as may be specified by the Textile Commissioner.

Bureau of Indian Standards Act, 2016 (“BIS Act”)

The BIS Act provides for the establishment of the Bureau of Indian Standards (“BIS”) for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by Consumer Protection Act is inclusion of the e-commerce industry under Consumer Protection Act with “e-commerce” defined to refer to the buying and selling of goods or services over digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In cases of manufacturing for sale or storing, selling, or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

Amended Technology Upgradation Fund Scheme

The Ministry of Textiles introduced the Amended Technology Upgradation Fund Scheme (ATUFS). This scheme aims to facilitate investment, employment, productivity, quality, and import and export substitution in the textile industry. It also indirectly promotes investments in the manufacturing of machinery for textiles. It is a credit-linked subsidy scheme for capital investment in textile manufacturing under the Government of India’s Make in India and Zero Defect and Zero Effect initiatives. This scheme generates export and employment especially to women, by encouraging the garment and apparel industry and increasing India’s share in global exports. It promotes technical textiles for export and employment and improves quality and productivity by converting existing looms to better technology looms. It encourages better quality in the processing industry and check the need for the import of fabrics by the garment sector.

Information Technology Act, 2000 (the “IT Act”)

The Information Technology Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), on April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”) which prescribe directions for the collection, disclosure,

transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law. The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“IT Intermediaries Rules”) on February 25, 2021, requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries.

The Digital Personal Data Protection Act, 2023 (“DPDP Act”)

The DPDP Act was notified on August 11, 2023 and is yet to come into effect. It replaces the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of the DPDP Act. The DPDP Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the DPDP Act. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The DPDP Act imposes certain additional obligations on a significant data fiduciary, such as appointment of a data protection officer, appointment of an independent data auditor and undertaking of other measures namely, periodic data protection impact assessment, periodic audit and such other measures as may be prescribed under the DPDP Act. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

Cotton Bales (Quality Control) Order, 2023

The Cotton Bales (Quality Control) Order, 2023 mandates that all cotton bales produced or sold in India must adhere to the Indian Standard IS 12171:2019. This standard ensures the quality of cotton bales, requiring manufacturers to obtain certification from the Bureau of Indian Standards (BIS). The order was initially set to be enforced from August 27, 2023, but its implementation has been postponed multiple times. As per the latest amendment, the enforcement date is now extended to August 27, 2025. The postponements are largely due to challenges faced by the ginning industry, predominantly composed of Micro, Small, and Medium Enterprises (MSMEs). These enterprises have expressed concerns over the substantial investments required to upgrade machinery and processes to meet the stringent BIS standards. The extensions aim to provide these stakeholders with additional time to achieve compliance. It's important to note that the Quality Control Order does not apply to cotton bales intended for export, provided they meet the specifications required by the foreign buyer. However as per the Cotton Bales (Quality Control) Amendment Order, 2023 notified on August 13, 2024, the implementation of the order has been deferred till August 27, 2025.

B. STATE SPECIFIC LAWS

Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 (the “Act”)

The Act provides for the Levy and Collection of a Tax on Professions, Trades, Callings and Employments for the benefit of the State. Every person engaged in any profession, trade, calling or employment and falling under one or the other of the classes as segregated in the Act, shall be liable to pay to the State Government the tax at the rate mentioned against the class of such person. The tax payable under this Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or

wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such persons, be liable to pay tax on behalf of all such person. The Act mandates that every person, who is liable to pay tax, shall obtain a Certificate of Registration, and a Certificate of Enrolment from prescribed authority in prescribed manner.

Gujarat Industrial Policy 2020

The policy aims to make Gujarat as an attractive “Total Business Destination” expedites the overall country’s economic growth, thereby increasing the standard of living and prosperity among the people of Gujarat by giving them the opportunity for skilled employment and availability of nurtured enterprise. This policy of Gujarat is a framework than a detailed blueprint, aimed at defining the broad contours of the government’s mission towards augmenting the industrial development of the state. Further there was promotion of Cluster Development in State. Clusters are geographic concentrations of competing and collaborating firms that tend to speed up economic development in an area by improving competitiveness, developing synergies and introducing innovation especially in the MSME sector.

‘Make in India’ initiative launched by Government of India aims at enhancing manufacturing through investment, innovation and best-in-class infrastructure. Gujarat has been successfully contributing to the initiative’s objective of transforming India into a global design and manufacturing hub supported by conducive infrastructure and ease of doing business. The State Government has also introduced notable reforms in order to create a conducive business environment in the state.

Being an industrialized state, Gujarat needs to have a strategy which can support industrialization through higher value addition. There is a provision for financial assistance proposed in the New Industrial Policy which is as follows:

- a) Assistance will be subject to preparation of a Comprehensive Development Plan for 5 years by the project cluster group
- b) Pecuniary assistance to nodal institutions/hiring of experts
- c) Clusters will be eligible for financial assistance as available under the Scheme of Critical Infrastructure.

The policy aims at enhancing competitiveness in MSME sector. The state has witnessed strong growth in the sector and envisages strengthening the sector and making it more technology driven. To motivate the entrepreneurs the Gujarat government will constitute separate awards for MSMEs. The use of Enterprise Resource Planning System (ERPS) will be encouraged in the sector.

Gujarat Shops and Establishment Act, 2019

The Gujarat Pradesh Shops and Establishments Act, 2019 and Rules, 2020 are applicable to all the shops and commercial establishments in the whole of the Gujarat State. The Act is enacted for the purpose of protecting the rights of employees. The Act provides regulations of the payment of wages, terms of services, work hours, rest intervals, overtime work, opening and closing hours, closed days, holidays, leaves, maternity leave and benefits, work conditions, rules for employment of children, records maintenance, etc.

Gujarat Fire Prevention and Life Safety Measures Act, 2013

The Gujarat Fire Prevention and Life Safety Measures Act, 2013 was enacted to make effective provisions for the fire prevention, safety and protection of life and property, in various types of buildings and temporary structures or shamiyana or tents or mandap likely to cause a risk of fire in different areas in the State of Gujarat and for matters connected therewith or incidental thereto.

C. INTELLECTUAL PROPERTY LAWS

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. These property rights allow the holder to exercise a monopoly on the use of the item for a specified period.

The Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 2013 (“Copyright Laws”) governs copyright protection in India. The Copyright Laws protect the legal rights of the creator of an ‘original work’ by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography, and sound recordings. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance, or exhibition in public, making a translation of the work, making an adaptation of the work, and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

The Trademarks Act, 1999 (the “Trademarks Act”)

Trademarks enjoy protection under both statutory and common law and Indian trademark law permits the registration of trademarks for both goods and services. The Trademarks Act governs the statutory protection of trademarks and the prevention of the use of fraudulent marks in India. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.

D. TAX LAWS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Goods and Service Tax Act, 2017

Goods and Services Tax (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.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made there under. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the assessable value of the goods. Customs duties are administered by Central Board of Indirect Taxes and Customs under the Ministry of Finance.

State Tax on Profession, Trades, Callings and Employment Rules, 1975

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

E. ENVIRONMENTAL LAWS

Environment (Protection) Act, 1986 (“Environment Act”) and the Environment (Protection) Rules, 1986 (“Environment Rules”)

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or 112 permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe the standards of quality of air, water or soil for various areas:

- the maximum allowable limits of concentration of various environmental pollutants for different areas;
- the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents; and
- the procedures and safeguards for extracting and utilizing ground water.

Further, pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board an environmental statement for that financial year in the prescribed form.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one central pollution control board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. Such person also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The central pollution control board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

The Environmental Impact Assessment Notification, 2006 (The “Notification”)

As per the Notification, any construction of new projects or activities or the expansion or modernization of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or technology can be undertaken only after the prior environmental clearance from the Central Government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central Government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme ‘Housing for All by 2022’ and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant byelaws of the concerned State authorities.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”) as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

The Noise Pollution (Regulation & Control) Rules 2000 (“Noise Regulation Rules”)

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by

judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

F. FOREIGN TRADE REGULATIONS

The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder (“FTA”)

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the FTA, including formulation and implementation of the Export-Import (“EXIM”) Policy.

The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number (“IEC”) granted by the Director General of Foreign Trade pursuant to Section 7 of the FTA. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. Failure to mention IEC number attracts a penalty of not less than ₹10,000 and not more than five times the value of the goods or services or technology in respect of which any contravention is made or is attempted to be made, whichever is made. The IEC shall be valid until it is cancelled by the issuing authority

Foreign Investment Laws

Foreign investment in India is governed by the provisions of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“FEMA Rules”) along with the Consolidated FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. Under the FEMA Rules and Consolidated FDI Policy (effective October 15, 2020), 100% foreign direct investment is permitted in single brand product retail trading sector, under the automatic route, subject to certain conditions specified thereunder. Further, in the event of foreign direct investment beyond 51%, the investee entity is also required to comply with certain local sourcing norms as specified in the FEMA Rules and the Consolidated FDI Policy. In terms of the FEMA Rules, the total holding by each FPI, or an investor group shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together with effect from April 1, 2020, will be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%), unless reduced by way of passing a special resolution.

Foreign Trade Policy

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP. Under the Foreign Trade (Development and Regulation) Act, 1992, the Central Government is empowered to periodically formulate the Export Import Policy (the —EXIM Policy) and amend it thereafter whenever it deems fit. All exports and imports must be in compliance with the EXIM Policy. The major schemes available are the Duty Exemption and Remission Scheme and the Export Promotion of Capital Goods (—EPCGI) Scheme. The Duty Exemption Scheme enables duty free imports of inputs required for the production

of exports by obtaining an advance license. The Duty Remission Scheme enables post export replenishment/remission of duty on inputs used in the export product. This scheme consists of a Duty Free Import Authorisation Scheme (—DFIA), the Duty Drawback Scheme (—DBKI) and the Duty Entitlement Pass Book (the —DEPB). DFIA enables duty free replenishment of inputs used in manufacture of exports. Under the DEPB Scheme, exporters on the basis of notified entitled rates are granted duty credit, which would entitle them to import goods, except capital goods, without duty.

Importer exporter code

In India, exports and imports are regulated by the Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), which seeks to develop and regulate foreign trade by facilitating imports into India and augmenting exports from India. Pursuant to the provisions of the FTDRA, every importer and exporter in India must obtain an IEC from the Director General of Foreign Trade ("DGFT") or from any other officer duly authorized under the FTDRA. Failure to obtain the IEC number may lead to penal action under the FTDRA. Further, the DGFT is authorized to suspend or cancel IEC in case of (i) contravention by any person of the provisions of FTDRA or the foreign trade policy or any law relating to central excise or customs or foreign exchange or commission of any other economic offence under any other law specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or bringing disrepute to the credit or the goods of, or services or technology, provided from the country or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of FTDRA or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special license, granted by the DGFT to that person in a manner and subject to conditions as may be prescribed.

G. EMPLOYMENT RELATED LAWS

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Draft Red Herring Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws have been provided below:

The Code on Wages, 2019

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume 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 has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain 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 provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume 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 will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain 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. The Central Government has notified certain provisions of this code.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at workplace and prevention of sexual harassment at 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 behaviour namely, physical contact and advances or 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 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.

Factories Act, 1948

The Factories Act, 1948 (the “Factories Act”) regulates the provisions relating to labour employed in factories. This Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the previous twelve (12) months, and on which a manufacturing process is being carried on with the aid of power, or a premises on which twenty or more workers are employed or were employed on any day of the previous twelve (12) months and on which a manufacturing process is carried on ordinarily without the use of power. The Factories Act provides for the health, safety, and welfare of all workers and requires that the ‘Occupier’ (defined as the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors) ensures that all the workers are within safe working conditions while they are in the factory, and are not exposed to any health risks and that they receive adequate instruction, training and supervision to ensure the same. The Factories Act also makes provisions relating to the employment of women and young persons (including children and adolescents), annual leave with wages, etc. The Factories Act requires an Occupier of a factory to obtain approval, license, and registration for running and qualifying as a factory under the Factories Act, by submitting the application along with plans and specifications to the State Government or the Chief Inspector. Unless this permission from the Chief Inspector is obtained, no building can be constructed or taken in use as a factory or a part of an existing factory. The Chief Inspector may, on receipt of the said application and on being satisfied that there is no objection to the grant of license applied for, register the factory and grant the license to the applicant to use as factory such premises as are specified in the application and subject to compliance with such conditions as are specified in the license. Any contravention of the provisions of the Factories Act or the rules framed thereunder may lead to imprisonment of the manager or the Occupier of the factory for a term up to two (2) years or with a fine of ₹ 100,000 or both, and in case of continuing contravention even after conviction, with a fine of up to ₹ 1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall be not less than ₹ 25,000 and ₹ 5,000 respectively. The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

Industries (Development and Regulation) Act, 1951

The Industries (Development and Regulation) Act, 1951 (the “Act”) governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the ‘Scheduled Industries’ which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act. The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors. In addition to above, we are subject to a wide variety of generally applicable labour laws concerning

condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees' (Provident Fund and Miscellaneous Provision) Act, 1952.

Industrial Employment (Standing Orders) Act, 1946

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA Act")

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen, is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under ("Schemes")

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fund for the employees in the factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

- i. ***The Employees Provident Fund Scheme:*** 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:*** Employees' Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee's pay shall be remitted by the employer to the Employees' Pension fund within 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 Act. The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees' Pension Fund.

H. GENERAL CORPORATE AND OTHER ALLIED LAWS

The Companies Act, 2013/1956

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has issued its notification dated September 12, 2013 has notified 98 (Ninety Eight) Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 (One Eighty-Three) Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. 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 Competition Act, 2002

The Competition Act, 2002 is a law in India that aims to: Promote competition in markets, Protect consumer interests, Ensure freedom of trade, Prevent practices that harm competition, and Promote economic development.

The act was passed by Parliament in 2002 and took effect on September 1, 2009. It replaced the Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act). The act prohibits: Anti-competitive agreements; Abuse of dominant position by enterprises; Combinations (mergers, amalgamations, and acquisitions) that could have an adverse effect on competition. The act also established the: Competition Commission of India and Competition Appellate Tribunal.

Code of Civil Procedure, 1908

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

Bhartiya Nyaya Sanhita, 2023

This act supersedes the Indian Penal Code, 1860, this comprehensive legal framework addresses various facets of criminal law, including offenses, penalties, defenses, and procedural guidelines. The Bhartiya Nyaya Sanhita Act largely retains provisions from the Indian Penal Code, 1860, but also introduced new offences including but not limited to cybercrimes, environmental violations, and removed invalidated offences that were earlier there, and enhances penalties for certain offences. Notably, community service replaced the sedition as a form of punishment and terrorism is also explicitly recognizes as an offence. The Bhartiya Nyaya Sanhita Act streamlines legal procedures, ensuring faster trials and emphasizes on witness protection and evidence collection.

This act superseded the Indian Evidence Act, 1872, this act modernizes evidence handling within the Indian legal system, addressing digital evidence and other contemporary issues. This act focuses on procedural aspect of law, governing how rights may be enforced before a court of law. This act introduces changes related to electronic evidence definitions and admissibility procedures. This act received presidential assent on December 25, 2023 and came into effect from July 01, 2024, this act has omitted certain terms which were earlier present in the Indian Evidence Act and the major change was to include electronic evidence as part of the definition of documentary records and also included the possibility of giving oral evidence electronically.

Bhartiya Nagrik Suraksha Sanhita Act, 2023

This act superseded the Code of Criminal Procedure, 1973 and became the main legislation on procedure for administration of substantive criminal law in India, this act received assent from the president of India on December 25, 2023 and came into effect from July 01, 2024. The Bhartiya Nagrik Suraksha Sanhita Act, introduces specific timelines for investigation and trial, ensures timely FIR registration for complaints submitted through electronic communication, mandates forwarding medical examination reports of rape victims within seven days, and empowers courts to conduct trial in absentia against proclaimed offenders. Additionally, the Act emphasizes prompt judgment pronouncement and requires audio-video recording of search and seizure during investigations. Notably, proceeds of crime can be attached by the court and distributed among victims. The Bhartiya Nagrik Suraksha Sanhita Act aims to expedite proceedings and enhance transparency in the criminal justice system.

Bhartiya Sakshya Adhiniyam, 2023

This act superseded the Indian Evidence Act, 1872, this act modernizes evidence handling within the Indian legal system, addressing digital evidence and other contemporary issues. This act focuses on procedural aspect of law, governing how rights may be enforced before a court of law. This act introduces changes related to electronic evidence definitions and admissibility procedures. This act received presidential assent on December 25, 2023, and came into effect from July 01, 2024, this act has omitted certain terms which were earlier present in the Indian Evidence Act and the major change was to include electronic evidence as part of the definition of documentary records and also included the possibility of giving oral evidence electronically.

Prevention of Money Laundering Act, 2002

Money laundering is the processing of criminal proceeds to disguise its illegal origin. Terrorism, illegal arms sales, financial crimes, smuggling, and the activities of organized crime, including drug trafficking and prostitution rings, generate huge sums. Embezzlement, insider trading, bribery and computer fraud also produce large profits and create an incentive to legitimise the ill-gotten gains through money laundering. When a criminal activity generates substantial profits, the individual or group involved in such activities route the funds to safe heavens by disguising the sources, changing the form, or moving the funds to a place where they are less likely to attract attention.

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.

Arbitration & Conciliation Act, 1996

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

The Energy Conservation (Amendment) Act, 2022

The Energy Conservation Act, 2001 was enacted to provide for efficient use of energy, its conservation and for matters connected therewith and/ or incidental thereto. The amended Act provides for regulation of energy consumption by equipment, appliances, vehicles, vessels, industrial units, buildings or establishments that consume, generate, transmit or supply energy. With special focus on promotion of new and renewable energy and the National Green Hydrogen Mission, the amendment seeks to (i) facilitate the achievement of “Panchamrit” — the five nectar elements presented by India in COP-26 (Conference of Parties -26) in Glasgow 2021.

In addition to facilitating the achievement of ‘Panchamrit’, the amended Act aims to promote renewable energy and develop the domestic carbon market to combat climate change and introduce new concepts such as carbon trading and mandate the use of non-fossil sources to ensure faster decarbonisation and help achieve sustainable development goals in line with the Paris Agreement and various other actions related to climate change.

I. OTHER LAWS

Municipality Laws

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Police Laws

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

Approvals from Local Authorities

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations

HISTORY AND CORPORATE STRUCTURE

Our Company was originally incorporated under the name Milan Ginning Pressing Private Limited, pursuant to a certificate of incorporation dated April 25, 1995 issued by Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on April 1, 2024 and by the Shareholders in an Extraordinary General Meeting held on April 12, 2024 and a fresh certificate of incorporation dated June 21, 2024 was issued by the Registrar of Companies, Central Processing Centre. Consequent to the conversion of our Company, the name of our Company was changed to '*Milan Ginning Pressing Limited*'. The CIN ('Corporate Identification Number') of our Company is U17119GJ1995PLC025604.

Change in Registered Office of our Company

The registered office of our Company at the time of incorporation was situated at Bhalgamda Gate, Limbdi, Dist. Surendranagar – 363 421, Gujarat, India. The details of changes made to our Registered Office post incorporation of our Company are provided below:

S. No.	Effective date of change	Details of change	Reason(s) for change
1.	January 1, 2024	The registered office of our company was changed from Bhalgamda Gate, Limbdi, Dist. Surendranagar - 363 421, Gujarat, India to Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Surendra Nagar, Limbdi - 363 421, Gujarat, India.	Administrative Convenience

Main Objects of our Company

The main objects of our Company are as follows:

- To carry on business of ginning, pressing, processing, cleaning, spinning, weaving, crushing, buying, selling, agents, dealers, traders, consigners, manufacturers, representative, deal and trade in all kinds, types and sizes of cotton, cotton seeds and its related products, whether from domestic, commercial industrial purpose/use in many parts of India or abroad. Subject to the provisions of law.*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Offer.

Amendments to the Memorandum of Association

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

Date of shareholder's resolution	Nature of amendments
July 25, 2022	<i>Clause V of the MoA was amended to reflect an increase in the Authorised Capital of our Company from ₹ 6,00,00,000 divided into 60,00,000 Equity Shares of face value of ₹ 10/- each to ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of face value of ₹ 10/- each.</i>
February 29, 2024	<i>Clause V of the MoA was amended to reflect an increase in the Authorised Capital of our Company from ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of face value of ₹ 10/- each to ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of face value of ₹ 10/- each.</i>
February 29, 2024	<i>Adoption of new set of Memorandum of Association as per Companies Act, 2013.</i>
April 12, 2024	<i>Our Company was converted into a public limited company and consequently the name of our Company was changed to 'Milan Ginning Pressing Limited'. Accordingly, Clause I of the MoA was amended to reflect the name of our Company, post its conversion.</i>

Corporate profile of our Company

For details regarding the description of our Company's activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key services, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled "*Business Overview*", "*Our Management*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 166, 214 and 238 respectively, of this Draft Red Herring Prospectus.

Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation:

Year	Events
1995	Our company installed 24 manual Double Roller (DR) ginning machines, which are used to separate cotton fibres from the seeds.
2002	Our company replaced 24 manual Double Roller (DR) ginning machines with 24 automated DR machines to keep up with technical advancements and market demands and additionally, purchased 6 more automated DR machines.
2004	The Company was recognised by Ministry of Textiles, Government of India through Mini Mission IV of the technology Mission on Cotton owing to the modern machines and infrastructure of the Company.
2006	Our Company further expanded its business by installing 18 new Automatic DR machines and built Ginning Shed for safeguarding its quality and quantity of finished product in the year 2006.
2010	The Company was awarded a 3-star rating by Textile Committee on the basis of the assessment undertaken by Ministry of Textiles, Government of India.
2011	Recognizing the potential of cottonseed by-products, our company established K R Solvent Partnership Firm in 2011, which was later converted into a Limited Liability Partnership (LLP) in 2018. K R Solvent LLP primarily manufactures Cotton Seed Oil and De-Oil Cake (used as cattle feed).
2023	Our company installed a rooftop solar plant with a capacity of 0.4 MW (400 KW), made by Soleos. The system is set up with net metering, to help reduce the electricity bills for the plant by allowing excess power to be sent back to the grid.
2023	Our Company installed a windmill plant with a capacity of 2 MW, made by Inox Wind Ltd., to generate electricity using wind power.

Awards and Accreditations

The table below sets forth some of the key awards received by our Company in its history since its incorporation:

Year	Events
2004	Our Company received a certificate from Technology Mission on Cotton (TMOC), Ministry of Textiles, Government of India, for modernized Ginning and Pressing Unit with financial assistance from the Government of India's Technology Mission on Cotton (TMOC) in 2003-2004, enabling production of high-quality cotton bales.
2010	Our Company was awarded with a Three Star Rating by the Textiles Committee, Ministry of Textiles, Government of India, recognizing our Company's commitment to quality and industry excellence.
2013	Our Company got registered as a BCI Cotton certified manufacturer in India.
2014	Our Company received a Token of Appreciation for supporting the successful organization of GLANCE 2014, the Global Animal Nutrition Conference.
2022	Our Company received OEKO-TEX Organic Cotton Certification for its Indian-sourced, GMO-free, 100% organic cotton yarn and the right to use the trademark.

Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun in setting up projects.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

As of 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.

Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation

Except as stated below, our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years:

Supplementary LLP Agreement dated July 31, 2020 ("Supplementary Deed 1"), read with second supplementary agreement dated March 22, 2024 ("Supplementary Deed 2") and third supplementary agreement dated October 10, 2024 ("Supplementary Deed 3") executed between Mohmmadhasnein Husenali Narsinh, Husenali Yusufali Narsinh and Minajbanu Husenali Narsinh, nominee of our Company ("Partners") (hereinafter referred to as the "Supplementary LLP Agreement").

MAH Textiles LLP* was set up pursuant to a limited liability partnership deed dated May 1, 2017 executed between Mohmmadhasnein Husenali Narsinh and Husenali Yusufali Narsinh. A brief summary of the supplementary agreements executed to amend the limited liability partnership deed dated May 1, 2017 have been provided below:

Pursuant to Supplementary Deed 1, the capital contribution made by the partners in the LLP was fixed as ₹325.00 Lakhs. Pursuant to the Supplementary Deed 2, our Company through its nominee Minajbanu Husenali Narsinh, was introduced as a partner in the LLP, and consequently, the profit sharing was redistributed, whereby Mohmmadhasnein Husenali Narsinh and Husenali Yusufali Narsinh transferred a part of their profit holding to Minajbanu Husenali Narsinh, in the capacity of a nominee of our Company. Consequent to such redistribution our Company through its nominee held 90% share in LLP. The remaining partners, namely, Mohmmadhasnein Husenali Narsinh and Husenali Yusufali Narsinh, each held 5% share in the LLP.

Accordingly, pursuant to the Supplementary Deed, the LLP became a partly owned subsidiary of our Company, and our Company became the designated partner of the said LLP.

Lastly, pursuant to the Supplementary Deed 3, the business undertaken by the LLP was changed from trading of Cotton yarns and bales to manufacturing, processing, commissioning, import/export, and supply various textile products.

**Note: The status of the LLP has now been changed to Private Limited and MAH Textiles LLP has now been converted to MAH Textiles Private Limited on July 1, 2025.*

Supplementary LLP Agreement dated July 28, 2020 (“Supplementary Deed 1”), read with second supplementary agreement dated December 20, 2023 (“Supplementary Deed 2”), third supplementary agreement dated March 22, 2024 (“Supplementary Deed 3”), fourth supplementary agreement dated October 9, 2024 (“Supplementary Deed 4”) and fifth supplementary agreement dated November 6, 2024 (“Supplementary Deed 5”), executed between Mohmmadhasnein Husenali Narsinh, Husenali Yusufali Narsinh, Minajbanu Husenali Narsinh, Minajbanu Husenali Narsinh, nominee of our Company and Jamani Mehvis Mehndihasan (“Partners”) (hereinafter referred to as the “Supplementary LLP Agreement”).

M/s K R Solvent LLP (the “LLP”) was set up pursuant to a limited liability partnership deed dated March 21, 2018 executed between Mohmmadhasnein Husenali Narsinh, Husenali Yusufali Narsinh and Minajbanu Husenali Narsinh. A brief summary of the supplementary agreements executed to amend the limited liability partnership deed dated March 21, 2018 have been provided below:

Pursuant to Supplementary Deed 1, the borrowing powers of the partners were fixed. Pursuant to the Supplementary Deed 2, the profit sharing between the partners was finalised whereby, Husenali Yusufali Narsinh held 33.34% share, Mohmmadhasnein Husenali Narsinh and Minajbanu Husenali Narsinh, each held 33.33% share in the LLP.

Pursuant to the Supplementary Deed 3, the *erstwhile* Partner of the LLP, namely, Minajbanu Husenali Narsinh retired from her respective position and Minajbanu Husenali Narsinh, was appointed as a designated partner in the capacity of a nominee of our Company in the LLP. Further, a portion of the profit shares of Mohmmadhasnein Husenali Narsinh and Husenali Yusufali Narsinh, was transferred to Minajbanu Husenali Narsinh, in the capacity of a nominee of our Company.

Accordingly, pursuant to the Supplementary Deed, the LLP became a partly owned subsidiary of our Company and our Company became the designated partner of the said LLP.

Pursuant to the Supplementary Deed 4, the Partner of the LLP, namely, Mohmmadhasnein Husenali Narsinh retired from his respective position and Narsinh Fatema Mohmadhasnein was admitted as a new partner in the LLP. Consequent to such redistribution our Company through its nominee held 90% share in LLP. The remaining partners, namely, Narsinh Fatema Mohmadhasnein and Husenali Yusufali Narsinh, each held 5% share in the LLP and the business undertaken by the LLP was changed from manufacturing of textiles and Cotton seed oil to manufacturing of *inter alia*, cakes, cotton wash oil, linters, and cotton hulls from cotton seeds.

Lastly, pursuant to the Supplementary Deed 5, the *erstwhile* Partner of the LLP, namely Husenali Yusufali Narsinh retired from his respective position and Jamani Mehvis Mehndihasan, was appointed as a designated partner in the LLP. Further, Husenali Yusufali Narsinh withdrew his capital contribution and profit sharing of ₹ 37,50,000 and Jamani Mehvis Mehndihasan contributed ₹ 37,50,000 as capital contribution and profit sharing. Consequent

to such redistribution our Company through its nominee held 90% share in LLP and Narsinh Fatema Mohmadhasnein and Jamani Mehvis Mehndihasan, each held 5% share in the LLP.

Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Draft Red Herring Prospectus, our Company have two subsidiaries i.e. MAH Textiles Private Limited and K.R Solvent LLP, details of which have been stated in “*Our Subsidiaries*” on page 233 of this Draft Red Herring Prospectus.

Business interest of our Subsidiaries in the Company

Our Subsidiaries do not have any interest in our Company’s business, other than as stated in “*Financial Information*”, on pages 236 .

Common pursuits

Our company has common pursuits with our subsidiaries and our group companies as stated in “*our subsidiary*” and “*Information with respect to group companies*” on pages 233 and 281, respectively.

Associate or Joint ventures of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate or joint ventures.

Strategic and Financial Partners

As on date of this Draft Red Herring Prospectus our Company does not have any strategic and financial partners.

Shareholders and Other Agreements

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee 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.

Guarantees given by Promoters offering its shares in the Offer for Sale

Except as stated in “*Financial Indebtedness*” on page 256 of this Draft Red Herring Prospectus, our Promoters, who are also the Promoter Selling Shareholders in this Offer, have not given any guarantees on behalf of our Company.

Material Agreements

The Company confirms that, there are no other agreements and clauses / covenants which are material and which need to be disclosed and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the public shareholders.

The Company further confirms that as per the Articles of Association (‘**AoA**’) of the Company as amended from time to time, there are no articles/provisions in the AoA enabling a person to exercise or be entitled to any special rights of any nature.

Other Agreements

There are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus

OUR MANAGEMENT

OUR BOARD OF DIRECTORS

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). As on date of this Draft Red Herring Prospectus, we have 5 (five) Directors on our Board, which includes one (1) Managing Director, one (1) Whole Time Director, one (1) Non-Executive Director and two (2) Independent Directors out of which one (1) is the Woman Director of our Company.

Set forth below, are details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Mohmmadhasnein Husenali Narsinh</p> <p>DIN: 00082026</p> <p>Date of Birth: July 8, 1986</p> <p>Designation: Chairman and Managing Director</p> <p>Address: Bhalgamda Gate, Near Bharat Mill, Near Jain Society, NH-8 A, Limbdi, Surendranagar, Gujarat, 363421 India.</p> <p>Occupation: Business</p> <p>Term: For a period of five (5) years with effect from June 22, 2024.</p> <p>Period of Directorship: Director since November 21, 2005</p> <p>Nationality: Indian</p>	39	<ul style="list-style-type: none"> • Sustainable Spinning and Commodities Private Limited; • Sustainable Smart Wear Private Limited • MAH Textiles Private Limited
<p>Husenali Yusufali Narsinh</p> <p>DIN: 00102874</p> <p>Date of Birth: December 4, 1957</p> <p>Designation: Whole-Time Director</p> <p>Address: Bhalgamda gate, near Bharat Mill, Near Jain Society, NH- 8 A, Limbdi, Surendranagar, Gujarat, India - 363 421</p> <p>Occupation: Business</p> <p>Term: For a period of five (5) years with effect from January 21, 2025.</p>	68	<ul style="list-style-type: none"> • Sustainable Spinning and Commodities Private Limited • MAH Textiles Private Limited

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Period of Directorship: Director since incorporation</p> <p>Nationality: Indian</p>		
<p>Minajbanu Husenali Narsinh</p> <p>DIN: 00084661</p> <p>Date of Birth: October 15, 1961</p> <p>Designation: Non-Executive Director</p> <p>Address: Bhalgamda gate, near Bharat Mill, Near Jain Society, NH- 8 A, Limbdi, Surendranagr - 363 421, Gujarat, India.</p> <p>Occupation: Business</p> <p>Term: Liable to retire by rotation</p> <p>Period of Directorship: Director since September 14,1995 *</p> <p>Nationality: Indian</p>	64	<ul style="list-style-type: none"> • Sustainable Spinning and Commodities Private Limited; • Sustainable Smart Wear Private Limited
<p>Khushi Giriraj Laddha</p> <p>DIN: 10597406</p> <p>Date of Birth: July 3, 2000</p> <p>Designation: Independent Director</p> <p>Address: E-102, Vaibhav Apartment, Vibhag - 2 Near Police Commissioner office, Shahibaug, Ahmadabad, Gujarat, India– 380 004</p> <p>Occupation: Professional</p> <p>Term: For a period of five years with effect from June 22, 2024</p> <p>Period of Directorship: Director since June 22, 2024</p> <p>Nationality: Indian</p>	25	<p><i>Companies</i></p> <p>Nil</p>
<p>Priyank Shirishbhai Shah</p>	44	<p><i>Companies</i></p> <p>Nil</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
DIN: 06967625 Date of Birth: September 29, 1981 Designation: Independent Director Address: 11, Sakar Bunglows, Nr. Mani Ratnam Bunglows, Vasna, Ahmadabad, Gujarat, India-380 007 Occupation: Professional Term: For a period of five years with effect from June 22, 2024 Period of Directorship: Director since June 22, 2024 Nationality: Indian		

**Minajbanu Husenali Narsinh appointment form is not available and as per PCS Search Report dated December 17, 2025 the documents were destroyed due to fire. For details kindly refer to Risk Factor beginning on page [●].*

BRIEF PROFILES OF OUR DIRECTORS

Mohmmadhasnein Husenali Narsinh, aged 39 years, is one of the Promoters, Chairman and Managing Director of our Company. He holds a bachelor's degree in business administration from Gujarat University. He has an experience of more than twenty years in cotton and textile industry. Presently, he oversees overall operation and market division of our Company. He has been associated with our Company since November 21, 2005 in the capacity of an Executive Director and since June 22, 2024 in the capacity of Managing Director of our Company.

Husenali Yusufali Narsinh, aged 68 years, is one of the Promoters and Whole Time Director of our Company. He has completed his pre-university arts (regular) from Saurashtra University. He has an experience of more than thirty years in cotton industry. Presently, he oversees day-to-day business transactions of our Company and has been associated with our Company since incorporation.

Minajbanu Husenali Narsinh, aged 64 years, is one of the Promoters and Non-Executive Director of our Company. She is under matriculated and has an experience of more than thirty years of business administration and management and has been associated with our Company since September 14, 1995 in the capacity of Promoter and Executive Director and since June 22, 2024 in the capacity of our Non-Executive Director.

Khushi Giriraj Laddha, aged 25 years, is an Independent Director of our Company. She holds a bachelor's degree in law from Gujarat University and a master's degree in Law from O.P. Jindal Global University and a Bachelor of Commerce (B.Com) with specialization in Advance Accounting and Auditing from GLS University, Ahmedabad. She also holds a post graduate diploma in business management (international trade) from NMIMS Deemed-to-be University. She also completed distance learning general course on Intellectual Property from WIPO Academy. In the past, she was associated with KPSJ & Associates LLP in the capacity of chief analyst. She has an experience of more than three years in corporate governance, insolvency & restructuring, trademarks, and general corporate advisory. She has been associated with our Company since June 22, 2024.

Priyank Shirishbhai Shah, aged 44 years, is an Independent Director of our Company. He holds a master's degree in commerce from Gujarat University. He is a fellow member of the Institute of Chartered Accountants of India. He is presently associated with M/s A K G V G & Associates, in the capacity of a partner since December 14, 2010. He has an experience of more than fourteen years in financial auditing and consulting segments. Previously, he was associated with Lambda Therapeutic Research Limited. He has been associated with our Company since June 22, 2024.

CONFIRMATIONS-

As on the date of the Draft Red Herring Prospectus

1. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
2. Neither Promoters or selling shareholders nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
3. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
4. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
5. None of Promoters or Directors of our Company are a fugitive economic offender.
6. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.

RELATIONSHIP BETWEEN OUR DIRECTORS

Except as disclosed below, none of our Director(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013:

Name of Director	Designation	Relation
Mohmmadhasnein Husenali Narsinh	Chairman and Managing Director	Son of Husenali Yusufali Narsinh and Minajbanu Husenali Narsinh
Husenali Yusufali Narsinh	Whole Time Director	Father of Mohmmadhasnein Husenali Narsinh and Husband of Minajbanu Husenali Narsinh
Minajbanu Husenali Narsinh	Non-Executive Director	Mother of Mohmmadhasnein Husenali Narsinh and Wife of Husenali Yusufali Narsinh

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS

None of our Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

For further details, see "History and Certain Corporate Matters –Summary of Shareholders' Agreements" on page 210.

We confirm that there is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of our Company) and our Company, Key Managerial Personnel and Directors.

SERVICE CONTRACTS

There are no service contracts with our Directors which provide for benefits upon retirement or termination of employment.

BORROWING POWERS

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Shareholders have pursuant to a special resolution passed at the Extra Ordinary General Meeting held on January 21, 2025, authorised our Board of Director or any committee thereof, to borrow from time to time, by way of loans, credit facilities, debt instruments or in any other forms, any such sum or sums of money (either Indian or foreign currency) from banks, financial institutions, bodies corporate, companies, firms or any one or more persons on such terms and conditions and with or without security, notwithstanding that monies to be borrowed together with monies already borrowed by our Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed (other than temporary loans from the Company's bankers in the ordinary course of business) and outstanding at any point of time shall not exceed a sum of ₹ 1,50,000 lakhs.

Compensation of Managing Directors and/or Whole-time Directors:

Terms of appointment of our Chairman and Managing Director Mr. Mohmmadhasnein Husenali Narsinh.

Pursuant to a resolution passed by the Board of Directors at the meeting held on June 22, 2024, and approved by the Shareholders of our Company at the EGM held on June 26, 2024, Mohmmadhasnein Husenali Narsinh was appointed as the Managing Director of our Company for a period of five (5) years with effect from June 22, 2024, and his terms of remuneration, were revised in the EGM held on January 21, 2025, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder and pursuant to an Employment Agreement dated May 26, 2025. The terms of remuneration of our Managing Director have been summarized below:

Basic Salary	₹ 4,00,000/- (Rupees Four Lakh only) per month
Perquisites	<ul style="list-style-type: none">• Medical Reimbursement• Club fees• Personal accident insurance• Mediclaim Insurance• Provision of a car and electricity• Contribution to provident fund, superannuation fund or annuity fund.• Gratuity payable as per company policy.
Minimum Remuneration	The remuneration payable to the Managing Director where the Company has no profits or its profits are inadequate, the Company shall pay to the Managing Director remuneration by way of salary, perquisites, allowances, and discretionary bonus subject to schedule V section II of the Companies act 2013.

Terms of appointment of our Whole-Time Director Mr. Husenali Yusufali Narsinh.

Pursuant to a resolution passed by the Board of Directors at the meeting held on January 20, 2025 and approved by the Shareholders of our Company at the EGM held on January 21, 2025, Husenali Yusufali Narsinh was appointed as the Whole Time Director of our Company for a period of five (5) years with effect from January 21, 2025, and his terms of remuneration, including his salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder pursuant to an Employment Agreement dated May 26, 2019. The terms of remuneration of our Whole Time Director have been summarized below:

Basic Salary	₹ 4,00,000/- (Rupees Four Lakh only) per month
Perquisites	<ul style="list-style-type: none">• Medical Reimbursement• Club fees• Personal accident insurance• Mediclaim Insurance• Provision of a car and electricity• Contribution to provident fund, superannuation fund or annuity fund.• Gratuity payable as per company policy.
Minimum Remuneration	The remuneration payable to the Whole-Time Director where the Company has no profits or its profits are inadequate, the Company shall pay to the Whole-Time Director remuneration by way of salary, perquisites, allowances, and discretionary bonus subject to schedule V section II of the Companies act 2013.

Remuneration paid to our Executive Directors during the Fiscal 2025:

(₹ in Lakhs)

S. No.	Name of the Director	Remuneration
1.	Mohmmadhasnein Husenali Narsinh	13.50
2.	Husenali Yusufali Narsinh	13.50
3.	Minajbanu Husenali Narsinh	6.75

SITTING FEES

The payment of sitting fees to the Non-Executive Director and Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

(₹ in Lakhs)

S. No.	Name of the Director	Sitting Fees
1.	Khushi Giriraj Laddha	0.80
2.	Priyank Shirishbhai Shah	0.80
3.	Minajbanu Husenali Narsinh	0.80

Our Board of Directors in their meeting held on June 22, 2024 have fixed ₹ 80,000/- Per Person/Per annum as sitting fee for Independent Directors and Non-Executive Directors, for attending meetings of the Board of Directors and its committees.

PAYMENT OF BENEFITS TO EXECUTIVE DIRECTOR OF OUR COMPANY

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given in the last financial year or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

REMUNERATION PAID TO OUR DIRECTORS BY OUR SUBSIDIARY

None of our Directors have been paid any remuneration from our Subsidiaries, including contingent or deferred compensation accrued for the year during Fiscal 2025.

BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

None of our Directors are party to any bonus or profit-sharing plan of our Company.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Except as stated below, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares of face value of ₹ 10 each	% of the pre-Offer Equity Share Capital
1.	Mohmmadhasnein Husenali Narsinh	56,17,500	34.00
2.	Husenali Yusufali Narsinh	56,16,975	34.00
3.	Minajbanu Husenali Narsinh	33,07,500	20.02

* Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF OUR DIRECTORS

Our Managing Director & Whole Time Director may be interested to the extent of remuneration paid to them, respectively for services rendered as Director of our Company and reimbursement of expenses payable to them. For details, please refer “**Terms and conditions of employment of our Managing Director and Whole Time Director**” above. Further Non-executive Director, all our Independent Directors may be interested to the extent of Sitting fees payable to them for attending meetings of the Board of Directors or a committee thereof.

Our Directors, Mohmmadhasnein Husenali Narsinh, Husenali Yusufali Narsinh and Minajbanu Husenali Narsinh may also be interested to the extent of Equity Shares, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Offer. Except as disclosed in “**Financial Information**” and “**Our Promoters and Promoter Group**” beginning on pages 236 and 229 respectively of this Draft Red Herring Prospectus, our Directors are not interested in any other company, entity or firm.

Interest in promotion of our Company

Except Mr. Mohmmadhasnein Husenali Narsinh, Mr. Husenali Yusufali Narsinh and Mrs. Minajbanu Husenali Narsinh none of our directors have any interest in the promotion or formation of our Company as of the date of this Draft Red Herring Prospectus.

Interest in the property of our Company

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Details of struck-off companies in which our director was the director at the time of strike-off:

Except as stated below, none of our Directors are appearing in the list of directors of struck-off companies by the Registrar of Companies, Ministry of Corporate Affairs:

Name of Director	Struck-off company
Mohammadhasnein Husenali Narsinh	Pratham Paper Products Private Limited.

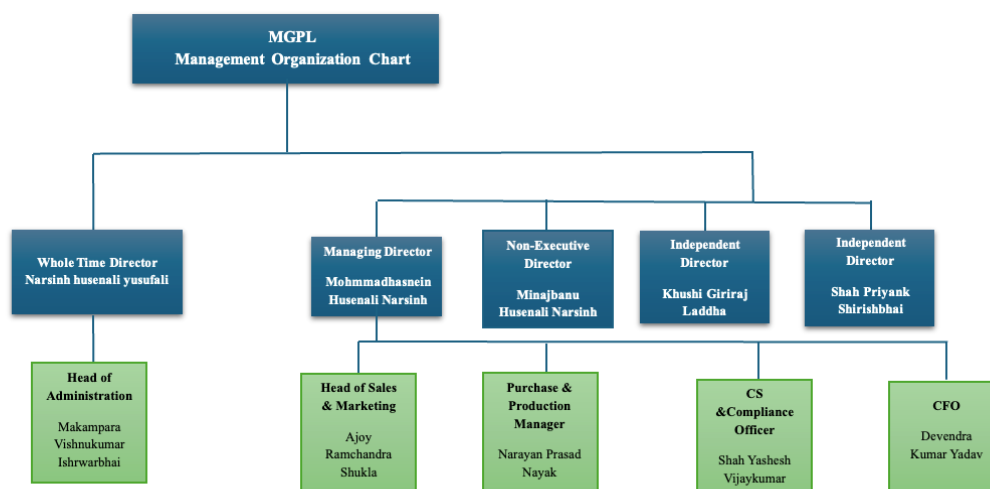
CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment/ change in designation/cessation	Designation (at the time of appointment / change in designation / cessation)	Reasons for Changes
Jamani Mehvis Mehndihasan	March 27, 2024	Non-Executive Director	Resignation from the post of Non-Executive Director
Narsinh Fatema Mohmadhasnein	March 27, 2024	Executive Director	Resignation from the post of Executive Director
Mohammadhasnein Husenali Narsinh	June 22, 2024	Managing Director	Designated as the Chairman and Managing Director
Minajbanu Husenali Narsinh	June 22, 2024	Non-Executive Director	Change in designation from Executive Director to Non-Executive Director
Khushi Giriraj Laddha	June 22, 2024	Independent Director	Appointed as Additional (Independent) Director
Priyank Shirishbhai Shah	June 22, 2024	Independent Director	Appointed as Additional (Independent) Director
Khushi Giriraj Laddha	June 26, 2024	Independent Director	Regularised as Independent Director
Priyank Shirishbhai Shah	June 26, 2024	Independent Director	Regularised as Independent Director
Husenali Yusufali Narsinh	January 21, 2025	Whole Time Director	Designated as Whole Time Director

MANAGEMENT ORGANISATION STRUCTURE

Set forth is the management organization structure of our Company:



CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

As on date of this Draft Red Herring Prospectus, as our Company is coming with an Offer in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 17A, 18, 19, 20, 21, 22, 24, 24A, 25, 26, 27, 27A and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavours to comply with the good corporate governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including a woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Constitution of Committees

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

1. Audit Committee;
2. Stakeholders' Relationship Committee;
3. Nomination and Remuneration Committee; and

Details of composition, terms of reference etc. of each of these committees are as follows:

1. Audit Committee

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on June 22, 2024 constituted the Audit Committee.

The constitution of the Audit Committee is as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Priyank Shirishbhai Shah	Chairman	Independent Director
Mohmmadhasnein Husenali Narsinh	Member	Chairman and Managing Director
Khushi Giriraj Laddha	Member	Independent Director

Meetings of Audit Committee and Quorum

As required under Regulation 18 of SEBI (LODR) Regulations, 2018, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

Powers of Audit Committee

The Audit Committee shall have the following powers:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice;
4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
5. Such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of the Audit Committee

The role of the audit committee shall include the following:

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) Formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- 5) Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- 6) 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 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. Qualifications and Modified opinion(s) in the draft audit report.
- 7) Reviewing, with the management, the quarterly/ Half Yearly financial statements before submission to the Board for approval;
- 8) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 9) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 10) 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;
- 11) Scrutiny of inter-corporate loans and investments;
- 12) Valuation of undertakings or assets of the company, wherever it is necessary;
- 13) Evaluation of internal financial controls and risk management systems;
- 14) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 15) 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;
- 16) Discussion with internal auditors of any significant findings and follow up there on;
- 17) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 18) 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;
- 19) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- 20) Monitoring the end use of funds raised through public offers and related matters;
- 21) 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;
- 22) Reviewing the functioning of the whistle blower mechanism;
- 23) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

- 24) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- 25) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- 26) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee as contained in the SEBI Listing Regulation or any other applicable law, as when amended from time to time; and
- 27) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- 28) To review compliance with the provision of the SEBI (Prohibition of Insider Trading) regulation 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulation are adequate and are operating effectively
- 29) Such roles as may be prescribed under Companies Act, SEBI Listing Regulations and other applicable provisions.
- 30) Approve all the related party transactions and subsequent material modifications.

Further, the Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the chief internal auditor;
5. Statement of deviations in terms of the SEBI Listing Regulations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges) in terms of Regulation 32(1) of the SEBI Listing Regulations, and
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) the SEBI Listing Regulations.
6. Review the financial statements, in particular, the investment made by any unlisted subsidiary.

Stakeholder's Relationship Committee

Our Company has constituted a "Stakeholders' Relationship Committee" to redress complaints of the shareholders and other stakeholder. The Stakeholders' Relationship Committee constituted vide resolution passed at the meeting of the Board of Directors held on June 22, 2024.

The Stakeholders' Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Priyank Shirishbhai Shah	Chairman	Independent Director
Mohmmadhasnein Husenali Narsinh	Member	Chairman and Managing Director
Khushi Giriraj Laddha	Member	Independent Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

Tenure

The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

Meetings

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

Role of the Stakeholders' Relationship Committee

The role of the Stakeholders' Relationship Committee shall include the following:

- 1) Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders.
- 2) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings, etc.
- 3) Review of measures taken for effective exercise of voting rights by members.
- 4) Investigating complaints relating to allotment of shares, approvals of transfer or transmission of shares, debentures or any other securities.
- 5) Giving effect to all transfer /transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- 6) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
- 7) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company
- 8) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.
- 9) Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on August 29, 2024.

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Priyank Shirishbhai Shah	Chairperson	Non-Executive Independent Director
Khushi Giriraj Laddha	Member	Non-Executive Independent Director
Minajbanu Husenali Narsinh	Member	Non-Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

Tenure

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

Meetings

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

Role of the Nomination and Remuneration Committee not limited to but includes:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of the performance of the independent directors and the Board;
- 3) Devising a policy on diversity of board of directors;
- 4) 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 of directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- 5) Analysing, monitoring and reviewing various human resource and compensation matters;
- 6) Deciding 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) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- 8) Recommending to the board, all remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary)
- 9) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 10) 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;
- 11) 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.
- 12) Administering, monitoring and formulating detailed terms and conditions of the employee stock option scheme/plan approved by the Board and the members of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme"), if any;
- 13) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- 14) Perform such other activities as may be delegated by the Board or specified/provided under the Companies Act, 2013, to the extent notified and effective, as amended, or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or by any other applicable law or regulatory authority.
- 15) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and, on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agency, 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
- 16) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified experienced professionals, who are permanent employees of our Company. The following are the Key Managerial Personnel of our Company.

Our Key Managerial Personnel

In addition to our Chairman and Managing Director and Whole Time Director, whose details have been provided under paragraph above titled 'Brief Profile of our Directors', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Red Herring Prospectus:

Devendra Kumar Yadav, aged 38 years, is the Chief Financial Officer of our Company. He holds a master's degree in commerce from Gujarat University. In the past, he was associated with Sustainable Spinning and Commodities Private Limited, in the capacity of accounts manager. He has an experience of nine years in the accounts and finance industry. He is associated with our Company since July 1, 2024. His roles and responsibility include providing strategic financial leadership by driving budgeting, reporting, compliance, cash flow optimization, fundraising, team development, and technology-enabled financial excellence aligned with organizational goals. He has received remuneration of ₹ 4.50 Lakhs during Fiscal 2025.

Shah Yashesh Vijaykumar, aged 32 years, is the Company Secretary and Compliance Officer of our Company. He holds a bachelor's degree in commerce and law from Gujarat University. He is an associate member of the Institute of Company Secretaries of India. In the past, he was associated with Windsor Machines Limited in the capacity of management trainee, J P Iscon Private Limited, in the capacity of assistant company secretary; and with Shelter Pharma Limited in the capacity of company secretary and compliance officer. He has an experience of more than Four years in Secretarial and compliance matters. He is associated with our Company since November 23, 2024. His roles and responsibility include ensuring statutory compliance and corporate governance, support the Board and committees, manage regulatory filings and shareholder relations, and act as a liaison with authorities while advising management on legal and secretarial matters. He has received remuneration of ₹ 80,000 during Fiscal 2025.

All our Key Managerial Personnel are permanent employees of our Company.

Our Senior Management Personnel

All our Senior Management Personnel are permanent employees of our Company.

In addition to our Managing Director, Whole time Director, Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*' and '*Our Key Managerial Personnel*', set forth below are the details of our Senior Managerial Personnel as on the date of filing of this Draft Red Herring Prospectus:

Ajoy Ramchandra Shukla, aged 56 years is the Head of Sales and Marketing of our Company. He holds a bachelor's degree in commerce from University of Calcutta. In the past, he was associated with K R Solvent LLP in the capacity of manager – marketing department. He has an experience of more than six years in marketing management and public relations. He has been associated with our Company since August 1, 2024. His roles and responsibilities include driving integrated marketing strategies to generate leads and support sales through data-driven campaigns, team leadership, budget management, and digital and PR initiatives. He has received remuneration of ₹ 6.99 Lakhs during Fiscal 2025.

Narayan Prasad Nayak, aged 68 years is the Purchase and Production Manager. He holds a diploma in Textile Technology from Institute of Textile Technology, Srirampur. In the past, he was associated with Jayatma Industries Limited in the capacity of manager – spinning and production department. He has an experience of more than eighteen years in managing spinning and production department. He has been associated with our Company since August 17, 2023. His roles and responsibility include managing procurement, vendors, and inventory to ensure cost-effective, timely, and quality purchasing in compliance with company policies. He has received remuneration of ₹ 1.53 Lakhs during Fiscal 2025.

Makampara Vishnukumar Ishwarbhai, aged 32 years is the Head of Administration of our Company. He holds a bachelor's degree in commerce from Gujarat University. In the past, he was associated with K R Solvent LLP in the capacity of senior executive – administration department. He has an experience of more than ten years in administrative operations. He has been associated with our Company since August 1, 2024. His roles and responsibilities include developing global export strategies, managing end-to-end export operations, ensuring compliance and documentation, coordinating logistics, negotiating freight, managing customer relationships, and mitigating international trade risks. He has received remuneration of ₹ 1.74 Lakhs during Fiscal 2025.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS AND SUPPLIERS

None of our Key Managerial Personnel and Senior Management Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

RELATIONSHIP OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT WITH OUR DIRECTORS, PROMOTERS AND / OR OTHER KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except as disclosed under the heading “Relationship between our Directors none of our Key Managerial Personnel and Senior Management Personnel of our Company are related to each other or our Directors.

SHAREHOLDING OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except as stated in this Draft Red Herring Prospectus, none of the Key Management Personnel and Senior Management hold shareholding in our Company.

BONUS OR PROFIT SHARING PLAN OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

PAYMENT OR BENEFIT TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them 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 business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

CHANGES IN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST 3 YEARS

In addition to the changes specified under - “*Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus:

Name	Designation	Date of change	Reason
SMP			
Makampara Vishnubhai Ishwarbhai	Head of Administration	August 1, 2024	Appointment
Ajoy Ramchandra Shukla	Head of Sales and Marketing	August 1, 2024	Appointment
Ankur Maheshwari	Head of Information Technology	August 1, 2024	Appointment
Narayan Prasad Nayak	Purchase and Production - Consultant	August 17, 2023	Appointment
Kunal Behura	Human Resource Head	August 3, 2024	Appointment
KMP			
Devendra Kumar Yadav	Chief Financial Officer	July 1, 2024	Appointment
Mayank Lashkari	Company Secretary and Compliance Officer	July 1, 2024	Appointment
Shah Yashesh Vijaykumar	Company Secretary and Compliance Officer	November 23, 2024	Appointment
Mayank Lashkari	Company Secretary and Compliance Officer	November 23, 2024	Resignation
Mohmmadhasnein Husenali Narsinh	Managing Director	June 22, 2024	Designated as the Chairman and Managing Director
Husenali Yusufali Narsinh	Whole-time Director	January 21, 2025	Designated as Whole Time Director

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

EMPLOYEE STOCK OPTION SCHEME

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or

purchase schemes for our employees.


OUR PROMOTERS AND PROMOTER GROUP


The Promoters of our Company are Mohmmadhasnein Husenali Narsinh, Husenali Yusufali Narsinh and Minajbanu Husenali Narsinh.

As on the date of this Draft Red Herring Prospectus, our Promoters hold an aggregate of 1,45,41,975 Equity Shares, representing 88% of the Issued, Subscribed and Paid-up Equity Share Capital of our Company. For details of the Capital build-up of our Promoters, see chapter titled “Capital Structure” beginning on page 83 of this Draft Red Herring Prospectus.

For details, please see “*Capital Structure – Shareholding of our Promoters*” on page 83.

The details of our Promoters are as follows:

	Mohmmadhasnein Husenali Narsinh
	<p>Mohmmadhasnein Husenali Narsinh, aged 39 years, is the Chairman and Managing Director of our Company. He resides at Near Bharat Milling Company, N.H. 8- A, Limbdi, Surendranagar – 363421 Gujarat, India.</p> <p>The Permanent Account Number of Mohmmadhasnein Husenali Narsinh is AFOPN7591Q.</p> <p>For complete profile of Mohmmadhasnein Husenali Narsinh, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page 214.</p>

	Husenali Yusufali Narsinh
	<p>Husenali Yusufali Narsinh, aged 68 years, is the Whole Time Director of our Company. He resides at Bhalgamda gate, near Bharat Mill, Near Jain Society, NH - 8 A, Limbdi, Surendranagr - 363 421, Gujarat, India.</p> <p>The Permanent Account Number of Husenali Yusufali Narsinh is ACNPN3711E.</p> <p>For complete profile of Husenali Yusufali Narsinh, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “<i>Our Management</i>” on page 214.</p>

Minajbanu Husenali Narsinh



Minajbanu Husenali Narsinh, aged 64 years, is the Non-Executive Director of our Company. She resides at Bhalgamda gate, near Bharat Mill, Near Jain Society, NH - 8 A, Limbdi, Surendranagr - 363 421, Gujarat, India.

The Permanent Account Number of Minajbanu Husenali Narsinh is AAPPN4537L.

For complete profile of Minajbanu Husenali Narsinh, along with details of her date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 214.

DECLARATION

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, aadhaar card numbers and driving license numbers of our Promoters, shall be submitted to the Stock Exchange at the time of filing this Draft Red Herring Prospectus.

CHANGE IN THE CONTROL OR MANAGEMENT OF OUR COMPANY IN LAST FIVE YEARS

There has been no change in the management or control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

Our Promoters have experience in the business of our Company. For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled “*Our Management*” beginning on page 214 of this Draft Red Herring Prospectus.

INTEREST OF OUR PROMOTERS

Interest in Promotion of our Company

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; and (ii) to the extent of their shareholding in our Company. For details on shareholding of our Promoters in our Company, see “*Capital Structure*” on page 83 of this Draft Red Herring Prospectus.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or designated partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Note 236 – Related party transactions*” on page 236.

- (a) Further, Mohmmadhasnein Husenali Narsinh, Husenali Yusufali Narsinh and Minajbanu Husenali Narsinh, are also interested in our Company in the capacity of our Directors and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see “*Our Management*” on page 214. For further details of interest of our Promoters in our Company, see “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Note 236 – Related party transactions*” on page 236.
- (b) Except as disclosed in “*Financial Statements*” and “*Financial Indebtedness*” on pages 236 and 256, respectively in this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company. Our Promoters have also advanced certain unsecured loans to our Company, for further details, please refer to the chapter titled “*Financial Indebtedness*” on page 256 of this Draft Red Herring Prospectus.
- (c) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify

them, as a director or Promoter or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

Other ventures of our Promoters

Other than as disclosed in “Our Management” beginning on page 214, our Promoters are not involved in any other venture.

Interest in property, land, construction of building and supply of machinery

Our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

Payment or benefits to Promoter or Promoter Group

Except Jamani Mehvis Mehndihasan, sister of our Managing Director and Narsinh Fatema Mohmadhasnein, the spouse of our Managing Director was associated with our Company, in the capacity of Non-Executive Director and Executive Director, respectively and may be deemed to be interested to the extent of remuneration paid to them in the preceding two years. For details in relation to the remuneration paid to them in Fiscal 2025, please see ‘Our Management – Sitting fee details of our Independent Directors and Non-Executive Directors’, and “Restated Financial Information - Related Party Transactions” beginning on pages 214 and 236, respectively of this Draft Red Herring Prospectus.

GUARANTEES PROVIDED BY OUR PROMOTERS

Except as stated in the “Financial Statements as Restated” beginning on page 236 of this Draft Red Herring Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

DISASSOCIATION BY THE PROMOTERS IN THE LAST 3 YEARS

Except as mentioned below, our Promoters have not disassociated themselves from any of the companies/ partnership firms as a Director or Partner during preceding three years:

Name	Entity Name	Date of Disassociation	Reason
Mohmmadhasnein Husenali Narsinh	KR Solvent	October 9, 2024	Due to pre-occupation
Husenali Yusufali Narsinh	KR Solvent	November 6, 2024	Due to pre-occupation

OTHER CONFIRMATIONS

1. Our Promoters are not Wilful Defaulters or a Fraudulent Borrowers
2. Our Promoters are not Fugitive Economic Offenders
3. Our Promoters and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.
4. Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Driving License Number, Aadhar and Passport Number of the Promoters will be submitted to the BSE SME, where the securities of our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.
5. Our Promoters are not, and have not been in the past, promoters or a director of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

A. Natural persons who are part of the Promoter Group

Individual Promoters	Mohmmadhasnein Narsinh	Husenali	Narsinh Husenali Yusufali	Minajbanu Narsinh	Husenali
<i>Relation with Promoter</i>					

Father	Narsinh Husenali Yusufali	Late Yusufali Khushalbai Narsinh	Late Asgarbhai Rajabhai Narsinh
Mother	Minajbanu Husenali Narsinh	Late Jehraben Yusufali Narsinh	Late Kherunisha Asgarbhai Nayani
Spouse	Narsinh Fatema Mohmadhasnein	Minajbanu Husenali Narsinh	Narsinh Husenali Yusufali
Brother(s)	Late Mohammadali Narsinh	-	Afzalali A Nayani Mohammedtaqi A Nayani
Sister(s)	Jamani Mehvis Mehndihasan	Dosani Basirabanu Dosani Masumaben	Alina Habib Mukadam Fazila Abbasali
Son(s)	Narsinh Mohammed Aahil Hasnein	1. Late Mohammadali 2. Mohmmadhasnein Husenali Narsinh	1. Late Mohammadali 2. Mohmmadhasnein Husenali Narsinh
Daughter(s)	-	Jamani Mehvis Mehndihasan	Jamani Mehvis Mehndihasan
Spouse's Father	Late Irfanali Haidarali Merchant	Late Asgarbhai Rajabhai Narsinh	Late Yusufali Khushalbai Narsinh
Spouse's Mother	Merchant Nasimbanu	Late Kherunisha Asgarbhai Nayani	Late Jehraben Yusufali Narsinh
Spouse's Brother(s)	Merchant Aliraza Irfanbhai	Afzalali A Nayani Mohammedtaqi Asgarali Nayani	-
Spouse's Sister(s)	-	Alina Habib Mukadam Fazila Abbasali	Dosani Basirabanu Dosani Masumaben

B. Entities forming part of the Promoter Group

1. In case promoter is a body corporate

Our Company does not have a body corporate promoter.

2. In case promoter is an individual

Sr. No.	Nature of Relationship	Entity
1.	Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	<ul style="list-style-type: none"> Sustainable Spinning and Commodities Private Limited Sustainable Smart Wear Private Limited MAH Textiles Private Limited. Sustainable Knitting LLP
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	Nil
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%.	<ul style="list-style-type: none"> Bharat Industries Bharat Milling & Co

C. All persons whose shareholding is aggregated under the heading "shareholding of the Promoter Group"

None of the other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp) (v) of SEBI (ICDR) Regulations 2018.

Outstanding Litigation

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled "Outstanding Litigation and Material Developments" beginning on page 269 of this Draft Red Herring Prospectus.

Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus, please refer the chapter titled "Capital Structure" beginning on page 83.

OUR SUBSIDIARY

As on the date of this DRHP, our Company has two (2) Subsidiaries namely (i) K R Solvent LLP, a limited liability partnership incorporated under Limited Liability Partnership Act, 2008 vide certificate of incorporation dated February 13, 2018 and (ii) MAH Textiles Private Limited, a private limited company incorporated under the Companies Act, 2013, vide certificate of incorporation dated July 01, 2025. As per Section 2(87) of the Companies Act, 2013, the definition of a subsidiary company applies only to companies and does not include LLPs however, according to accounting standards LLPs are also considered subsidiaries Further, the details in relation to our Subsidiaries below are as on the date of this DRHP.

1. M/s K R Solvent LLP

Corporate Information

M/s K R Solvent LLP was originally incorporated as a Partnership firm under the name of 'M/s K R Solvent' pursuant to a deed of partnership dated March 10, 2011, executed between our Promoters and Muhammad Ali Hussain Ali Narsinh, Subsequently, our Promoters entered into a supplementary partnership deed dated November 12, 2016. Further, the erstwhile partnership firm, M/s. K R Solvent was registered with the Registrar of Firms, pursuant to which a certificate dated December 6, 2017 bearing number GUJRJ103460 was issued by the Registrar of Firms. Further, the erstwhile partnership firm, M/s. K R Solvent was converted into a Limited Liability partnership under the name 'K R Solvent LLP', under section 58(1) of the Limited Liability Partnership Act, 2008, pursuant to a certificate of incorporation dated February 23, 2018 issued by Registrar of Companies, Ahmedabad.

The LLPIN of K R Solvent LLP is AAM-0919 and its registered office is situated at LS No-554 Untadi, Limbadi, Surendranagar, Ahmedabad - 363 410, Gujarat, India.

Nature of Business

K R Solvent LLP is engaged in the business of manufacturing oiled cakes, cotton wash oil, linters, and cotton hulls from cotton seeds.

Profit and Loss Sharing Ratio as on date of this Draft Red Herring Prospectus:

S. No.	Name of Partners	Capital Share in Profit / Loss (in %)
1.	Milan Ginning Pressing Limited (Mrs. Minajbanu Husenali Narsinh as a Nominee)	90
2.	Fatema Mohmadhasnein Narsinh	5
3.	Mehvis Mehdihasan Jamani	5
	Total	100

Accumulated profits or losses

There are no accumulated profits or losses of K R Solvent LLP that have not been accounted for by our Company in the Restated Consolidated Financial Information.

2. MAH Textiles Private Limited

Corporate Information

MAH Textiles Private Limited was incorporated as MAH Textiles LLP under section 12(1) of the Limited Liability Partnership Act, pursuant to a certificate of incorporation dated May 1, 2017 issued by Registrar of Companies, Ahmedabad, later got converted into a Private Limited Company as the provisions of the Companies Act, 2013 as MAH Textiles Private Limited on July 01, 2025.

The CIN of MAH Textiles Private Limited is U20113GJ2025PTC164629 and its registered office is situated at Milan Ginning Pressing Limited Compound, Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Surendra Nagar, Limbdi - 363 421, Gujarat, India.

Nature of Business

The main object of our Subsidiary is to manufacture, process, trade in and export all kinds of cotton related textiles, garments and other products, including absorbent surgical cotton and other medical cotton items

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of our subsidiary is ₹ 3,25,00,000 divided into 32,50,000 shares with a face value of ₹10/- each.

Shareholding pattern of our subsidiary

Name of shareholder	Number of shares held	% of shareholding
Husenali Yusufali Narsinh	1,62,500	5%
Mohmmadhasnein Husenali Narsinh	1,62,500	5%
Milan Ginning Pressing Limited (Body Corporate)	29,25,000	90%
Total	32,50,000	100%

Financial Information:

Certain financial information derived from the audited financial statements of our subsidiary for Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023, as required by the SEBI ICDR Regulations, is available on our website at www.milangroupindia.com.

Accumulated profits or losses

There are no accumulated profits or losses of MAH Textiles Private Limited that have not been accounted for by our Company in the Restated Consolidated Financial Information.

Business interest in our Company

Other than as disclosed in “Note 236 – Related Party Transactions” our Subsidiaries or Associates have no business interests in our Company.

Common Pursuits

Our Subsidiary is engaged in the same line of business as of our Company. For risks relating to the same, please see “Risk Factors – Risk Factor beginning on page 22 - Our Group Company, MAH Textiles Private Limited may have conflict of interest with us in respect of trading activities in which our Company is also engaged.

Other Confirmations

None of our Subsidiary Company have any securities listed on any stock exchange in India or abroad. Further, none of our Subsidiary Company have made any public or rights issue as defined under the SEBI ICDR Regulations of securities in the three years preceding the date of this DRHP.

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and our Subsidiary or their respective directors.

Except for the registered office of our Company and our Subsidiary is the same i.e., Revenue Survey No.555/P, Near Chorania 440KV Watt Sub Station, National Highway-8, Untadi, Surendra Nagar, Limbdi - 363 421, Gujarat, India. There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Subsidiary or their respective directors.

DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividends in the six months period ended September 30, 2025 and the last three financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023. Further, Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION IX – FINANCIAL STATEMENTS
RESTATED FINANCIAL INFORMATION

Sr. No	Particulars	Page Nos.
<i>1.</i>	<i>Restated Financial Information</i>	<i>Page 1 of 56 to Page – 56 of 56</i>

OTHER FINANCIAL INFORMATION

The accounting ratios of our Company as required under Item 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: **Particulars Consolidated/Standalone financial information for the six-month period ended as at September 30, 2025 and for the year ended March 31, 2025, March 31, 2024 and March 31, 2023**

Particulars	Consolidated			Standalone
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Basic EPS (₹)	4.57	6.73	6.94	4.14
Diluted EPS (₹)	4.57	6.73	6.94	4.14
Return on Net Worth (%)	12.89%	21.62%	28.40%	23.50%
Net Asset Value per Share (₹)	35.48	31.11	24.42	28.35
Profit Before Tax (₹ Lakhs)	1,009.49	1,539.61	1,678.18	1,033.16
EBITDA (₹ Lakhs)	1,327.66	2,156.93	2,140.20	1,434.98

Notes:

The ratios have been computed as under:

1. *Basic earnings per equity share (₹) = Net profit/loss attributable to equity shareholders / weighted average number of shares outstanding during the year/period.*
2. *Diluted earnings per equity share (₹) = Restated profit/loss for the year/period, attributable to equity shareholders for the year / Weighted average number of diluted equity shares and potential additional equity shares outstanding during the year/period.*
3. *Return on Net Worth (%) = Profit after tax/ Restated Average Net worth at the end of the year/period;*
Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, and write-back of depreciation;
4. *NAV is calculated closing net worth (sum of equity share capital, and Reserves & Surplus) divided by total number of equity shares*
5. *EBITDA is calculated as sum of Profit before Tax, Interest expenses, Depreciation and Amortisation and deducting Interest on FDR*

For further information in relation to our other accounting ratios, see “Basis for Offer Price”, “Business Overview”, “Key Performance Indicators” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 117, 166, 169 and 238 respectively.

Restated Financial Information

In accordance with the SEBI ICDR Regulations, the audited consolidated financial statements of our Company as of and for the six-month period ended September 30, 2025, and for the Financial Years ended March 31, 2025 and March 31, 2024, and the audited standalone financial statements for the Financial Year ended March 31, 2023 along with the respective audit reports (collectively, the “**Restated Financial Information**”) are available on our website at <https://www.milangroupindia.com>.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. Except as disclosed in this Draft Red Herring Prospectus, the Restated Financial Information and the reports thereon, do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) 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 or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

Except as disclosed in this Draft Red Herring Prospectus, the Restated Financial Information, and the reports thereon, should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial position and results of operations together with our Restated Financial Information which have been included in this Draft Red Herring Prospectus. You should also read the section entitled “Risk Factors” beginning on page 22, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our Restated Financial Information, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources.

Our Financial year commences on April 01 and ends on March 31 of the following year, so all references to a particular financial year (“Financial Year” or “FY”) are to the twelve-month period ended March 31 of that year.

The financial statements have been prepared in accordance with Indian GAAP; the Companies Act and restated as described in the report of our statutory auditors dated March 12, 2026 which is included in this Draft Red Herring Prospectus under the section titled “Restated Financial Information” beginning on page 236 of this Draft Red Herring Prospectus. The restated financial information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial information to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial information.

This Draft Red Herring Prospectus also contains forward-looking statements that involves risks, assumptions, estimates and uncertainties. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors as those described under “Risk Factors” and “Forward Looking Statements” beginning on pages 22 and 20 respectively, and elsewhere in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial statements in this Draft Red Herring Prospectus will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices.

The industry-related information contained in this section is derived from the industry report titled “Cotton Industry” for “Milan Ginning Pressing Limited” issued on March 30, 2026 prepared by Infomerics Analytics & Research Private Limited. We have exclusively commissioned and paid for the Industry Report for the purpose of confirming our understanding of the industry exclusively in connection with the offer. The Infomerics Report will form part of material documents for inspection and is available on the website of our company at <https://www.milangroupindia.com/InvestorsFile/f0a3f03a-f96e-494e-93ec-15f16dfa45f4.pdf>. For further details and risks in relation to the industry report, see “Risk Factors- Industry information included in this Draft Red Herring Prospectus has been derived from an Industry report prepared by Infomerics Analytics & Research Private Limited” on page no 22.

BUSINESS OVERVIEW

Our company was incorporated as Milan Ginning Pressing Private Limited, on April 25, 1995 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Ahmedabad. Consequent upon the conversion of our Company from Private Limited Company to Public Limited Company, the name of our Company was changed to “Milan Ginning Pressing Limited” and fresh Certificate of Incorporation dated June 21, 2024 was issued by the Registrar of Companies.

We are dealing (on consolidated basis) in the manufacturing of cotton bales, open end yarn, cotton seed, cotton seed oil, cotton linter, De Oil cakes, hulls and trading of cotton bales, open end yarn, cotton yarn, fabric, polyester yarn, and other miscellaneous products. Since its incorporation in 1995 under the dynamic leadership of our Promoter, Mr. Husenali Yusufali Narsinh, the company has continually evolved to become a prominent supplier to major global markets and end-users across the world. Company operates as a well-managed company with a strong infrastructure and an extensive global network, enabling us to efficiently cater to the increasing demand for high-quality cotton products.

The company's journey began with the trading of raw cotton, gradually expanding into establishing a modernized ginning and pressing facility to serve the cotton yarn industry across the country. Today, Milan Ginning Pressing Limited is at the forefront of the cotton industry, not only supplying raw materials to textile industries but also engaging in large-scale organic contract farming. Our organic farming operations span over multiple acres of farmland, involving the support and participation of co-operative societies of farms from surrounding villages, thereby fostering sustainable agriculture practices. Additionally, we have selected farmers specifically for cultivating certified cotton, as per standards set by renowned international companies, further promoting

responsible sourcing.

The Company is primarily engaged in the business of processing raw cotton into cotton bales, open end yarn and cotton seeds catering to textile manufacturers and exporters. As part of a vertically integrated group structure, its group entities further process the cotton bales into cotton yarn and finished cotton fabrics, thereby adding value across the textile supply chain. The group follows a comprehensive "Farmer to Fabric" (F2F) model, under which raw cotton is directly procured from farmers, ginned by us and thereafter spun into yarn by the group entities, which is subsequently woven or processed into fabric by the group entities. This integrated approach enables the group to maintain quality control, cost efficiency, and traceability across all stages of production, while also supporting sustainable sourcing.

Our corporate headquarters and production facility are strategically located in Limbdi, District -Surendranagar, Saurashtra, Gujarat, India, spanning an area of 22,864.75 square meter. The facility is equipped with fully automated modern ginning and pressing machinery, which have been approved under the Technology Mission on Cotton (TMC) Project by the Ministry of Textiles, Government of India, ensuring the production of AA-grade cotton bales.

As a recognized and reputed supplier in the global supply chain, Our Company has established long-standing business relationships with several renowned international brands. In response to the growing demand for cotton textiles, we are establishing a manufacturing facility to engage in dyeing and printing of cotton fabrics and to increase the production through one of our subsidiaries, MAH Textiles Private Limited.

In addition to above our Company supplies cotton seeds to its subsidiary, KR Solvent LLP, which is involved in the extraction of non-edible cottonseed oil and in the manufacturing of by-products such as cotton linter, De Oil cakes and hulls. Some part of the items produced by KR Solvent LLP are subsequently sold to our Company as traded goods.

Our Company also supplies high-quality cotton bales to its group company, Sustainable Spinning & Commodities Private Limited, which utilizes the same for manufacturing cotton yarn. The manufactured cotton yarn is then procured by our Company from Sustainable Spinning & Commodities Private Limited and which is traded by us. Additionally, we purchase cotton waste from Sustainable Spinning & Commodities Private Limited and manufacture open end yarn from the same.

Our Company supplies cotton yarn to Sustainable Knitting LLP, which undertakes the conversion of the yarn into fabric. The fabric is subsequently procured by our Company and sold in domestic as well as international markets. Our company holds internationally recognized certifications, including Oeko-Tex Standard 100 certification, which is essential for meeting the quality and regulatory standards required for exports, to major international markets. This certification reflects our continued commitment to adhering to sustainable practices, ethical sourcing, and quality assurance.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD BEGINNING FROM SEPTEMBER'2025:

There has been no significant development subsequent to September 30, 2025 till the date of filing DRHP.

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS

Our Company's future results of operations could be affected potentially by the following factors:

- Political Stability of the Country.
- World Economy.
- Government policies for the Renewable energy/Solar Power Industry;
- Inability to successfully obtain registrations in a timely manner or at all;
- Competition from existing players;
- Company's ability to successfully implement growth strategy;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Disruption in our cotton textile business;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Recession in the market;
- Disruption in supply of Raw Materials at our production facilities;
- Changes in laws and regulations relating to the industries in which we operate;
- Effect of lack of infrastructure facilities on our business;
- Occurrence of Environmental Problems & Uninsured Losses;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- The timely completion of the Company's orders;

- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to expand our geographical area of operation;
- Concentration of ownership among our Promoters.

OUR SIGNIFICANT ACCOUNTING POLICIES:

For Significant accounting policies please refer Significant Accounting Policies, beginning under Chapter titled “Restated Financial Information” beginning on page 236 of the Draft Red Herring Prospectus.

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 includes Domestic and Export sales of open-end yarn, cotton bales, cotton seeds and is also into trading of multiple commodities.

Other Income

Other Income Includes (I) Interest Income, (II) Exchange Rate Fluctuations (III) Duty Drawback Income, (IV) Commission Income, (V) Discount, Rate Difference & Written Off Balances (VI) Miscellaneous Income, (VI) Profit on Sale of Fixed Assets.

TOTAL EXPENDITURE

Our Expenses Comprise of: (I) Cost of Material Consumed; (II) Purchase of Stock in Trade; (III) Change in Inventories of Finished Goods (IV) Employee Benefits Expense; (V) Finance Costs; (VI) Depreciation and Amortization Expense; And (VII) Other Expenses.

Cost of Materials consumed

Cost of materials consumed includes consumption of raw material (Raw Cotton, Flat Waste, Hard Waste, Noil Comber Waste, Lickrin Waste and Roving Waste etc.), Packing Material, Stores & Consumables required to manufacture the Finished products

Purchase of stock in trade

Purchase of stock in trade includes purchase of product (Cotton Bales, Cotton Yarn, Cotton Seed Husk, Cotton Seeds Oil, De Oil Cake, Fabric etc).

Change in Inventories of Finished Goods

Change in Inventories of Finished Goods is a difference between Inventories at the Beginning of the Year and Inventories at the end of the Year.

Employee benefits expense

Employee benefits expenses primarily include (i) Salary, Wages and Incentives (ii) Contribution to Employee Benefits (Gratuity, Provident Fund and other funds) (iii) Director’s Remuneration/Partners Remuneration (iv) Staff Welfare expenses.

Finance cost

Finance costs include Interest Expense, Unsecured loan Interest, Discounting Charges, Bank Charges/ BG Commission, Loan Processing Charges and Bank Charges.

Depreciation and Amortisation expenses

Depreciation mainly includes depreciation on Company Building, Plant & Machinery, Wind Mills, Electrical Installation & Equipment, Office Equipment, Computers & Vehicles.

Other Expenses

Other expense mainly includes Direct Expenses like Freight & Transport Expenses, Power & Fuel Expenses, Factory Expense, Import/Export Charges & Indirect Administrative expenses like Certification Charges, Commission Expense, Insurance, Legal & Professional Fees, Repairs & Maintenance, Late Payment & Interest Expenses and Other Expenses.

Results of Operations based on our Restated Financial Information

The following table sets forth select financial data from our statement of profit and loss for Six months period ended September 30, 2025 and Financial year ended on March 31, 2025, 2024 and 2023, from Restated Financial Information, the components of which are also expressed as a percentage of total income for such periods.

Particulars	Consolidated						Standalone	
	For the period ended on September 30, 2025		For the year ended on March 31, 2025		For the year ended on March 31, 2024		For the year ended on March 31, 2023	
	(In ₹ Lakhs)	(As a % of total Income)	(In ₹ Lakhs)	(As a % of total Income)	(In ₹ Lakhs)	(As a % of total Income)	(In ₹ Lakhs)	(As a % of total Income)
Revenue from Operations	50,185.08	99.58	82,576.35	98.69	90,188.41	99.19	68,275.02	98.43
Other income	212.17	0.42	1,098.65	1.31	734.31	0.81	1,085.92	1.57
Total Income (A)	50,397.25	100.00	83,675.00	100.00	90,922.73	100.00	69,360.94	100.00
Purchase of Stock in Trade	44,985.78	89.26	63,793.38	76.24	70,685.17	77.74	43,804.53	63.15
Cost of Material Consumed	3,500.81	6.95	13,820.03	16.52	14,591.54	16.05	19,647.89	28.33
Change in Inventories of Finished Goods	(979.88)	(1.94)	(140.30)	(0.17)	(216.04)	(0.24)	1,498.50	2.16
Employees Benefit Expenses	322.74	0.64	765.27	0.91	643.59	0.71	396.60	0.57
Finance Costs	253.95	0.50	517.57	0.62	410.44	0.45	319.62	0.46
Depreciation and Amortization	97.57	0.19	205.79	0.25	198.07	0.22	149.09	0.21

Other Expenses	1,206.79	2.39	3,173.66	3.79	2,982.77	3.28	2,492.53	3.59
Total Expenses (B)	49,387.76	98.00	82,135.39	98.16	89,295.53	98.21	68,308.76	98.48
Restated profit before tax before exceptional and	1,009.49	2.00	1,539.61	1.84	1,627.20	1.79	1,052.18	1.52
Exceptional Item	0.00	0.00	0.00	0.00	0.08	0.00	19.02	0.03
Extraordinary Item	0.00	0.00	0.00	0.00	(51.06)	(0.06)	0.00	0.00
Profit Before Tax	1,009.49	2.00	1,539.61	1.84	1,678.18	1.85	1,033.16	1.49
Current tax	233.28	0.46	373.03	0.45	426.34	0.47	191.12	0.28
Deferred Tax	20.60	0.04	55.17	0.07	105.92	0.12	213.27	0.31
Total tax expense	253.88	0.50	428.20	0.51	532.26	0.59	404.39	0.58
Restated profit after tax from continuing operations	755.61	1.50	1,111.40	1.33	1,145.92	1.26	628.78	0.91

Six months period ended September 30, 2025

TOTAL INCOME

Our total income comprises of revenue from operations and other income for six months period ended September 30, 2025 was ₹50,397.25 Lakhs.

Revenue from operations

Our revenue from operations comprising revenue from operations for the six months period ended September 30, 2025 was ₹50,185.08 Lakhs and primarily constituted revenue from Trading, Manufacturing and export of the Cotton Yarn, Cotton Bales, Open end Yarn, Cotton Seeds Oil etc.

Other income

Our other income was ₹212.17 Lakhs for six months period ended September 30, 2025 and primarily constituted Interest Income, Exchange Rate Fluctuations, Drawback Income, Commission Income, Profit on Sale of Fixed Assets, Discount & Rate Difference.

EXPENSES

Our total expenses were ₹49,387.76 Lakhs for six months period ended September 30, 2025, on account of the factors discussed below.

Purchase of stock in trade

Our purchase cost for six months period ended September 30, 2025 was ₹ 44,985.78 Lakhs, primarily comprising purchase of product such as Cotton Bales, Cotton Yarn, Cotton Seed Husk, Cotton Seeds Oil, De Oil Cake, Fabric etc.

Cost of material Consumed

Our cost of material consumed for the six months period ended September 30, 2025 was ₹ 3,500.81 Lakhs, primarily consisting of raw material consumption of ₹3446.61 Lakhs and stores & consumables consumption of ₹ 54.20 Lakhs.

Changes in inventories

Expenses relating to changes in inventories ₹ (979.88) Lakhs for six months period ended September 30, 2025, mainly due to difference between opening stock of finished goods was ₹ 4,467.05 Lakhs and closing stock of finished goods was ₹ 5,446.93 Lakhs.

Employee Benefits Expense

Our employee benefits expense was ₹ 322.74 Lakhs for the six months period ended September 30, 2025, primarily comprising Salary, wages and incentive of ₹ 225.28 Lakhs, Contribution to Provident Fund and other funds of ₹ 2.64 Lakhs, Contribution to Gratuity Fund of ₹ (4.22) Lakhs, Director's Remuneration/ Partners Remuneration of ₹ 22.25 Lakhs and Staff Welfare expenses of ₹ 76.79 Lakhs.

Finance Costs

Our finance costs expense was ₹ 253.95 Lakhs for the six months period ended September 30, 2025, primarily comprising of Interest Expense of ₹ 242.70 Lakhs and Bank Charges and Bank Guarantee Commission of ₹ 11.25 Lakhs.

Depreciation and amortization expense

Our depreciation and amortization expense were ₹ 97.57 Lakhs for six months period ended September 30, 2025, primarily due to depreciation on Building, Plant & Machinery, Wind Mills, Electrical Installation & Equipment, Office Equipment, Computers & Vehicles.

Other Expenses

Our other expense was to ₹ 1,206.79 Lakhs for six months period ended September 30, 2025, primarily attributed to Direct Expenses like Freight & Transport Expenses of ₹ 335.90 Lakhs, Power & Fuel Expenses of ₹ 160.74 Lakhs, Factory Expense of ₹ 109.23 Lakhs, Import/Export Charges of ₹ 41.61 Lakhs and Indirect Administrative expenses like Certification Charges of ₹ 201.60 Lakhs, Commission Expense of ₹ 116.56 Lakhs, Insurance expense of ₹ 15.98 Lakhs, Legal & Professional Fees of ₹ 16.58 Lakhs, Repairs & Maintenance of ₹ 51.71 Lakhs, Travelling & Conveyance Expenses of ₹ 14.24 Lakhs and Other Expenses of ₹ 142.64 Lakhs.

Profit Before Tax

As a result of the foregoing factors, our profit before tax for six months period ended September 30, 2025 was ₹ 1,009.49 Lakhs.

Tax Expense

Our tax expenses for the six months period ended September 30, 2025, were ₹ 253.88 Lakhs, comprising Current Tax of ₹ 233.28 Lakhs and Deferred Tax of ₹ 20.60 Lakhs.

Profit After Tax for the period

As a result of the foregoing factors, our profit after tax for the period was ₹ 755.61 Lakhs for six months period ended September 30, 2025.

COMPARISON OF FINANCIAL YEAR 2024-25 WITH FINANCIAL YEAR 2023-24:

TOTAL INCOME:

Our total income decreased by 7.97% from ₹ 90,922.73 Lakhs in Financial Year 2023-24 to ₹ 83,675.00 Lakhs in Financial Year 2024-25, primarily due to decrease in export sales as a result Revenue from Operations business has declined as discussed below:

Revenue from operations

The total revenue from operations decreased by 8.44% for the FY 2024-25 totalling to ₹ 82,576.35 lakhs as compared to ₹ 90,188.41 lakhs during the FY 2023-24. The decrease was mainly attributable to decrease in Export

sales of cotton bales, cotton yarn and open-end yarn during the year due to change in the government policy in trade with Bangladesh and domestic sales of cotton bales.

(₹ in lakhs)

Particulars	For Year Ended March 31, 2025	For Year Ended March 31, 2024
Revenue From Operations:		
Export	14,520.75	27,257.65
Domestic	68,055.60	62,930.77
Total	82,576.35	90,188.41

Product-Wise Revenue Bifurcation:

(₹ in lakhs)

Particulars	Consolidated	
	For Year Ended March 31, 2025	For Year Ended March 31, 2024
Export	14,520.75	27,257.65
Cotton Bales	1,498.75	4,429.50
Cotton Yarn	10,660.38	18,387.68
Open end Yarn	75.14	1,890.75
Polyster Yarn	-	0.85
De-Oil-Cake	175.80	136.53
Fabric	1,702.11	2,150.53
Hulls	297.09	-
Cotton Linter	111.47	261.81
Domestic	68,055.60	62,930.77
Cotton Bales	28,595.19	38,450.99
Cotton Seeds	(102.54)	2,708.51
Open end Yarn	8,083.99	3,742.97
Cotton Yarn	24,626.96	14,022.68
Cotton Seeds Oil	2,281.60	2,209.64
De-Oil-Cake	2,064.95	174.02
Fabric	214.56	173.40
Hulls	1,330.38	21.19
RodTEP Credit Script	548.45	821.30
Other Misc. Product	412.06	606.07
Total	82,576.35	90,188.41

Other Income:

Other income of the company increased by 49.62% for the FY 2024-25 totalling to ₹ 1,098.65 lakhs as compared to ₹ 734.31 lakhs during the FY 2023-24.

- a) Income from exchange Rate Fluctuations increased from ₹ 237.73 lakhs for FY 2023-24 to ₹ 284.72 lakhs for FY 2024-25.

- b) Duty Drawback Income decreased from ₹ 429.47 lakhs for FY 2023-24 to ₹ 262.01 lakhs for FY 2024-25 as export has been decreased.
- c) Commission income increased from ₹ 8.25 lakhs for FY 2023-24 to ₹ 174.58 lakhs for FY 2024-25.
- d) Interest income increased from ₹ 8.44 lakhs for FY 2023-24 to ₹ 57.69 lakhs for FY 2024-25.
- e) Other income increased from ₹ 16.54 lakhs for FY 2023-24 to ₹ 81.64 lakhs for FY 2024-25.
- f) Kasar Discount & Rate Difference increased from ₹ 33.88 lakhs for FY 2023-24 to ₹ 224.68 lakhs for FY 2024-25.
- g) Profit on sale of fixed asset increased from ₹ Nil for FY 2023-24 to ₹ 13.33 lakhs for FY 2024-25.

EXPENDITURE:

Our total expenses decreased by 8.02% to ₹ 82,135.39 Lakhs for the Financial Year 2024-25 from ₹ 89,295.53 Lakhs for the Financial Year 2023-24. The reasons for change are discussed below:

Purchase of Stock-in-Trade

Purchase of stock-in-trade of the company decreased by 9.75% from ₹ 70,685.17 Lakhs in FY 2023-24 to ₹ 63,793.38 Lakhs for FY 2024-25. Purchase of stock-in-trade decreased on account low Purchases during the financial year 2024-25 in line with the decrease of sales.

Cost of Materials consumed

Cost of Materials consumed of the company was decreased by 5.29% from ₹ 14,591.54 Lakhs in FY 2023-24 to ₹ 13,820.03 Lakhs for FY 2024-25. Raw Material & Stores and Consumables constitute Cost of Materials consumed for the Financial Year 2024-25. Cost of Materials consumed decreased on account decreased purchases of Raw Materials during the financial year 2024-25 in line with the decrease in sales.

Changes in Inventories of Raw Material and Finished Goods

Change in inventories of the company increased from ₹ (216.04) Lakhs in FY 2023-24 to ₹ (140.30) Lakhs for FY 2024-25.

Changes in Inventories of Finished Goods of ₹ (140.30) lakhs for FY 2024-25 are due to difference between closing stock of finished goods of ₹ 4,467.05 lakhs and opening stock of finished goods of ₹ 4,326.75 lakhs.

Changes in Inventories of Finished Goods of ₹ (216.04) lakhs for FY 2023-24 are due to difference between closing stock of finished goods of ₹ 4,326.75 lakhs and opening stock of finished goods of ₹ 4,110.71 lakhs.

Employee Benefit Expenses

Employee Benefit Expenses of the company increased by 18.91% from ₹ 643.59 Lakhs in FY 2023-24 to ₹ 765.27 Lakhs for FY 2024-25.

- a) Salary, Wages and incentive increased from ₹ 480.83 lakhs for FY 23-24 to ₹ 550.32 Lakhs for FY 24-25.
- b) Provident fund and Gratuity expenses was reduced from ₹ 24.20 lakhs for FY 23-24 to ₹ 14.66 lakhs for FY 24-25.
- c) Director's Remuneration / Partners Remuneration increased from ₹ 6.72 lakhs for FY 23-24 to ₹ 42.75 lakhs for FY 24-25.
- d) Staff Welfare expenses increased from ₹ 131.83 lakhs for FY 23-24 to ₹ 157.54 lakhs for FY 24-25.

Finance Cost

Finance Cost of the company increased by 26.10% from ₹ 410.44 Lakhs in FY 2023-24 to ₹ 517.57 Lakhs for FY 2024-25.

- a) Interest expenses increased from ₹ 272.39 lakhs for FY 23-24 to ₹ 469.23 Lakhs for FY 24-25.
- b) Discounting charges reduced from ₹ 100.43 lakhs for FY 23-24 to ₹ 19.16 Lakhs for FY 24-25.
- c) Bank charges and Bank Guarantee commission decreased from ₹ 35.73 lakhs for FY 23-24 to ₹ 28.99 Lakhs for FY 24-25.
- d) Other financial charges reduced from ₹ 1.88 lakhs for FY 23-24 to ₹ 0.19 Lakhs for FY 24-25.

Depreciation and Amortization

Depreciation of the company increased by 3.90% from ₹ 198.07 Lakhs in FY 2023-24 to ₹ 205.79 Lakhs for FY 2024-25. Reason for increase in depreciation is net addition of fixed asset of ₹ 362.73 during FY 2024-25.

Other Expenses

Other Expenses of the company increased by 6.40% from ₹ 2,982.77 Lakhs in FY 2023-24 to ₹ 3,173.66 Lakhs for FY 2024-25. Other expense mainly includes Direct Expenses like Freight & Transport Expenses, Power & Fuel Expenses, Factory Expense, Import/Export Charges & Indirect Administrative expenses like Certification Charges, Commission Expense, Insurance, Legal & Professional Fees, Repairs & Maintenance, Late Payment & Interest Expenses and Other Expenses for Financial Year 2024-25. Other Expenses increased on account of increase in Domestic Sales & increase in Variable Expenses during the financial year 2024-25.

Profit Before Exceptional and Extraordinary Items and Tax

Profit Before Exceptional and Extraordinary Items and Tax decreased by 5.38% for the FY 2024-25 totalling to ₹ 1,539.61 lakhs as compared to ₹ 1627.20 lakhs during the FY 2023-24. The decrease in Profit Before Exceptional and Extraordinary Items and, is due to decrease in fall in exports.

Exceptional Items

During the Financial Year 2023-24, a fire broke out at our production plant in Limbdi, Gujarat, resulting in a net loss of fixed assets and stock. Accordingly, we have recognized an exceptional item of ₹0.08 Lakhs for the Financial Year 2023-24, which reflects the difference between the assessed losses and the insurance claim received.

Extraordinary Items

During the Financial Year 2022-23, a fire broke out at our production plant in Limbdi, Gujarat, resulting in a loss of fixed assets and stock. In FY 2023-24 company received insurance claim of ₹51.06 Lakhs.

Profit before Tax (PBT)

Profit before Tax (PBT) decreased by 8.26% for the FY 2024-25 totalling to ₹ 1,539.61 lakhs as compared to ₹ 1,678.18 lakhs during the FY 2023-24. The decrease in PBT, from 1.85% of total revenue in FY 23-24 to 1.84% of total revenue in FY 24-25, is due to decrease in exports.

Profit after Tax (PAT)

Profit after Tax (PAT) decreased by 3.01% for the FY 2024-25 totalling to ₹ 1,111.40 lakhs as compared to ₹ 1,145.92 lakhs during the FY 2023-24. The decrease in PAT is largely attributed to decrease in exports.

COMPARISON OF FINANCIAL YEAR 2023-24 WITH FINANCIAL YEAR 2022-23:

TOTAL INCOME

Our total income increased by 31.09% for the FY 2023-2024 totalling to ₹ 90,922.73 lakhs as compared to ₹ 69,360.94 lakhs during FY 2022-2023 primarily due to an increase in Revenue from Operations.

Revenue from operations

Our revenue from operations increased by 32.10% for the FY 2023-2024 totalling to ₹ 90,188.41 lakhs as compared to ₹ 68,275.02 lakhs during FY 2022-2023. The increase was mainly attributable to increase in sales of products during the year. The growth was supported by improved performance in both domestic and international markets. The growth was backed primarily by increase in sales of cotton bales, open-end yarn and fabric. There is primary increase in sales in states of Gujarat, Haryana, Maharashtra and Tamil Nadu and in countries like Bangladesh and Philippines.

(₹ in lakhs)

Particulars	For Year Ended March 31, 2024	For Year Ended March 31, 2023
Revenue From Operations:		
Export	27,257.65	21,741.89
Domestic	62,930.77	46,533.13
Total	90,188.41	68,275.02

Product-Wise Revenue Bifurcation:

(₹ in lakhs)

Particulars	Consolidated	Standalone
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	For Year Ended March 31, 2024	For Year Ended March 31, 2023
Export	27,257.65	21,741.89
Cotton Bales	4,429.50	-
Cotton Yarn	18,387.68	19,944.20
Open end Yarn	1,890.75	882.75
Polyster Yarn	0.85	5.07
De-Oil-Cake	136.53	226.64
Fabric	2,150.53	301.23
Hulls	-	27.76
Cotton Linter	261.81	354.23
Domestic	62,930.77	46,533.13
Cotton Bales	38,450.99	26,747.35
Cotton Seeds	2,708.51	3,404.51
Open end Yarn	3,742.97	2,273.36
Cotton Yarn	14,022.68	9,987.80
Cotton Seeds Oil	2,209.64	2,056.64
De-Oil-Cake	174.02	-
Fabric	173.40	90.27
Hulls	21.19	-
RodTEP Credit Script	821.30	851.53
Other Misc. Product	606.07	1,121.65
Total	90,188.41	68,275.02

Other Income

Other income of the company decreased by 32.38% for the FY 2023-2024 totalling to ₹ 734.31 lakhs as compared to ₹ 1,085.92 lakhs during FY 2022-2023 due to following factors:

- Exchange Rate Fluctuations decreased from ₹ 586.32 lakhs for FY 2022-23 to ₹ 237.73 lakhs for FY 2023-2024.
- Duty Drawback Income decreased from ₹ 529.65 lakhs for FY 2022-23 to ₹ 429.47 lakhs for FY 2023-2024.
- Commission income decreased from ₹ 57.68 lakhs for FY 2022-23 to ₹ 8.25 lakhs for FY 2023-2024.

Further there are increase in certain factors which compensated the above decrease in other income as follows:

- Company has derived income from Kasar Discount & Rate Difference Expenses of ₹ 33.88 lakhs for FY 2023-2024.
- Interest income increased from ₹ 6.06 lakhs for FY 2022-23 to ₹ 8.44 lakhs for FY 2023-24.
- Other income increased from ₹ 0.12 lakhs for FY 2022-23 to ₹ 16.54 lakhs for FY 2023-24.

EXPENDITURE:

Our total expenses increased by 30.72% to ₹ 89,295.53 Lakhs for the Financial Year 2023-24 from ₹ 68,308.76 Lakhs for the Financial Year 2022-23. The reasons for change are discussed below:

Purchase of Stock-in-Trade

Purchase of stock-in-trade of the company increased by 61.36% from ₹ 43,804.53 Lakhs in FY 2022-23 to ₹ 70,685.17 Lakhs for FY 2023-24. Purchase of stock-in-trade increased on account Purchases during the financial year 2023-24 in line with the increase of sales.

Cost of Materials Consumed

Cost of Materials consumed of the company decreased by 25.73% from ₹ 19,647.89 Lakhs in FY 2022-23 to ₹ 14,591.54 Lakhs for FY 2023-24. Cost of material consumed includes consumption of Raw Material and Stores & Consumables. This decline was mainly due to proportionately lower purchases of raw materials during the year, along with decrease in closing inventory during the financial year 2023-24.

Change in Inventories of Finished Goods

Change in inventories of the company decreased by 114.42% from ₹ 1,498.50 Lakhs in FY 2022-23 to ₹ (216.04) Lakhs for FY 2023-24

Changes in Inventories of Finished Goods of ₹ (216.04) lakhs for FY 2023-24 are due to difference between closing stock of finished goods of ₹ 4,326.75 lakhs and opening stock of finished goods of ₹ 4,110.71 lakhs.

Changes in Inventories of Finished Goods of ₹ 1,498.50 lakhs for FY 2022-23 is due to difference between closing stock of finished goods of ₹ 1,007.79 lakhs and opening stock of finished goods of ₹ 2,506.29 lakhs.

Employees Benefit Expenses

Employee Benefit Expenses of the company increased by 62.27% from ₹ 396.60 Lakhs in FY 2022-23 to ₹ 643.59 Lakhs for FY 2023-24.

- a) Salary, Wages and incentive increased from ₹ 302.65 lakhs for FY 23-24 to ₹ 480.83 Lakhs for FY 23-24.
- b) Provident fund and Gratuity expenses increased from ₹ 12.62 lakhs for FY 22-23 to ₹ 24.20 lakhs for FY 23-24.
- c) Director's Remuneration / Partners Remuneration decreased from ₹ 9.45 lakhs for FY 22-23 to ₹ 6.72 lakhs for FY 23-24.
- d) Staff Welfare expenses increased from ₹ 71.88 lakhs for FY 22-23 to ₹ 131.83 lakhs for FY 23-24.

Finance Cost

Finance Cost of the company increased by 28.42% from ₹ 319.62 Lakhs in FY 2022-23 to ₹ 410.44 Lakhs for FY 2023-24.

- a) Interest expenses increased from ₹ 258.79 lakhs for FY 22-23 to ₹ 272.39 Lakhs for FY 23-24.
- b) Discounting charges increased from ₹ 5.65 lakhs for FY 22-23 to ₹ 100.43 Lakhs for FY 23-24.
- c) Bank charges and Bank Guarantee commission decreased from ₹ 54.95 lakhs for FY 22-23 to ₹ 35.73 Lakhs for FY 23-24.
- d) Other financial charges increased from ₹ 0.23 lakhs for FY 22-23 to ₹ 1.88 Lakhs for FY 23-24.

Depreciation and Amortization

Depreciation of the company increased by 32.85% from ₹ 149.09 Lakhs in FY 2022-23 to ₹ 198.07 Lakhs for FY 2023-24. Company follows SLM method of depreciation. The increase in depreciation expense was primarily attributable to the addition of fixed assets during the preceding financial year, which resulted in a higher depreciable base for the current year.

Other Expenses

Other Expenses of the company increased by 19.67% from ₹ 2,492.53 Lakhs in FY 2022-23 to ₹ 2,982.77 Lakhs for FY 2023-24. Other expense mainly includes Direct Expenses like Freight & Transport Expenses, Power & Fuel Expenses, Factory Expense, Import/Export Charges & Indirect Administrative expenses like Certification Charges, Commission Expense, Insurance, Legal & Professional Fees, Repairs & Maintenance, Late Payment & Interest Expenses and Other Expenses. Other Expenses increased on account of Increase in Sales & increase in Variable Expenses during the financial year 2023-24.

Profit Before Exceptional and Extraordinary Items and Tax

Profit Before Exceptional and Extraordinary Items and Tax increased by 54.65% for the FY 2023-24 totalling to ₹ 1,627.20 lakhs as compared to ₹ 1,052.18 lakhs during the FY 2022-23. The increase in Profit Before Exceptional and Extraordinary Items and Tax is largely attributed to increase in Export Sales and Domestic sales.

Exceptional Items

During the Financial Year 2023-24, a fire broke out at our production plant in Limbdi, Gujarat, resulting in a net loss of fixed assets and stock. Accordingly, we have recognized an exceptional item of ₹0.08 Lakhs for the Financial Year 2023-24, which reflects the difference between the assessed losses and the insurance claim received. During the Financial Year 2022-23, a fire broke out at our production plant in Limbdi, Gujarat, resulting in a net loss of fixed assets and stock. Accordingly, we have recognized an exceptional item of ₹19.02 Lakhs for the Financial Year 2022-23, which reflects the difference between the assessed losses and the insurance claim received.

Extraordinary Items

During the financial year 2023-24, the scheduled installation of the windmill was not completed as per the committed timeline by the supplier. As a result, the company received compensation charges amounting to ₹51.06 lakhs from the supplier. This amount has been recognised under extraordinary items in the financial statements for the year.

Profit before Tax (PBT)

Profit before Tax (PBT) increased by 62.43% for the FY 2023-24 totalling to ₹ 1,678.18 lakhs as compared to ₹ 1,033.16 lakhs during the FY 2022-23. The significant increase in PBT is largely attributed to increase in Export sales and Domestic sales.

Profit after Tax (PAT)

Profit after Tax (PAT) increased by 82.25% for the FY 2023-24 totalling to ₹ 1145.92 lakhs as compared to ₹ 628.78 lakhs during the FY 2022-23. The significant increase in PAT is largely attributed to increase in Export sales and domestic sales.

DISCUSSION ON THE STATEMENT OF CASH FLOWS

The following table sets forth certain information relating to our Company's statement of cash flows for the periods indicated:

(₹ in lakhs)

Particulars	Consolidated			Standalone
	As at Six-month period ended September 30, 2025	As at March 31 2025	As at March 31 2024	As at March 31 2023
Net cash generated from / (used in) operating activities	366.14	1,310.53	(2,192.60)	913.72
Net cash generated from / (used in) investing activities	(73.06)	(291.62)	(345.08)	(1,527.14)
Net cash generated from / (used in) financing activities	(304.69)	(915.31)	2,425.91	739.00

OPERATING ACTIVITIES

For the Period Ended September 30, 2025 net cash generated from operating activities was ₹ 366.14 Lakhs. This comprised of the profit before tax of ₹ 1,009.49 Lakhs, which was primarily adjusted for depreciation expenses of ₹ 97.57 Lakhs, finance cost of ₹ 253.95 Lakhs and Interest Income of ₹ 22.10 Lakhs and Adjustment on account of consolidation of ₹ (3.23) Lakhs. The resultant operating profit before working capital changes was ₹ 1,335.68 Lakhs, which was primarily adjusted for prior period item adjustment of ₹ (29.77) Lakhs, an increase in trade receivables of ₹ 10,332.17 Lakhs and increase in other current assets ₹ 571.27 Lakhs, increase in inventories ₹ 878.92 Lakhs and decrease in Loans & Advances amounting to ₹ 180.54 Lakhs, increase in trade payables of ₹ 12,376.49 Lakhs & decrease in other Liabilities of ₹ 1541.57 Lakhs, decrease in long term provision of ₹ 5.47 Lakhs and increase in short term provisions of ₹ 65.89 Lakhs and income tax paid of ₹ 233.28 Lakhs.

For the Year Ended March 31, 2025, net cash from operating activities was ₹ 1,310.53 Lakhs. This comprised of the profit before tax of ₹ 1,539.61 Lakhs, which was primarily adjusted for depreciation expenses of ₹ 205.79 Lakhs, finance cost of ₹ 517.57 Lakhs and Interest Income of ₹ 57.69 lakhs and Adjustment on account of consolidation of ₹ 15.08 Lakhs. The resultant operating profit before working capital changes was ₹ 2,190.19 Lakhs, which was primarily adjusted for a decrease in inventories amounting to ₹ 432.93 Lakhs and trade receivables of ₹ 1,104.99 Lakhs, increase in Loans and Advances of ₹ 522.16 Lakhs and decrease in other current assets ₹ 1,508.09 Lakhs respectively, decrease in trade payables & increase in Other Liabilities of ₹ 4,568.98 Lakhs and ₹ 1,571.98 Lakhs respectively, increase in long term provisions & decrease in short term provisions of ₹ 10.64 Lakhs and ₹ 44.13 Lakhs respectively and income tax paid of ₹ 373.03 Lakhs.

For the Year Ended March 31, 2024, net cash used in operating activities was ₹ 2,192.60 Lakhs. This comprised of the profit before tax of ₹ 1,678.18 Lakhs, which was primarily adjusted for depreciation expenses of ₹ 198.07 Lakhs, finance cost of ₹ 410.44 Lakhs and Interest Income of ₹ 8.44 lakhs. Adjustment on account of consolidation of ₹ (338.60) Lakhs. The resultant operating profit before working capital changes was ₹ 1,939.64 Lakhs, which was primarily adjusted for prior period item adjustment of ₹ 171.37, an increase in inventories amounting to ₹ 4,091.80 Lakhs and trade receivables of ₹ 6,684.38 Lakhs, increase in Loans and Advances of ₹ 236.85 Lakhs and increase in other current assets ₹ 1,297.07 Lakhs respectively, increase in trade payables & other Liabilities of ₹ 6,976.60 Lakhs and ₹ 1,107.77 Lakhs respectively, increase in long & short term provisions of ₹ 21.94 Lakhs and ₹ 326.51 Lakhs respectively and income tax paid of ₹ 426.34 Lakhs.

For the Year Ended March 31, 2023, net cash generated from in operating activities was ₹ 913.72 Lakhs. This comprised of the profit before tax of ₹ 1,033.16 Lakhs, which was primarily adjusted for depreciation expenses of ₹ 149.09 Lakhs, finance cost of ₹ 319.62 Lakhs and Interest Income of ₹ 6.06 lakhs. The resultant operating profit before working capital changes was ₹ 1,495.81 Lakhs, which was primarily adjusted for decrease in inventories amounting to ₹ 810.78 Lakhs, decrease in trade receivables of ₹ 1,465.89 Lakhs, increase in Loans and Advances of ₹ 12.51 Lakhs and decrease in other current assets ₹ 586.56 Lakhs. Further decrease in trade payables & other Liabilities of ₹ 2,593.58 Lakhs and ₹ 769.26 Lakhs respectively followed by increase in long- & short-term provisions of ₹ 11.25 Lakhs and ₹ 109.91 Lakhs respectively and income tax paid of ₹ 191.13 Lakhs.

INVESTING ACTIVITIES

For the Period Ended September 30, 2025 net cash used in investing activities was ₹ 73.06 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 94.93 Lakhs, proceeds from interest income of ₹ 22.10 Lakhs and a increase in Long Term Loans & Advances of ₹ 0.23 Lakhs.

For the Year Ended March 31, 2025, net cash used in investing activities was ₹ 291.62 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 362.73 Lakhs, proceeds from interest income of ₹ 57.69 Lakhs and a decrease in Long Term Loans & Advances of ₹ 13.42 Lakhs.

For the Year Ended March 31, 2024, net cash used in investing activities was ₹ 356.81 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 302.58 Lakhs, proceeds from interest income of ₹ 8.44 Lakhs and an increase in Long Term Loans & Advances of ₹ 50.94 Lakhs.

For the Year Ended March 31, 2023, net cash used in investing activities was ₹ 1,527.14 Lakhs, which primarily comprised of cash used for the purchase of fixed assets of ₹ 1,483.12 Lakhs, proceeds from interest income of ₹ 6.06 Lakhs and an increase in Long Term Loans & Advances of ₹ 50.08 Lakhs.

FINANCING ACTIVITIES

For the Period Ended September 30, 2025 net cash used in financing activities was ₹ 304.69 Lakhs, which predominantly comprised net decreased in borrowings of ₹ 50.74 Lakhs and finance cost paid of ₹ 253.95 Lakhs.

For the Year Ended March 31, 2025, net cash used in financing activities was ₹ 915.31 Lakhs, which predominantly comprised net decreased in borrowings of ₹ 397.74 Lakhs and finance cost paid of ₹ 517.57 Lakhs.

For the Year Ended March 31, 2024, net cash generated from financing activities was ₹ 2,425.91 Lakhs, which predominantly comprised net increased in borrowings of ₹ 2,836.35 Lakhs and finance cost paid of ₹ 410.44 Lakhs.

For the Year Ended March 31, 2023, net cash generated from financing activities was ₹ 739.00 Lakhs, which predominantly comprised net increased in borrowings of ₹ 712.61 & proceeds from issue of Share Capital amounting to ₹ 346.00 Lakhs and finance cost paid of ₹ 319.62 Lakhs.

CAPITAL EXPENDITURE UPTO SEPTEMBER 2025 AND LAST THREE YEARS

Our net capital expenditures include expenditures on tangible assets which primarily include Plant & Machinery, Building, office equipment, Electrical Installation & Equipment, vehicle and computers.

The following table sets out our net capital expenditures for the six months period ended September 30, 2025 and financial year ended March 31, 2025, 2024, 2023.

Particulars	Six months period ended September 30, 2025	March 31, 2025	March 31,2024	March 31,2023
A. Tangible Asset				
Computer	2.43	0.71	8.91	2.44
Furniture & Fixtures	-	1.77	0.22	1.77
Office Equipment	-	21.55	0.43	0.16
Plant & Machinery	0.24	95.92	6.78	1,387.95
Electric Installation	-	-	-	122.87
Vehicle	-	30.39	-	-
Office Building	-	86.23	286.24	19.81
Wind Mill Land	-	-	-	20.00
Wind Mill	-	-	-	1,134.82
Staff Quarter	-	122.01	175.68	-
Marketing Yard Shop	-	-	-	-
Mobile Phone	-	0.53	-	-
Total (A)	2.67	359.11	478.27	2,689.83
B. Intangible Assets	-	-	-	-
C. Land	-	-	-	-
D. Capital WIP	92.25	-	(175.68)	(1,206.7)
Grand Total (A+B+C+D)	94.93	359.11	302.59	1,483.13

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. Primarily such transactions include remuneration to directors and their relatives, loans taken, interest paid, rent, etc. For further details relating to our Related Party Transactions, see page 236 Except as disclosed in the Restated Financial Information or elsewhere in this Draft Red Herring Prospectus, 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.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Foreign Currency Exchange Rate Risk

Our Company deals in Exports and is subject to foreign currency exchange rate risk, which may affect our revenue and cash positioning.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, to the extent possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Restated Financial Information*” beginning on page 236 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Restated Financial Information*” beginning on page 236 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures & interest thereon or repayment of deposits & interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the six months period ended on September 30, 2025 and three financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023.

INFORMATION REQUIRED AS PER ITEM (11) (II) (C) (iv) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS, 2018:

1. Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

2. 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*” beginning on page 22 of this Draft Red Herring Prospectus.

3. Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled “*Risk Factors*” beginning on page 22 of this Draft Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. 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*” beginning on page 22 of this Draft Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

5. 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

Changes in revenue in the last three financial years are as explained in the part “*Financial Year 2024-25 compared with financial year 2023-24 and Financial Year 2023-24 Compared with Financial Year 2022-23*” above.

Our company is engaged in the business of trading, manufacturing, and export of products such as cotton yarn, cotton bales, open-end yarn, and cottonseed oil, among others. The growth in revenue is largely attributable to an increase in both domestic and export sales, and is also influenced by the price realisation of our products in the market.

6. Total Turnover of Each Major Industry or Product Segment in Which the Issuer Operates

Our company operates in single reportable Industry segment i.e. Textile Industry, company engage in the process of cotton ginning. Our company is involved in manufacturing and trading of products such as cotton bales, cotton seeds, cotton yarns and others.

The Turnover comparison of Listed Peers is as follow:

Particulars	Revenue from Operations			
	For the Financial Year ended/ Period on			
	September 30, 2025	March 31 2025	March 31 2024	March 31 2023
Milan Ginning Pressing Limited	50,185.08	82,576.35	90,188.41	68,275.02
Pashupati Cotspin Limited	35,870.21	63,749.09	66,067.98	44,282.74
Axita Cotton Limited	21,996.75	65,271.58	1,10,201.42	55,260.28

7. Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

8. Significant dependence on a single or few suppliers or customers.

Particulars	Revenue from Operation			
	For the Financial Year ended/ Period on			
	Consolidated			Standalone
	September 30, 2025	March 31, 2025	March 31, 2024	March 31, 2023
<u>Customer (% Contribution to Sales)</u>				
Customer Concentration Top 1	20.36%	4.59%	12.31%	25.39%
Customers Concentration Top 3	43.33%	11.11%	18.88%	37.73%
Customers Concentration Top 5	48.60%	16.84%	24.18%	47.53%

Customers Concentration Top 10	57.15%	27.24%	34.44%	62.07%
<u>Suppliers (% Contribution to Purchases)</u>				
Suppliers Concentration Top 1	22.78%	23.86%	20.75%	28.97%
Suppliers Concentration Top 3	46.84%	31.36%	31.43%	41.42%
Suppliers Concentration Top 5	52.37%	36.62%	36.19%	46.95%
Suppliers Concentration Top 10	59.09%	44.57%	44.23%	53.92%

9. Seasonality of Business

The raw material used by our Company is seed cotton (“Kapas”). Due to the seasonal availability of the Kapas, our business is seasonal in nature. The period during which our business may experience higher revenues varies from season to season. On an average our production facilities operate for a period of approximately for 6-7 months in a year. During the crop season, we are able to procure the Kapas at reasonable terms and in large quantities. Whereas during the off season the availability of the Kapas is less and also there are price variations. Accordingly, our revenue in one quarter may not accurately reflect the revenue trend for the whole financial year. Due to seasonal and cyclical industry, the availability of Kapas at reasonable terms and in requisite quantities may not be available, as a result our results of operations and financial conditions may adversely affect. For further details, please refer chapter titled “*Risk Factors*” beginning on page 22 of this Draft Red Herring Prospectus.

10. Competitive conditions:

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitors who have been discussed in section titled “*Business Overview*” beginning on page no. 166 of this Draft Red Herring Prospectus.

CAPITALISATION STATEMENT

The following tables set forth the Company's capitalisation as of September 30, 2025 derived from the Restated Financial Information of the Company.

(₹ in Lakhs except ratios)

Sr. No	Particulars	Pre issue (As at September 30, 2025)	Post issue
1	Non-current borrowings:		
	Secured	429.51	[•]
	Unsecured	827.64	[•]
	Total non-current borrowings	1,257.15	[•]
	Add: Current Maturities of Long-term Borrowings	132.00	[•]
(A)	Non-current borrowings (Incl. current maturities of long-term borrowings)	1,389.15	[•]
2	Current borrowings		
	Secured	4,397.39	[•]
	Unsecured	-	[•]
	Total current borrowings	4,397.39	[•]
	Less: Current Maturities of Long-term Borrowings	132.00	[•]
(B)	Current borrowings (Excl. current maturities of long-term borrowings)	4,265.39	[•]
(C)	Total Debt (C = A + B)	5,654.54	[•]
3	Shareholders' funds:		
I	Equity Share Capital	1,652.09	[•]
II	Other Equity	4,209.23	[•]
(D)	Total Equity	5,861.31	[•]
	Total Capitalisation (C + D)	11,515.85	[•]
	Key Ratios:		
	Non-current borrowings / Total Equity (A / D)	0.24	[•]
	Total Debt / Total Equity (C / D)	0.96	[•]

Notes:

1. The above table has been computed on the basis of the Restated Financial Information.
2. The above terms carry the meaning as per Division I of Schedule III of the Companies Act, 2013.
3. The corresponding post-Offer capitalisation data for each of the amounts given in the above table is not determinable at this stage and is pending the completion of the Book Building Process and accordingly have not been provided in the above statement. Post Offer capitalisation will be determined after finalization of Offer Price.

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiaries availed loans in the ordinary course of its business for the purposes of capital expenditure, working capital, vehicle loan and other business requirements.

Our Company and our Subsidiaries has obtained the necessary consent required under the loan agreements entered into in connection with and for undertaking activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

A brief summary of the financial indebtedness of our outstanding borrowings, on a consolidated basis as on September 30, 2025 and February 28, 2026 is set out below:

(₹ in lakhs, unless stated otherwise)

Category of Borrowing	Sanctioned Amount as on September 30, 2025	Amount outstanding as on September 30, 2025	Sanctioned Amount as on February 28, 2026	Amount outstanding as on February 28, 2026
Borrowings of Company				
Secured:				
Working capital facilities				
<i>Fund based</i>	4,300.00	4,265.39	4,300.00	3,486.90
<i>Non-fund based</i>	169.00	-	169.00	-
Term loans				
Interest accrued but not due	777.00	561.51	524.00	505.74
Sub-total (A)	5,246.00	4,826.90	4,993.00	3,992.64
Unsecured:				
Working capital facilities				
<i>Fund based</i>	-	-	-	-
<i>Non-fund based</i>	-	-	-	-
Term loans	550.00	500.37	785.00	700.63
Interest accrued but not due	-	-	-	-
Sub-total (B)	550.00	500.37	785.00	700.63
Loans from Related Parties	-	327.27	-	507.27
Sub-total (C)	-	327.27	-	507.27
Total (A+B+C)	5,796.00	5,654.54	5,778.00	5,200.54

A. Statement of Principal Terms of Unsecured Loans & Repayment details of each loan, as on September 30, 2025 and February 28, 2026

Name of Lender	Purpose	Sanction Date	Sanctioned Amount (Amount in Lakhs)	Securities offered	Rate of Interest (Per Annum)	Re-Payment Schedule	Outstanding amount as on	Outstanding amount as on
							30.09.2026	28.02.2026
State Bank of India	Cash Credit Limit	30.01.2026	₹ 2,000.00	Primary Security Hypothecation of Stock and Receivables Hypothecation of all the Plant and Machinery of Windmill Purchased out of bank finance.	8.75% (EBLR+0.85%)	Repayable on Demand	₹ 1,976.08	₹ 1,386.30
	EPC (Export Packing Credit)	30.01.2026	₹ 500.00		8.75% (EBLR+0.85%)	Repayable on Demand	₹ 503.04	₹ 322.83
	Term Loan- Win Mill	30.01.2026	₹ 524.00 (Original Sanction ₹ 777 Lakhs)	Collateral Securities: 1. Land Factory R.S. No.555(P)situated at NH 8A,Vill. Untadi,Taluka-Limbdi, Dist.- Surendranagar land area 22864.75 Sq Mtr, Total Construction Area 3080.99 2. Revenue Survey No.202P, Land Area 10000 Sq, Mtrs, Village Vankiya, Taluka Babra, District: Amreli Personal Guarantee 1 Minazben Husenali Narsinh 2.Husenali Yusufali Narsinh 3. Narsinh Mohmmadhasnein Husenali 4. Narsinh Fatema Mohmmadhasnein	8.75% (EBLR+0.85%)	69 monthly instalment of Rs.1100000/-, starting from January 2023, and 18 monthly instalment of Rs.1200000/-	561.51	₹ 505.74

State Bank of India	Cash Credit Limit	28.08.2025	₹ 1,300.00	<p style="text-align: center;">Primary Security 1.Hypothecation of Stocks and Receivable</p> <p style="text-align: center;">Collateral Securities</p> <p>1. Residential Plot bearing Survey Number: 242, situated at NA Plot No. 21, R. S No. 242 admeasuring 239.68 sq. meters in A.2.30 Gunthas, Plot No. 21, Limbdi Nagarpalika, Limbdi, Surendranagar, 363421, (Semi Urban), Admeasuring Total Area: 239.68 sq. meters, owned by Huseinali Yusufali Narsinh.</p> <p>2. Factory Land & Buildings bearing Survey Number: 224, situated at NA Plot No. 24 admeasuring 228.00 sq. meters in R.S No. 242 (paiki of total land area 2 acre 30 guntha), A.2.30 Gunthas, Plot No. 24, Limbdi Nagarpalika, Limbdi., Limbi, (Urban), Admeasuring Total Area: 228 Sq mtr, Owned By Huseinali Yusufali Narsinh</p> <p>3. Residential Plot bearing Survey Number: 242, situated at NA Plot No. 22, R. S No. 242 admeasuring 201.50 sq. meters in A.2.30 Gunthas, Plot No. 22, Limbdi Nagarpalika, Limbdi, Surendranagar, 363421, (Semi Urban), Admeasuring Total Area: 201.50 Sq mtr, Owned By Huseinali Yusufali Narsinh</p> <p>4. Factory Land and Building bearing Survey Number: SSS situated at M. of Land & Building the name of M/s Borat Industrie Prop. Minajuben Narzinh, Situate ot 8.5. No. 5550 2/3,</p>	9.60% (EBLR+0.45%)	Repayable on Demand	1,294.63	₹ 1,288.49
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		<p>Rojkot-Amdevs highwry Village: Utad To Limbd Dist Surendranagar. Surendranagar 363421, (Semi Urban), Adineasurin Total Area: 28530 sq.mir, owned by M/s Bharat Industries Prop Minajuben H Narsinh</p> <p>5. Residential Plot bearing Survey Number: 242, situated at NA Piet No. 17, R. 5 N. 242 adineasuring 231.53 sq. meters in A 2.30 Gunthes, Plot No. 28, Limbal Nagarpalika Extension, Limbad Surendranagar, 363421, (Semi Urbon), Admeasuring Total Area: 233.53 sq. meters Owned By Huseinali Yusufali Narsinh</p> <p>6. Residential Plat bering Survey Number: 242, situated at NA Plot No. 20, R. 5 No. 242 admeasuring 167.56 sq. meters in A.2.30 Gunthers, Plot No. 20 Limba Nagarpalika. Limbdi Surendranagar, 363421, (Semi Urban), Admeasuring Total Aren 167.56 sq. meters Owned By Huseinali Yusufali Narsinh</p> <p>7. Residential Plat bearing Survey Number: 242, situated at NA Plot No. 19, R. 5 No. 242 admeasuring 332.41 sq. meters A.2.30 Gunthes, Plot No 19, Limbdi Nagarpalika, Limbdi, Surendranagar, 363421, Owned By Huseinali Yusufali Narsinh</p> <p>8. Residential Plot bearing Survey Number: 242, situated at NA Plot No. 15 admeasuring 167.00 sq. meters, Plot Na 20 admeasuring 167.00 sq. m. Plot no 21 admeasuring 167.00 sq.m, & Plot no 22 admeasuring 167.00</p>				
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		<p>sq.m making a total of 668.00 sq.m in R.5 No. 242 in A.2.30 Gunthas, Limbdi Nagarpalika, Limbdi, Surendranagar, 363421, (Semi Urban), Owned by Huseinali Yusufali Narsinh</p> <p>9. Residential Plot bearing Survey Number: 242, situated at NA Plot No. 24 admeasuring 171.50 10. meters situated in R.S No. 242 (paik of land having total area of 2 acre 20 guntho) in A.2.30 Gunthas, Plot No 24, Umbdi Nagarpalika, Limba Surendranagar, 363421, (Semi Urban), Admeasuring Totol Area 171.50 sq. meters Owned by Mahmahasnein Husenali Narsinh.</p> <p>10. Residential Plot bearing Survey Number: 242, situated at NA Plot No. 23 admeasuring 186.00 s meters in R.5 No. 242, A.2.30 Gunthas, Limbdi Surendranagar, 363421, (Semi Urban), Admeasuring Total Area 186 sq mtr, owned by Huseinali Yusufali Narsinh</p> <p>11. Residential Plot bearing Survey Number: 242, situated at NA Plot No. 39 admeasuring 150.00 sq. meters in R.S No. 242 in A.2.30 Gunthas, Plot No. 39, Limbdi Nagarpalika, Limbdi, Surendranagar, 363421, (Semi Urban), Admeasuring Total Area: 150.00 sq. meters 2 owned by: Mahmahasnein Husenali Narsinh.</p> <p>12. Residential Plot bearing Survey Number: 242, situated at NA Plot No. 18, R. S No. 242 paiki admeasuring 238.21 sq. meters in A .2.30 Gunthas,</p>				
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		<p>Plot No. 18, Limbdi Nagarpalika Extension, Limbdi., Surendranagar, 363421, (Semi Urban), Admeasuring Total Area: 238.21 sq. mtr</p> <p>Personal Guarantee 1. Minazben Narsinh 2. Husenali Narsinh 3. Fatema Narsinh 4. Mehvis Narsinh 5. Narsinh Mohmmadhasnein Husenali</p> <p>Corporate Guarantee 1. M/s Bharat Industries 2. Milan Ginnig Pressing Ltd</p>				
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State Bank of India	Cash Credit Limit	10.02.2025	₹ 500.00	1.Hypothecation of Stocks and Receivable. Collateral Securities 1.Bharat Ginning Factory, R.S. 238, NH 8-A, Limbdi Dist.-Surendranagar	8.90% (EBLR+0.25%)	Repayable on Demand	491.63	₹ 489.28
Total			₹ 4,824.00*				₹ 4,826.90	₹ 3,992.64

* The sanction limit as on September 30, 2025 was ₹ 5,077 Lakhs due to the reduction in wind mill term loan SBI has reduced the term loan sanction balance from ₹ 777 lakhs to ₹ 524 Lakhs.

B. Statement Of Principal Terms of Unsecured Loans & Repayment details of each loan, as on September 30, 2025 and February 28, 2026

Name of Lender	Purpose	Sanctioned Amount	Rate of Interest	Re-Payment Schedule	Outstanding amount as on	Outstanding amount as on
					30.09.2025	28.02.2026
Minazben Husenali Narsinh	Working capital requirements	N.A	N.A	Repayable on Demand	₹ 7.25	₹ 7.25
Husenali Yusufali Narsinh	Working capital requirements	N.A	N.A	Repayable on Demand	₹ 134.45	₹ 224.45
Narsinh Mohmmadhasnein Husenali	Working capital requirements	N.A	N.A	Repayable on Demand	₹ 128.06	₹ 218.06
Narsinh Fatema Mohmmadhasnein	Working capital requirements	N.A	N.A	Repayable on Demand	₹ 56.20	₹ 56.20
Narsinh Mehvish Husainali	Working capital requirements	N.A	N.A	Repayable on Demand	₹ 1.31	₹ 1.31
Hero Finecorp	Business Loan	₹ 550.00	11.50%	Repayable in 180 Mothly Installment of Rs. 6.43 Lakhs	₹ 500.37	₹ 490.99
Hero Finecorp	Business Loan	₹ 75	10.50%	Repayable in 180 Mothly Installment of Rs. 0.83 Lakhs	NA	₹ 74.65
Axis Bank Ltd	Business Loan	₹ 60.00	13.50%	Repayable in 12 Mothly Installment of Rs. 5.37 Lakhs	NA	₹ 45.13
ICICI Bank Ltd	Business Loan	₹ 50.00	13.75%	Repayable in 24 Mothly Installment of Rs. 2.40 Lakhs	NA	₹ 46.42
Kisetsu Saison Finance (India) Private Limited	Business Loan	₹ 50.00	16.00%	Repayable in 24 Mothly Installment of Rs. 2.45	NA	₹ 43.43
Total		₹ 785.00			₹ 827.64	₹ 1,207.90

As certified by Abhishek Kumar and Associates, Chartered Accountants, pursuant to their certificate date March 28, 2026.

Principal terms of the financial arrangements entered into by our Company and our Subsidiaries are disclosed below :

The details provided below are indicative and there may be similar/additional terms, conditions, and requirements under the various borrowing arrangements entered into by our Company and Subsidiaries with its lenders:

Interest: The interest rate payable for the secured facilities availed by our Company and our Subsidiaries typically ranges between 8.75 % per annum to 9.60% per annum. The interest rate payable for some of the facilities is linked to MCLR or any other benchmark rate agreed with the respective lenders. All of our unsecured loans availed from Promoter and Promoter Group are interest free. Further, the interest rate payable for other unsecured loans from third parties (other than our interest free borrowings) ranges between 10.50% per annum to 16.00% per annum.

Tenure: Typically, the tenor of the facilities availed by our Company and our Subsidiaries ranges between 12 months to 180 months, while some of them are repayable on demand .

Security: In terms of our secured borrowings, we are required to, inter alia :

(a) Furnish personal guarantees from our Promoter Minazben Husenali Narsinh, Husenali Yusufali Narsinh, Narsinh Mohmmadhasnein Husenali and Narsinh Fatema Mohmmadhasnein.

(b) Provide corporate guarantee; and

(c) Create charge on certain of our movable and immovable assets, including land, buildings, receivables of the borrower or certain group companies.

Penal Interest: The terms of certain financing facilities availed by our Company prescribes penalties for non-compliance of certain obligations by our Company. These include, inter alia, delay in payment of or non-payment of instalments or interest, irregularity in cash credit, non-submission / delay in stock statement, non-submission of renewal data, non-compliance with covenants, use of funds for anything other than the purpose for which the loan was availed, non-payment / non acceptance of demand / usance bills of exchange on presenting at due dates etc.

Pre-payment: Some of the terms of facilities availed by our Company have prepayment provisions which allow for pre-payment of the outstanding loan amount, subject to such prepayment penalties as laid down in the facility agreements.

Events of Default: The financing arrangements entered into by our Company contain standard events of default including:

- Default in performance of covenants, conditions or agreements in respect of the loan;
- Default in payment of EMIs or any other amounts due to the lender;
- Any unauthorized modification in the shareholding pattern of our Company including issuance of new shares in the share capital of our Company;
- Any action taken or legal proceedings initiated for winding up, dissolution, or reorganisation or for appointment of receiver, trustee or similar officer of any of Company's assets;
- Any information provided by our Company for financial assistance found to be misleading or incorrect in any material respect;
- For the period of overdue interest/instalment in respect of Term Loans and over drawings above the drawing power/limit in Fund Based Working Capital accounts on account of interest/devolvement of letters of credit/bank guarantee, insufficient stocks and receivables etc.;
- Breach of any of the provisions of any agreements with any other person or lender;
- Non-renewal of insurance policies in a timely manner or inadequate insurance cover; and
- Opening new current or other accounts, with banks outside the lending arrangement without obtaining Bank's NOC, or maintaining any current with any bank would amount to an event of default.

The details above are indicative and there are additional terms that may amount to an event of default under the financing arrangements entered into by our Company. Our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the agreements relating to the financing

arrangements entered into by our Company, are not triggered.

Consequences of Events of Default: The financing arrangements entered into by our Company set out the consequences of occurrence of events of default, including:

- The lender shall have right to disclose or publish the borrower's name and its Directors as defaulters/ wilful defaulters in such manner and through such medium as the lender or RBI in their absolute discretion may think fit.
- The lender may convert the loan into equity or other capital, in accordance with applicable regulatory guidelines, if the default is not corrected within ninety days;
- The lender may, enforce any and/or all security created in its favour; and
- The lender will have the right to appoint a nominee and/or observer on the Board.

Restrictive Covenants : Certain financing arrangements entered into by us contain restrictive covenants. An indicative list of such restrictive covenants is disclosed below. Our Company shall not without the prior approval of the lenders:

- Enter into borrowing arrangements either secured or unsecured with any other bank/financial institutions, or otherwise or accept deposits apart from the existing arrangement;
- The Borrower agrees not to induct any person in its board of director who has been identified as wilful defaulter as per directions/guidelines of RBI or Bank
- Invest by way of share capital in or lend or advance funds to or place deposits with any concern: normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;
- Transfer of the controlling interest or making any drastic change in the management set-up including resignation of promoter directors (includes key managerial personnel);
- Make any alteration or modifications to the Hypothecated Assets;
- Mortgage, lease, surrender or alienation of property or any part thereof;
- Enter into any agreement or arrangement with any person, institution or local or government body for the use, occupation or disposal of the property or any part thereof during the pendency of the loan;
- Enter into any scheme of merger, demerger, acquisition, reorganisation, scheme of arrangement or reconstruction;
- Declare any dividend if it fails to meet its interest payment obligations, make any investments by way of share capital or debentures and/ or advance funds to any party other than in the normal course of business;
- Recognize or register any transfer of shares in our Company's shareholding pattern/capital made or to be made by the promoters and their associates;
- Change or cause to change its shareholding pattern/ extent and nature of holding of the body corporate and/ or its directors/ partners/ designated partner and/or its constituent documents in the nature of Memorandum of Association etc.;
- Permit any significant change in the nature of business of our Company, ownership or control of our Company;
- Repay/ prepay or service any unsecured/ secured loans from the Promoter Group/ Directors and such loans from the Promoter Group/ Directors shall, during the tenor of the credit facility availed;

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific financing arrangements entered into by our Company and our Subsidiaries.

Details of security in relation to the credit facilities of the Company and its subsidiaries:

Security: as mentioned in Annexure "A" supra "Repayment details of each loan"

Details of Category of Borrowing:

Category of borrowing	Sanctioned / Loaned amount (₹ in Lakhs) as on September 30, 2025	Outstanding amount (₹ in Lakhs) as on September 30, 2025	Sanctioned / Loaned amount (₹ in Lakhs) as on February 28, 2026	Outstanding amount (₹ in Lakhs) as on February 28, 2026
Working Capital Facility	4,300.00	4,265.39	4,300.00	3,486.90
Term Loans	777.00	561.51	524.00	505.74
Vehicle Loan	-	-	-	-
Loan equivalent risk facility	169.00	-	169.00	-
Unsecured loans from related party and body corporate				
-From Related Party	-	327.27	-	507.27
-From Others	550.00	500.37	785.00	700.63
Demand Loan/ Bank Guarantee	-	-	-	-
Total	5,796.00	5,654.54	5,778.00	5,200.54

ANNEXURE C

Guarantees to Financial Institutions against credit facilities extended to third parties by the Company and its subsidiaries as of February 28,2026 is ₹ Nil.

ANNEXURE D

Except as stated below, selling shareholders have not provided any guarantees for the loans availed by the Company:

(Amount in Lakhs)

Name of the Lender	Name of the promoter selling shareholder	Name of Entity	Type of Borrowing (Reason)	Sanctioned Amount	Purpose of Facility
State Bank of India	1)Husenali Yusufali Narsinh	Milan Ginning Pressing Limited	Cash Credit Limit	2,000.00	Working Capital
			EPC (Export Packing Credit)	500.00	Working Capital
			Term Loan	524.00	Purchase of Wind Mill
			CEL Limit	127.00	CEL Limit
	2)Narsinh MohmmadhasneinHusenali	K R Solvent LLP	Cash Credit Limit	1,300.00	Working Capital
			Bank Guarantee (BG)	42.00	General
			Cash Credit Limit	500.00	Working Capital
3)Minazben Husenali Narsinh	(MAH Textiles Pvt Ltd formerly known as MAH Textiles LLP)	Cash Credit Limit	500.00	Working Capital	
		Cash Credit Limit	500.00	Working Capital	

For further details of financial and other covenants required to be complied with in relation to our borrowings, see *“Risk Factors - In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness”* on page 22.

For further details pertaining to our indebtedness, see *“Restated Financial Information”* beginning on page 236.

SECTION X – LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or Stock Exchanges against the Promoter in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, our Subsidiaries, Directors, Promoter and Group Company.

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated May 23, 2025 any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus, if:

- (i) the omission of an event or information, whose value or the expected impact in terms of value exceeds the limits as prescribed under the SEBI Listing Regulations (as amended from time to time) i.e.*
 - a. two percent of turnover, as per the latest annual restated consolidated financial statements of the issuer; or*
 - b. two percent of net worth, as per the latest annual restated consolidated financial statements of the issuer, except in case the arithmetic value of the net worth is negative;*
 - c. five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer.,*

Accordingly, any transaction exceeding the lower of a., b. or c. above will be considered for the above purpose; or

(ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and

(iii) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome of which would materially and adversely affect the operations or financial position of the Company.

It is clarified that for the purposes of the above, pre-litigation notices received/ sent by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, have not and shall not, be considered as material litigation until such time that the Relevant Parties, as the case may be, are impleaded as a party in proceedings before any judicial /arbitral forum.

Our Board of Directors considers dues owed by our Company to the micro, small and medium-scale undertakings and other creditors exceeding 5 % of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on May 23, 2025. 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.

All terms defined in a particular litigation are for that particular litigation only.

1. LITIGATION INVOLVING OUR COMPANY

A. Litigation against our Company

1. Criminal Proceedings

As on the date of this Draft Red Herring Prospectus, there is no outstanding criminal litigation against our Company.

2. Civil Litigation

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Company.

3. *Outstanding actions taken by Statutory/Regulatory Authorities*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions taken by statutory/regulatory authorities against our Company.

4. *Tax Proceedings*

As on the date of this Draft Red Herring Prospectus, there are no outstanding tax proceedings involving our Company.

5. *Other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations involving the Company.

6. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

As on the date of this Draft Red Herring Prospectus, there are no actions by SEBI or any stock exchange against our Company.

B. Litigation by our Company

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no criminal Litigation initiated by our Company.

2. *Civil and other Material Litigations*

Our Company has initiated a commercial suit against Intertek Group Plc and Ors, who are engaged in certification and assurance services, including issuance of certifications under global textile standards such as GOTS. The dispute arises out of a Certification Agreement, under which the defendants were engaged to provide certification services. Subsequently, in August 2024, the defendants suspended the plaintiff's scope certificates without prior notice, citing alleged discrepancies such as missing GST details and intra-group transactions. Our Company has sought mandatory injunction in order to revoke the suspension of certifications and also the damages for losses suffered due to the alleged wrongful suspension and actions of the defendants. The matter is pending adjudication before the High Court of Delhi.

2. LITIGATION INVOLVING OUR PROMOTERS

A. Litigation against our Promoters

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no outstanding criminal litigation against our Promoters.

2. *Civil Litigation*

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Promoters.

3. *Outstanding actions taken by Statutory/Regulatory Authorities*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions taken by statutory/regulatory authorities against our Promoters.

4. *Tax Proceedings*

As on the date of this Draft Red Herring Prospectus, the outstanding tax proceedings involving our Promoters are as follows:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
Indirect Tax		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
Total	Nil	Nil
Direct Tax		
Cases filed against our Promoters	2	0.05
Total	2	0.05

*To the extent quantifiable

5. *Other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations involving the Promoters.

6. *Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals*

As on the date of this Draft Red Herring Prospectus, there are no actions by SEBI or any stock exchange against our Promoters.

B. Litigation by our Promoters

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no criminal Litigation initiated by our Promoters.

2. *Civil and other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other civil or material pending litigations filed by our Promoters.

3. LITIGATION INVOLVING OUR DIRECTORS

A. Litigation against our Directors

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no outstanding criminal litigation against our Directors.

2. *Civil Litigation*

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Directors.

3. *Outstanding actions taken by Statutory/Regulatory Authorities*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions taken by statutory/regulatory authorities against our Directors.

4. *Tax Proceedings*

As on the date of this Draft Red Herring Prospectus, there are no outstanding tax proceedings involving our Directors.

5. *Other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations involving the Directors.

6. *Disciplinary action against our Directors by SEBI or any stock exchange in the last five Fiscals*

As on the date of this Draft Red Herring Prospectus, there are no actions by SEBI or any stock exchange against our Directors.

B. Litigation by our Directors

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no criminal litigation initiated by our Directors.

2. *Civil and other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other civil or material pending litigations filed by our Directors.

4. LITIGATION INVOLVING OUR SUBSIDIARIES

A. Litigation against our Subsidiaries

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no outstanding criminal litigation against our Subsidiaries.

2. *Civil Litigation*

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Subsidiaries.

3. *Outstanding actions taken by Statutory/Regulatory Authorities*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions taken by statutory/regulatory authorities against our Subsidiaries.

4. *Tax Proceedings*

Except as stated below, there are no outstanding tax proceedings involving our Subsidiaries. Below are the details of pending tax proceedings specifying the number of cases pending and the total amount involved-

(₹ in lakhs)

Particulars	Number of cases		Amount involved*	
<i>Indirect Tax</i>				
Sales Tax/VAT		Nil		Nil
Central Excise		Nil		Nil
Customs		Nil		Nil
Service Tax		Nil		Nil
Total		Nil		Nil
<i>Direct Tax</i>				
Cases filed against our Subsidiaries		2		2.12
Total		2		2.12

**To the extent quantifiable*

5. *Other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations involving our Subsidiaries.

6. *Disciplinary action against our Subsidiaries by SEBI or any stock exchange in the last five Fiscals*

As on the date of this Draft Red Herring Prospectus, there are no actions by SEBI or any stock exchange against our Subsidiaries.

B. Litigation by our Subsidiaries

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no criminal Litigation initiated by our subsidiaries.

2. *Civil and other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other civil or material pending litigations filed by our subsidiaries.

5. LITIGATION INVOLVING OUR GROUP COMPANIES

A. Litigation against our Group Companies

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no outstanding criminal litigation against our Group Companies.

2. *Civil Litigation*

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Group Companies.

3. *Outstanding actions taken by Statutory/Regulatory Authorities*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions taken by statutory/regulatory authorities against our Group Companies.

4. *Tax Proceedings*

As on the date of this Draft Red Herring Prospectus, there are no outstanding tax proceedings involving our Group Companies.

5. *Other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations involving our Group Companies.

6. *Disciplinary action against our Group Companies by SEBI or any stock exchange in the last five Fiscals*

As on the date of this Draft Red Herring Prospectus, there are no actions by SEBI or any stock exchange against our Group Companies.

B. Litigation by our Group Companies

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no criminal Litigation initiated by our Group Companies.

2. *Civil and other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other civil or material pending litigations filed by our Group Companies.

6. LITIGATION INVOLVING OUR KMP & SENIOR MANAGEMENT

A. Litigation against our KMP & Senior Management

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no outstanding criminal litigation against our KMP & Senior Management.

2. *Civil Litigation*

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our KMP & Senior Management.

3. *Outstanding actions taken by Statutory/Regulatory Authorities*

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions taken by statutory/regulatory authorities against our KMP & Senior Management.

4. *Tax Proceedings*

Except as stated below, there are no outstanding tax proceedings involving our KMP & Senior Management. Below are the details of pending tax proceedings specifying the number of cases pending and the total amount involved-

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
<i>Indirect Tax</i>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil

Particulars	Number of cases	Amount involved*
Total	Nil	Nil
Direct Tax		
Cases filed against our KMP & Senior Management	Nil	Nil
Total	Nil	Nil

5. *Other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other material pending litigations involving our KMP & Senior Management.

6. *Disciplinary action against our KMP & Senior Management by SEBI or any stock exchange in the last five Fiscals*

As on the date of this Draft Red Herring Prospectus, there are no actions by SEBI or any stock exchange against our KMP & Senior Management.

B. Litigation by our KMP & Senior Management

1. *Criminal Proceedings*

As on the date of this Draft Red Herring Prospectus, there is no criminal Litigation initiated by our KMP & Senior Management.

3. *Civil and other Material Litigations*

As on the date of this Draft Red Herring Prospectus, there are no other civil or material pending litigations filed by our KMP & Senior Management.

7. OUTSTANDING DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AND OTHER CREDITORS

Our Board, in its meeting held on May 23, 2025 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount exceeding 5 % of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company would be considered as ‘material’ creditors.

As per the latest Restated Financial Statements, our total trade payables as on September 30, 2025 were ₹ 22,392.32 Lakhs. In accordance with the materiality policy adopted by Board of Directors on May 23, 2025 (“**Materiality Policy**”), [the Company has considered such creditors ‘material’ to whom the amount due is in excess of 5% of the total outstanding dues (that is, trade payables) of the Company as on the date of the latest period covered in the Restated Financial Information. The trade payables of the Company as on September 30, 2025 was ₹ **22,392.32 Lakhs**. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹ **1119.62 Lakhs** as on **September 30, 2025**. Based on this criteria, details of outstanding dues owed as on September 30, 2025 by our Company are set out below:

Particulars	No. of Creditors*	Amount (₹in lakhs)
Outstanding dues to material creditors	3	15,081.35
Outstanding dues to micro, small and medium enterprise	-	-
Outstanding dues to other than material creditors	135	7,310.97
Total outstanding dues	138	22,392.32

GOVERNMENT AND OTHER APPROVALS

Except as mentioned below, our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Offer or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled **“Key Industrial Regulations and Policies”** at page 195 of this Draft Red Herring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

Approvals for the offer

The following approvals have been obtained in connection with the Offer:

Corporate Approvals

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on [March 06, 2026] authorized the Offer.
- a) The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in the Extra Ordinary General Meeting held on March 09, 2026 authorized the Offer.
- b) Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated March 31, 2026.

Approval from the Stock Exchange

In-principal approval issued dated [●] from BSE for using the name of the Exchange in the offer documents for listing of the Equity Shares on BSE SME, by our Company pursuant to the Offer.

Agreements with NSDL and CDSL

- a) The company has entered into an agreement dated January 23, 2024, with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, KFin Technologies Limited for the dematerialization of its shares.
- b) The Company has entered into an agreement dated August 28, 2024, with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is KFin Technologies Limited for the dematerialization of its shares.
- c) The International Securities Identification Number (ISIN) of our Company is INE0T0Y01017.

Approvals pertaining to incorporation, name and constitution of our company

Sr. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation of ‘Milan Ginning Pressing Private Limited’	U17119GJ1995PTC025604	The Companies Act, 1956	Registrar of Companies, Gujarat Dadra & Nagar Haveli	April 25, 1995	Valid Until Cancelled
2.	Certificate of Incorporation pursuant to change of name from ‘Milan	U17119GJ1995PLC025604	The Companies Act, 2013	Registrar of Companies, Central Processing Centre	June 21, 2024	Valid Until Cancelled

	Ginning Pressing Private Limited' to 'Milan Ginning Pressing Limited'					
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Other approvals

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Tax related approvals

Sr. No.	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	AABCM4050G	Income Tax Act, 1961	Income Tax Department, Government of India	June 29, 2024	Valid Until Cancelled
2.	Tax Deduction Account Number (TAN)	AHMM05426B	Income Tax Act, 1961	Income Tax Department, Government of India	June 27, 2024	Valid Until Cancelled
3.	Certificate of Registration of Goods and Services Tax	24AABCM4050G1ZX	Goods and Services Tax Act, 2017	Government of India	July 01, 2017	Valid Until Cancelled
4.	Certificate of Registration for Professional Tax (Gujarat)	0807061003	Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976	Gujarat Sales Tax Department	August 13, 2024	Valid Until Cancelled
5.	Enrolment Certificate	061003	Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976	Commercial Tax Department of Gujarat	August 13, 2024	Valid until Cancelled

Business operations related approvals

Sr. No.	Description	Registration number	Authority	Date of Certificate	Date of Expiry
1.	Registration and Licence to work a Factory at Survey no. 555 P National Highway 8 Near Sub Station, at Utadi, Limbdi, Surendranagar	License No.: 25712 Registration No.: 394/01632/1995	Gujarat Government, Directorate of Industrial Safety and Health	August 23, 2024	December 31, 2027
2.	Consent to Establish (NOC) under Section 25 of the Water Act 1974 and Section 21 of the Air Act 1981.	GPCB/RO-SRN/SRN-1557/ID-82606/17413	Gujarat Pollution Control Board, Surendranagar	August 28, 2024	June 30, 2039
3.	Consolidated Consent and	GPCB/SRN/CCA-/ID-	Gujarat Pollution	August 28,	June 30,

	Authorization	83606/4008ss CCA NO: W-75307	Control Board	2024	2039
4.	Importer Exporter Code	2407006551	Ministry of Commerce and Industry Directorate General of Foreign Trade	December 20, 2007	Valid Until Cancelled
5.	Registration-cum- Membership Certificate (RCMC) for Export activities	AABCM4695G	Federation of Indian Export Organizations (FIFO)	March 26, 2025	March 31, 2028
6.	Legal Entity Identifier Code	335800292K348UL5US92	Legal Entity Identifier India Ltd.	NA	January 06, 2027
7.	Registration under Legal Metrology	GOI/GJ/2024/7264	Ministry of Consumer Affairs, Food and Public Distribution	November 27, 2024	Valid Until Cancelled
8.	Verification of Weighing Instrument under Legal Metrology Act	3776719/SRN/2025/01	Office of the Controller, Legal Metrology, Government of Gujarat	October 8, 2025	October 8, 2026
9.	Self-Sealing Permission and Registration under terms of CBEC Circular No. 26/2017- Customs*	F.NO.S/14-61/EXP/SS/2018-19	Office of the Commissioner of Customs, Customs House, Gujarat, Government of India	April 26, 2018	Valid until cancelled
10.	Release order HT-Load- Extension Connection (Existing 250VA TO 1250KVA).	Release order vide letter no: LBD/T-1/R.O/1173	Executive Engineer, Division Office, Paschim Gujrat VIJ Company Limited	March 24, 2022	Valid until Cancelled
11.	Release for Rooftop Solar PV (RTPV) System under Gujarat Solar Power Policy 2021. (400KW AC, 400KW DC) HT Connection in respect of M/S Milan Ginning & Pressing Ltd. Located at survey no.- 555, vill.: - Untadi, Taluka: limbdi, Dist: Surendranagar, under limbdi Towns/dn. (Tariff: HTP-1).	LBD/Tech-1/Rooftop/1280	Executive Engineer, Division Office, Paschim Gujrat VIJ Company Limited	March 18, 2023	Valid until Cancelled
12.	Registration for Rooftop Solar PV (RTPV) system	PG/HT /10105019	Gujarat Energy Development	March 15, 2023	Valid until Cancelled

	under Gujarat Solar Power Policy – 2021, G.R. No. SLR/11/20121/77/B1 dated 29th December 2020 and amendments thereof (the “Policy”).		Agency		
13.	Certificate of Commissioning 2.00 MW capacity wind farm consisting of 1 (One) number of new wind turbine generator.	GEDA/PWF/MGPPL/03/2022-23/7738	Senior Project Executive (I/c), Gujarat Energy Development Agency	March 23, 2023	Valid until Cancelled
14.	Permission to convert the land into industrial purpose as per section 65-K of Land Revenue Act under the Acre 5- 26 gunthas of land (Sq. Meters -22864.75) out of Survey No-555 of Untadi.	No. JMN/HETUFER (Change of purpose)/15/94-95	Taluka Panchayat Office, Limbdi	October 21, 1994	Valid until Cancelled
15.	Structural Stability Certificate for Manufacturing Facility Building	VANE/SC/63-07022026-01 to 05	VANE Consultants Private Limited	February 07, 2026	NA


Note: The company is not required to obtain a Fire NOC as per notification no. GH/V/68 of 2021/AGN/ 102021/100/L.1 dated on July 08, 2021, as per the letter from Gujarat State Fire Prevention Services, Regional Fire Office Ahmedabad, Pragatinagar, Ahmedabad bearing reference no SFPS/RFO/AHD/FIRE SAFTEY LETTER dated June 25, 2024.

Labour law related approvals

Sr. No.	Description	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Registration under Employees' Provident Funds	GJRAJ0027481000	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organization, Office of The Regional Provident Fund Commissioner	August 13, 2024	Valid until Cancelled
2.	Registration Certificate	SR154000009	Gujarat Shops and Establishments (Regulations of Employment and Conditions of Services) Act, 2019	Limbdi Nagar Palika	March 25, 2026	Valid until Cancelled
3.	Employees' State Insurance Registration	NA	NA	NA	NA	NA

Approvals obtained/applied in relation to Intellectual Property Rights (IPR)

Sr. No.	Particulars of the Mark	Application number	Date of application	Issuing Authority	Class	Status
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1.		6592257	August 26, 2024	Trade Mark Registry	22	Formalities Check Pass
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The details of domain name registered on the name of the company

Sr. No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	milangroupindia.com	Dreamscape Networks International Pte Ltd	August 31, 2021	August 31, 2027

Approvals or licenses applied but not received

**Our Company has made a fresh application for the self-sealing certificate in the name of Milan Ginning Pressing Limited to the Deputy / Assistant Commissioner Customs Division.*

SECTION XI – OUR GROUP COMPANIES

Pursuant to a resolution dated May 19, 2025, our Board formulated a policy for identification of Group Companies (“**Materiality Policy**”) and has noted that in accordance with the SEBI ICDR Regulations and for the purpose of disclosure in this Draft Red Herring Prospectus, Group Companies of our Company shall include the companies (other than the Subsidiaries and the Promoters): (a) with which there were related party transactions, during the period covered in the Restated Financial Information included in this Draft Red Herring Prospectus as covered under the Indian Accounting Standard (Ind AS) 24; and; (b) companies as may be considered ‘material’ by the Board. The Materiality Policy has been included in “Material Contracts and Documents for Inspection –Material Documents” on page 370.

Accordingly, in terms of the Materiality Policy adopted by our Board for determining group companies, as of the date of this Draft Red Herring Prospectus, our Board has identified the following companies as Group Companies of our Company (“**Group Companies**”).

1. Sustainable Spinning and Commodities Private Limited
2. Sustainable Smart Wear Private Limited

A. Details of our Group Companies

1. Sustainable Spinning and Commodities Private Limited

Registered Office address

The registered office of Sustainable Spinning and Commodities Private Limited is situated at Near Chorania 400KV Sub Station, Survey No. 552, Limbdi, Surendranagar, Limbdi –363421, Gujarat, India.

Nature of business

To carry on the business of spinning, weaving, manufacturing, processing and dealing in cotton, yarn and other natural or synthetic fibrous substances and related textile products, including purchasing, selling, importing, exporting, dyeing, bleaching and finishing of fibres, fabrics and cloth, and to undertake all incidental and allied activities relating to textile manufacturing and trading that directly or indirectly benefit the Company.

Financial Performance

The Financial Performance of Sustainable Spinning and Commodities Private Limited as on March 31, 2025, is as follows:

Particulars	(₹ in Lakhs)		
	March 31, 2025	March 31, 2024	March 31, 2023
Reserves and surplus (excluding revaluation)	1,427.25	1,288.76	1,168.25
Sales/ Revenue from Operations	21,138.23	20,585.30	23,030.39
Profit/(Loss) after tax	138.49	120.14	140.53
Earnings per share (₹) (Basic)	0.22	0.21	0.24
Earnings per share (₹) (Diluted)	0.22	0.21	0.24
Net Asset Value per Share	12.28	12.20	12

2. Sustainable Smart Wear Private Limited

Registered Office address

The registered office of Sustainable Smart Wear Private Limited is situated at Survey No.555, NH No.8, Near Chorania 400KV Sub Station, Limbdi, Surendranagar – 363421, Gujarat, India.

Nature of business

Sustainable Smart Wear Private Limited is engaged in the business of trading, importing, and exporting a wide range of apparel and textile products, including garments such as T-shirts, sportswear, kidswear, and hosiery items. It also deals in various textile materials like fabrics, yarns, and fibers, and operates as distributors, agents, and stockists in the textile and clothing industry.

Financial Performance

The Financial Performance of Sustainable Smart Wear Private Limited as on as on March 31, 2025, is as follows:

	<i>(₹ in Lakhs)</i>		
Particulars	March 31, 2025	March 31, 2024	March 31, 2023*
Reserves and surplus (excluding revaluation)	(7.14)	(11.26)	-
Sales/ Revenue from Operations	301.47	4.42	-
Profit/(Loss) after tax	4.12	(11.26)	-
Earnings per share (₹) (Basic)	0.04	(0.11)	-
Earnings per share (₹) (Diluted)	0.04	(0.11)	-
Net Asset Value per Share	(61.43)	(102.60)	0.10

Note: Net Asset value per share as stated above in respective Companies, has been calculated as total net worth (Share Capital & Reserves excluding revaluation reserve) divided by total number of equity shares outstanding at the end of the year.

B. Litigation

Except as disclosed under the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page *insert page*, there has been no material litigation of the Group Companies, which may directly or indirectly affect our Company.

C. Common pursuits

Milan Ginning Pressing Limited, along with its group companies, Sustainable Spinning and Commodities Private Limited and Sustainable Smart Wear Private Limited, shares common business pursuits within the textile value chain, including cotton processing, yarn production, and fabric manufacturing. These aligned activities are part of a deliberate vertical integration strategy to ensure supply chain efficiency, cost optimization, and quality control. The group companies are engaged in regular, arm’s length commercial transactions such as the supply and purchase of cotton bales, cotton yarn, and knitted fabric, which play a significant role in the operational and financial performance of the issuer. These transactions are material in nature and are carried out on commercial terms, with no conflict of interest arising, as each entity operates in a complementary capacity. The inter-company dealings are transparently documented, and the group’s structure supports seamless coordination across production and sales functions.

D. Related business transactions within our Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on page 236 of this Draft Red Herring Prospectus, there are no other related business transactions between our Group Companies and our Company.

E. Business Interest

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on page 236, our Group Companies have no business interests in our Company.

F. Nature and extent of interest of our Group Companies

a) In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

- b) *In the properties acquired by us in the preceding three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

- c) *In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

Other confirmations

As on the date of this Draft Red Herring Prospectus, none of our Group Companies have their debt or equity securities listed on any stock exchange in India or abroad or have made any public issue, rights issue or composite issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

There are no conflicts of interest between the lessor of the immovable properties who are crucial for operations of our Company and the Group Companies and their directors.

There are no conflicts of interest between the suppliers of raw materials and third-party service providers who are crucial for operations of our Company and the Group Companies and their directors.

SECTION – XII – OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE OFFER

Corporate Approvals:

The present Offer has been authorized pursuant to a resolution of our Board dated March 06, 2026 and pursuant to a special resolution of our Shareholders passed in an Extra-Ordinary General Meeting dated March 09, 2026 under Section 62(1)(c) of the Companies Act, 2013.

Offer for Sale:

Each of the Promoter Selling Shareholders have, severally and not jointly, confirmed and authorised the transfer of its respective proportion of the Offered Shares pursuant to the Offer for Sale, as set out below:

Name of the Selling Shareholder	Type	Date of Authorization Letter	Equity Shares of face value of ₹ 10 each held as of date of the DRHP	Equity Shares of face value of ₹ 10 each offered by way of Offer for Sale	% of the pre-Offer paid-up Equity Share capital
Mohmmadhasnein Husenali Narsinh	Promoter	March 12, 2026	56,17,500	1,86,000	34.00
Husenali Yusufali Narsinh	Promoter	March 12, 2026	56,16,975	1,86,000	34.00

Each of the Promoter Selling Shareholder, severally and not jointly, confirm that it is in compliance with Regulation 8 of the SEBI (ICDR) Regulations, 2018 and it has held its respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus.

In-principle Approval:

Our Company has received an In-Principle Approval letter dated [●] from BSE SME for using its name in this Draft Red Herring Prospectus for listing our shares on the BSE SME. BSE is the Designated Stock Exchange for the purpose of this Offer.

PROHIBITION BY SECURITIES MARKET REGULATORS

We confirm that our Company, Promoters, each of the Promoter Selling Shareholder, Directors, members of our Promoter Group, the persons in control of our Company, as applicable, are not 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. There are no violations of securities laws committed by them in the past or are pending against them.

We confirm that our Directors and Promoters are not directors or promoters of any other company which has been debarred from accessing the capital markets by SEBI. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters and Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.

We confirm that our Promoters or Directors have not been declared as Fugitive Economic Offenders.

CONFIRMATIONS

1. Our Company, our Promoters and Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or

any other governmental authority.

DIRECTORS ASSOCIATE WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Red Herring Prospectus.

ELIGIBILITY FOR THE OFFER

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Offer is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an Issuer, whose post-issue paid-up capital is more than ten crore rupees and upto twenty-five crores, offer equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME.

TRACK RECORD AND OTHER ELIGIBILITY CONDITIONS OF BSE SME

- a) Our Company is incorporated under the Companies Act, 1956.
- b) The present paid-up capital of our Company is ₹ 1,652.08 lakhs and we are proposing a fresh Issue of Up to 66,74,400 Equity Shares having face value of ₹ 10 each of our Company at an Issue Price of ₹ [●]/- per Equity Share aggregating up to ₹ [●] lakhs. The Offer also includes an Offer for sale comprising of 3,72,000 equity shares of face value of ₹ 10 each aggregating up to [●] lakhs by the Promoter Selling Shareholders. We confirm that the post issue paid-up share capital will not be more than ₹25 crores.

** Subject to finalization of the Basis of Allotment*

c) Net worth:

Our Company satisfies the criteria of Net Worth based on the Restated Financial Statements given hereunder:

(₹ in Lakhs)

Particulars	For the Six Months period ended on September 30, 2025	For the financial year ended on		
		March 31, 2025	March 31, 2024	March 31, 2023
Net Worth	5,861.31	5,139.76	4,034.90	2,688.88
Share Capital	1,652.09	1,652.09	1,652.09	944.05
Reserves and Surplus	4,209.23	3,487.68	2,382.81	1,744.83

d) Net Tangible Assets:

The Net Tangible Assets based on Restated Financial Statements of our Company for the period ended on September 30, 2025 is ₹ 5,861.31 Lakhs and for the financial year ended on March 31, 2025 is ₹ 5,139.76 Lakhs, which is more than ₹1 crore for 2 preceding full financial years.

e) Track Record

Our Company was originally incorporated under the name ‘*Milan Ginning Pressing Private Limited*’, pursuant to a certificate of incorporation dated April 25, 1995 issued by Assistant Registrar of Companies, Gujarat, Dadra & Nagar Haveli.

Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on April 1, 2024 and by the Shareholders in an Extraordinary General Meeting held on April 12, 2024 and a fresh certificate of incorporation dated June 21, 2024 was issued by the Registrar of Companies, Central Processing Centre. Consequent to the conversion of our Company, the name of our Company was changed to ‘*Milan Ginning Pressing Limited*’.

Considering the financials performance of our Company in the last 3 years our Company is in the compliance

with the criteria of having track record of 3 years.

f) Earnings before Interest, Depreciation and tax:

Our Company satisfies the criteria of having operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date based on Restated Financial Statements given hereunder:

(₹ In lakh)

Particulars	Six month period ended September 30, 2025	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Operating profit (earnings before interest, depreciation and tax and other income) from operations	1,327.66	2,156.93	2,140.20	1,434.98

g) Leverage Ratio:

Our Debt-to-Equity Ratio as at September 30, 2025 is 0.95 times and as at March 31, 2025 is 1.09 times.

h) Name Change:

There has been no change in the name of our Company within the last 1 year except for change during the conversion from Milan Ginning Pressing Private Limited to Milan Ginning Pressing Limited pursuant to a special resolution passed by the shareholders of our Company on April 12, 2024.

- i) Promoters have a good track record as on date of filing of this Draft Red Herring Prospectus.
- j) Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our company and promoting companies.
- k) There is no winding up petition against the Company, which has been admitted by NCLT/ Court of competent jurisdiction or a liquidator has not been appointed.
- l) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.
- m) The Company has a website: www.milangroupindia.com

n) Other Disclosures:

- We have disclosed all material regulatory or disciplinary actions by a stock exchange or regulatory authority in the past one year in respect of Promoters/ promoting company(ies), group companies, companies promoted by the Promoters/ promoting company(ies) of our company in this Draft Red Herring Prospectus.
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by our company, Promoters/promoting company(ies), group companies, companies promoted by the Promoters/ promoting company(ies) during the past three years except as mentioned in this Draft Red Herring Prospectus.
- We have disclosed the details of our Company, Promoters/promoting company(ies), group companies, companies promoted by the Promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer to the chapter titled as “Outstanding Litigations and Material Developments” beginning on page 269.
- We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For details, please refer to the chapter titled as “Outstanding Litigations and Material Developments” beginning on page 269.

Disciplinary Action

1. There has been no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
2. The Promoter(s) or directors are not be promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
3. Director are not be disqualified/ debarred by any of the Regulatory Authority.

Default

There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by the Company, its Promoters/ Promoting Company(ies), Subsidiary Companies.

Other Requirements:

- 100% of the Promoter's shareholding in the Company is in Dematerialised form.
- The Company shall facilitate trading in demat securities and has entered into agreement with both the depositories. Our Company has entered into an agreement with NSDL on August 28, 2024 and with CDSL on January 9, 2024 for dematerialization of its Equity Shares already issued and proposed to be issued.
- There has not been any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.
- The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in principle approval.
- The net worth computation is as per the definition given in SEBI (ICDR) Regulations
- The Company has not been referred to NCLT under IBC.
- There is no winding up petition against the company, which has been admitted by the court.

As per Regulation 229(4) of the SEBI ICDR Regulations, our Company has been in existence for at least one full financial year before filing of this Draft Red Herring Prospectus and the restated financial statements of our Company prepared post conversion is in accordance with Schedule III of the Companies Act, 2013:

Provided that the restated financial statements of the Issuer Company prepared post conversion shall be in accordance with Schedule III of the Companies Act, 2013. – Complied with

As per Regulation 229(5) of the SEBI ICDR Regulations, there is no change in promoters of our company and there are no new promoter(s) of our Company who have acquired more than fifty per cent of the shareholding of the Issuer.

As per Regulation 229(6) of the SEBI ICDR Regulations, our Company fulfils the eligibility criteria of having minimum operating profits (earnings before interest, depreciation and tax) of Rs. 1 crore from operations for at least two out of the three previous financial years.

As per Regulation 230(1) of the SEBI ICDR Regulations, our Company has ensured that:

- a) The Draft Red Herring Prospectus with BSE SME and our Company shall make an application to BSE SME for listing of its Equity Shares on the SME platform of BSE. BSE is the Designated Stock Exchange.
- b) Our Company has entered into an agreement with NSDL on August 28, 2024 and with CDSL on January 9, 2024 for dematerialization of its Equity Shares already issued and proposed to be issued.
- c) The entire pre-offer capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
- d) The entire Equity Shares held by the Promoters are in dematerialized form.
- e) The fund requirements set out for the Objects of the Offer are proposed to be met from the Net Proceeds, from Internal Accruals or from firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Offer as required under the SEBI ICDR Regulations. For details, please refer to the chapter titled "Objects of the Offer" beginning on page 100

- f) Further as there is requirement of firm arrangement and the project is partially funded by the bank(s) / financial institution(s), therefore, the details regarding sanction letter(s) from the bank(s)/ financial institution(s) are disclosed in the draft offer document and offer document. For details, please refer to the chapter titled “Objects of the Offer” beginning on page 100.
- g) As there are selling shareholder in the present Offer and the limit of the size of offer for sale by selling shareholders is not exceeding twenty per cent of the total offer size.
- h) There are upto 3,72,000 shares being offered for sale by our shareholders therefore which are not exceeding fifty per cent of such selling shareholders’ pre-offer shareholding on a fully diluted basis.
- i) The objects of the Offer do not consist of repayment of loan taken from promoter, promoter group or any related party, from the offer proceeds, directly or indirectly.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230(2) of the SEBI ICDR Regulations, to the extent applicable that is the amount for general corporate purposes, as mentioned in objects of the Offer in the draft offer document and the offer document shall not exceed fifteen per cent or ₹10 crores, whichever is less of the amount being raised by the Issuer.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- d) None of our Promoters or Directors is a fugitive economic offender.
- e) There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer:

Provided that the provisions of this clause shall not apply to:

- (i) outstanding options granted to employees, whether currently an employee or not, pursuant to an employee stock option scheme in compliance with the Companies Act, 2013, the relevant Guidance Note or accounting standards, if any, issued by the Institute of Chartered Accountants of India or pursuant to the Companies Act, 2013, in this regard;
- (ii) fully paid-up outstanding convertible securities which are required to be converted on or before the date of filing of the red herring prospectus (in case of book-built issues) or the prospectus (in case of fixed price issues), as the case may be.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI ICDR Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that:

In accordance with Regulation 246 of the SEBI ICDR Regulations, the Book Running Lead Manager shall ensure that the Issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.

In accordance with Regulation 260 of the SEBI ICDR Regulations, this Offer is 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total offer size. For

further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 70.

In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than two hundred, otherwise, the entire application money will be unblocked or refunded forthwith. If such money is not unblocked or repaid within the time prescribed, from the date our company becomes liable to unblock or repay it, then our company and every officer in default shall, on and from expiry of the prescribed time, be liable to unblock or repay such application money, with interest as prescribed under SEBI ICDR Regulations and Section 40 of the Companies Act, 2013.

In accordance with Regulation 268 (3A) of the SEBI (ICDR) Amendment 2025 subject to the availability of shares in non-institutional investors’ category, the allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of these regulations.

In accordance with Regulation 246 (3) of the SEBI ICDR Regulations, the Book Running Lead Manager shall ensure to submit a due-diligence certificate as per Form A of Schedule V to which the site visit report of the issuer prepared by the Book Running Lead Manager shall also be annexed, including additional confirmations as provided in Form G of Schedule V and the draft abridged prospectus as per Part E of Schedule VI along with the draft offer document to the SME Exchange(s), where the specified securities are proposed to be listed.

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations.

SEBI DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●].

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS OFFER WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES,

GUJARAT AT AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.

WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
 - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS

HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**

8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORY ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

17. WE ENCLOSE SITE VISIT REPORT OF THE ISSUER PREPARED BY THE BOOK RUNNING LEAD MANAGER.

ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME PLATFORM OF BSE LIMITED.

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED DRAFT RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 260 AND 261 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE - **NOTED FOR COMPLIANCE**.

DISCLAIMER CLAUSE OF THE 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 filing with the RoC.

DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS, THE PROMOTER SELLING SHAREHOLDERS AND THE BOOK RUNNING LEAD MANAGER

Our Company, the Directors and the Book Running Lead Manager 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 and anyone placing reliance on any other source of information, including our Company's website, www.milangroupindia.com, or the websites of the members of our Promoter Group or the Promoter Selling Shareholders would be doing so at his or her own risk.

Each of the Promoter Selling Shareholder, severally and not jointly, is providing information in this Draft Red Herring Prospectus only in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares, and each of the Promoter Selling Shareholder, including its directors, partners, affiliates, associates and officers, accepts and/or undertakes no responsibility for any statements made or undertakings provided, including without limitation, any statement made by or in relation to our Company or its business, other than those specifically undertaken or confirmed by it as a Selling Shareholder and its respective portion of the Offered Shares in this Draft Red Herring Prospectus.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement entered between the BRLM (Finshore Management Services Limited) and our Company on March 28, 2026, and the Underwriting Agreement dated [●] entered into between the Underwriters, the Promoter Selling Shareholders and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, BRLM and our Company.

All information shall be made available by our Company, each of the Promoter Selling Shareholders (to the extent that the information pertains to itself and its respective portion of the Offered Shares) and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, Underwriters and their respective directors, partners, 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 issue, allot, 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. Our Company, the Promoter Selling Shareholder, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

DISCLAIMER CLAUSE OF THE PROMOTER SELLING SHAREHOLDER

The Promoter Selling Shareholders will be severally responsible for the respective statements confirmed or undertaken by it in this Draft Red Herring Prospectus in relation to itself and its respective portion of the offered shares.

NOTE:

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Promoter Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer. The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholder, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, the Promoter Selling Shareholder, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

DISCLAIMER IN RESPECT OF JURISDICTION

This Offer is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Offered hereby in any other jurisdiction to any person to whom it is unlawful to make an Offer or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Gujarat only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and 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 Draft Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

FILING OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus/ Prospectus, will also be filed with BSE SME, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

LISTING

Application will be made to BSE SME for obtaining permission for listing of the Equity Shares being issued and sold in the Offer on its SME Platform after the allotment in the Offer. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our Company has received an In-Principle Approval letter dated [●] from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three Working Days from the Offer Closing Date.

CONSENTS

Consents in writing of: (a) The Directors, Promoters, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Book Running Lead Manager, Registrar to the Offer, the Legal Advisors to the Issuer, Chartered Engineer, Banker to the Offer*, Banker to the Company, Market Maker* , Syndicate Member* and Underwriter* to act in their respective capacities, have been or shall be duly obtained as the case may be and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 and Section 28 of the Companies Act, 2013.

** The aforesaid will be appointed prior to filing of the Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, Abhishek Kumar & Associates, Chartered Accountants, have provided their written consent to the inclusion of their reports dated March 28, 2026 on Consolidated Restated Financial Statements and January 30, 2026 for Standalone Restated Financial Statements and to the inclusion of their reports dated March 12, 2026 on Statement of Possible Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Red Herring Prospectus.

EXPERT OPINION

Except for the reports in the sections “*Statement of Special Tax Benefits*” and “*Financial Information*” on pages 125 and 236, respectively of this Draft Red Herring Prospectus from the Statutory Auditor, our Company has obtained expert’s opinions on chartered engineer’s report. We have received written consent from the Statutory Auditor for inclusion of their name in this Draft Red Herring Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section 2(38) of the Companies Act 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, 1993.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Our Company has made rights issue dated August 18, 2022 under SEBI ICDR Regulations, in the past. For details of previous issues undertaken by our Company, please refer chapter titled “*Capital Structure*” beginning on page 83 of this Draft Red Herring Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

CAPITAL ISSUE DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 83, our Company has not made any capital issue during the previous three years.

We do not have any listed Group Company/ Subsidiary/ Associate as on date of this Draft Red Herring Prospectus.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM

Price Information of past 10 (ten) issues handled by the Book Running Lead Manager

Sr. No.	Name of the Book Running Lead Manager	Website
1.	Finshore Management Services Limited	www.finshoregroup.com

PRICE INFORMATION OF LAST 10 (TEN) ISSUED HANDLED BY THE LEAD MANAGER

Statement on Price Information of Last 10 (Ten) Issues handled by Finshore Management Services Limited:

Sr. No.	Issuer Name*	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark] 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 th calendar days from listing
1	Spinaroo Commercial Limited (BSE SME)	10.17	51/-	08/04/2025	52.85	48.37 [8.78]	31.08 [12.40]	31.45 [9.40]
2	Marc Loire Fashions Limited (BSE SME)	21.00	100/-	07/07/2025	80.00	-43.70 [-3.27]	-45.47 [-2.68]	-53.27 [2.78]
3	Krupalu Metals Limited (BSE SME)	13.48	72/-	16/09/2025	57.60	-47.78 [0.27]	-22.94 [3.50]	-55.28 [-9.49]
4	Gurunanak Agriculture India Limited (NSE EMERGE)	28.80	75/-	01/10/2025	60.00	-55.07 [4.19]	-55.80 [4.45]	N. A.
5	Gujarat Peanut and Agri Products Limited (BSE SME)	23.81	80/-	03/10/2025	64.00	1.13 [3.36]	13.13 [4.94]	N. A.
6	Dhillon Freight Carrier Limited (BSE SME)	10.08	72/-	07/10/2025	57.60	-43.61 [1.87]	-44.44 [4.68]	N. A.
7	Chiraharit Limited (FV ₹1/-) (BSE SME)	31.07	21/-	08/10/2025	16.80	-38.57 [1.88]	-58.67 [4.48]	N. A.
8	Shipwaves Online Limited (FV ₹1/-) (BSE SME)	56.35	12/-	17/12/2025	12.00	-58.58 [-1.39]	-68.33 [-10.71]	N. A.
9	Grover Jewells Limited (NSE EMERGE)	33.83	88/-	11/02/2026	96.00	146.31 [-8.92]	N. A.	N. A.
10	Elfin Agro India Limited (FV ₹5/-) (BSE SME)	25.03	47/-	12/03/2026	47.30	N. A.	N. A.	N. A.

* Status as on 27/03/2026

1. in case where the security is not being traded on 30th, 90th and 180th day, the previous working day has been considered.
2. in case where 30th, 90th and 180th day is holiday, the previous working day has been considered for benchmark and security purpose.
3. the benchmark index is SENSEX where the securities have been listed in BSE SME/Startups and Nifty where securities have been listed in NSE Emerge.
4. N.A. – Period not completed

Summary statement of Disclosure for the current financial year and three financial years preceding the current Financial Year:

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 th calendar day from listing day			Nos. of IPOs trading at premium – 30 th calendar day from listing day			Nos. of IPOs trading at discount -180 th calendar day from listing day			Nos. of IPOs trading at premium – 180 th calendar day from listing day		
			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%
2022-23	12	117.85	N. A.	3	3	4	N. A.	2	2	2	2	4	N. A.	2
2023-24	5	76.59	N. A.	N. A.	N. A.	3	N. A.	2	N. A.	N. A.	1	4	N. A.	N. A.
2024-25	6	106.71	N. A.	2	N. A.	3	N. A.	1	1	N. A.	2	2	1	N. A.
2025-26*	10	253.62	2	4	N. A.	1	1	1	2	N. A.	N. A.	N. A.	1	N. A.

* Status as on 27/03/2026

The Book Running Lead Manager associated with the Offer have handled **33 SME** public issues and **Nil Main Board** public issue during the current financial year and three financial years preceding the current Financial Year, out of which **13 SME** public issues closed below the issue price on the listing date.

Type	FY 2025-26*	FY 2024-25	FY 2023-24	FY 2022-23	Total
SME IPO	10	6	5	12	33
Main Board IPO	-	-	-	-	-
Total	10	6	5	12	33
Issue closed Below Issue Price on Listing Day	7	1	-	5	13
Issue closed above Issue Price on Listing Day	3	5	5	7	20

* Status as on 27/03/2026

PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 83 of this Draft Red Herring Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTERS

As on date of this Draft Red Herring Prospectus, our Company does not have a corporate promoter. Further, the securities of our Subsidiaries are not listed on any stock exchange.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for 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.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being Offer closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019,

November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Red Herring Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Priyank Shirishbhai Shah	Chairman	Independent Director
Mohmmadhasnein Husenali Narsinh	Member	Chairman and Managing Director
Khushi Giriraj Laddha	Member	Independent Director

Our Company has appointed Mr. Shah Yashesh Vijaykumar, the Company Secretary and Compliance Officer, who may be contacted in case of any pre-offer or post-offer related problems at the following address:

Mr. Shah Yashesh Vijaykumar

Milan Ginning Pressing Limited

Revenue Survey No.555/P,
Near Chorania 440KV Watt Sub Station,
National Highway-8, Untadi, Surendra Nagar,
Limbdia - 363 421, Gujarat, India.

Telephone: 027 5329 9001**E-mail:** cs@milangroupindia.com

Till date of this Draft Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 83 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTERS

There are no listed ventures of our Company or of our Promoters as on date of filing of this Draft Red Herring Prospectus.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Red Herring Prospectus.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

The Company has appointed Registrar to the Offer, to handle the investor grievances in coordination with the Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Offer to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Book Running Lead Manager and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

SECTION XIII –OFFER RELATED INFORMATION

TERMS OF OFFER

The Equity Shares being issued pursuant to this offer shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, BSE, ROC, RBI and / or other authorities, as in force on the date of the Offer and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018) SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, Individual Investors who applies for minimum application size and Non-Institutional Investors making application of up to ₹5 lakhs, applying in public Offer shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application as a payment mechanism in a phased manner with ASBA for applications in public Issues by individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).

Further, vide the said circular, Registrar to the Offer and Depository Participants have been also authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available.

THE OFFER

The offer consists of a Fresh Issue and Offer for Sale by Promoter Selling Shareholders of Our Company. Expenses for the offer shall be borne by our Company in the manner specified in the chapter titled "Objects of the Offer" beginning on page __.

AUTHORITY FOR THE OFFER

The present offer constitutes a fresh Issue of Up to 66,74,400 Equity Shares having face value of ₹ 10 each of our Company at an Issue Price of ₹ [●]/- per Equity Share aggregating up to ₹ [●] lakhs. This offer also includes an Offer for sale comprising of 3,72,000 equity shares of face value of ₹ 10 each aggregating up to [●] lakhs by the Promoter Selling Shareholder. which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 06, 2026 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on March 09, 2026 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

RANKING OF EQUITY SHARE

The Equity Shares being issued and allotted pursuant to the offer shall be subject to the provisions of the Companies Act, 2013, Companies Act, 1956 the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled "Main Provision of Articles of Association" beginning on 350.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. In the case of offer for sale, the dividend for the entire year shall be payable to the transferees. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled "Dividend Policy" beginning on page 235.

FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10/- and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“Cap Price”). The Anchor Investor Offer Price is ₹ [●]/- per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional newspaper, each with wide circulation, at least two working days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its 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 website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/ Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Offer Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “Basis for Offer Price” beginning on page 117.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, please refer to the chapter titled as “Description of Equity Shares and Terms of Articles of Association” beginning on page 350.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall be two lots per application, provided it shall be above ₹ 2 lakhs.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME Platform of BSE Limited from time to time by giving prior notice to investors at large. For further details, please refer to the chapter titled “Offer Procedure” beginning on page 315.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with Regulation 268(1) of SEBI ICDR Regulations, the minimum number of allottees in the offer shall be 200 shareholders. In case, the number of prospective allottees is less than 200, no allotment will be made pursuant to this Offer and the amounts in the ASBA Account shall be unblocked forthwith.

JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY OF INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys 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 Offer is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for the lock-in of the pre-offer capital of our Company, Promoter's minimum contribution as provided under the chapter titled "Capital Structure" beginning on page 83 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. Moreover, there is no material clause of Article of Association that has been left out from disclosure having bearing on the IPO. For details, please refer chapter titled "Description of Equity Shares and Terms of the Article of Association" beginning on page 350.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limit under laws or regulations.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs

or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

WITHDRAWAL OF THE OFFER

Our Company in consultation with the BRLM, reserve the right to not to proceed with the offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-offer advertisements were published, within two (2) days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Book Running Lead Manager, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an offer of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

MINIMUM SUBSCRIPTION

This offer is not restricted to any minimum subscription level. This offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the offer through this offer document including devolvement of Underwriter, the Issuer shall refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the Company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen percent per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” beginning on page 70.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall be two lots per application, provided it shall be above ₹ 2 lakhs.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (two hundred).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

BID / OFFER PROGRAMME

Events	Indicative dates
Bid/ Offer Opening Date	[●]
Bid/ Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

Note: Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date for cancelled/ withdrawn/ deleted*

ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked.

(ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock;

(iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;

(iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking.

The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI 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 circular dated SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated June April 02, 20, 2022 2021 and SEBI SEBI circular Circular no. No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, 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 processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The above timetable, other than the Bid/ Offer Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within three (3) Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Offer Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

The SEBI is in the process of streamlining and reducing the post Offer timeline for initial public offerings. Any circulars or notifications from the SEBI after this date of the Draft Red Herring Prospectus may result in changes to the abovementioned timelines. Further, the Offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SUBMISSION OF BIDS

Bid/ Offer Period (Except the Bid/ Offer Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”).

Bid/ Offer Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST.

On the bid/ Offer closing date, the bids shall be uploaded until:

- i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual Investors.

On the Bid/ Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Individual Investors after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchange. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, 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 Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchange may be taken.

Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

MIGRATION TO MAIN BOARD

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to main board. As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- a. If the Paid-up Capital of our Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a

special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to BSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b. If the paid-up Capital of our company is more than ₹ 10 Crores but below ₹ 25 Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Provided further that where the post-offer paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹ 25 crores, the issuer may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).

Any company desiring to migrate to the Main board from the SME Board within two years of listing on SME Platform of BSE Limited has to fulfil following conditions:

In continuation to Exchange Notice No. 20231124-55 dated November 24, 2023, and Media release dated August 11, 2025; further to Exchange Notice No. 20260223-19 dated February 23, 2026 BSE has amended its criteria for SME companies seeking migration to Main Board which is effective from March 01, 2026 as follows:

Eligibility Criteria	Details
Paid up capital	Atleast ₹10.00 crores
Market capitalization	<p>Average of 6 months market cap Migration: Rs. 100 crs Direct listing: Rs. 1000 crs</p> <p style="text-align: center;">OR</p> <p>Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.</p> <p>Note: for the purpose of calculating the average market cap., the aggregate of daily market cap on the days the scrip has traded, shall be divided by the total no. of trading days during the said 6 months period.</p>
Market Liquidity	<ul style="list-style-type: none"> • At least 5% of the weighted average number of equity shares listed should have been traded during such six months' period • Trading on atleast 80% of days during such 6 months period • Min. average daily turnover of Rs. 10 lacs and min. daily turnover of Rs. 5 lacs during the 6-month period • Minimum Average no. of daily trades of 50 and min. daily trades of 25 during the said 6 months period <p>Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period.</p> <p style="text-align: center;">OR</p> <p>Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.</p>
Operating Profit (EBITDA)	Average of Rs. 15 crores. on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, with a minimum of Rs. 10 crores in each of the said 3 years.

Eligibility Criteria	Details
	In case of name change within the last one year, at least 50% per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.
Net worth	Rs. 1 crore in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;
New Tangible Assets	At least Rs. 3 crs, on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets: Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project
Promoter holding	At least 20% at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement. Note : The minimum promoter holding criterion shall not be applicable in case of diversified holdings or where there are no identifiable promoters, and the company is already listed on a recognized stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board
Lock In of promoter/ promoter group shares	6 months from the date of listing on the BSE. Not applicable to SME companies migrating to main board
Regulatory action	1. No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors 2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower. 3. Promoters or directors are not fugitive economic offender 4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP 5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.
Promoter Shareholding	100% in demat form
Compliance with LODR Regs	3 years track record with no pending non-compliance at the time of making the application
Track record in terms of Listing	Listed for atleast 3 years
Public Shareholder	Min. 1000 as per latest shareholding pattern
Other Parameters	1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies 2. Certificate from CRA for utilization of IPO proceeds and further issues post listing on SME. 3. Not under any surveillance measures/actions i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application. 2 months cooling off from the date the security has come out of T-to-T category or date of graded surveillance action/measure.
Score ID	No pending investor complaints on SCORES.
Business Consistency	Same line of business for 3 years. at least 50% of the revenue from operations from such continued business activity.
Audit Qualification	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

Note: Words and expressions used hereinabove shall have the same meaning as assigned to them in the SEBI (ICDR) Regulations, 2018

MARKET MAKING

The shares issued and transferred through this Offer are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 70.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the Pre-Offer Equity Shares and Promoter’s minimum contribution in the Offer as detailed in the chapter titled “Capital Structure” beginning on page 83 and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation/ splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

ALLOTMENT ONLY IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Offer:

- Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated August 28, 2024.
- Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated January 23, 2024.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29(1) of the Companies Act, 2013, the equity shares of an Issuer shall be in dematerialized form i.e., not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

OFFER STRUCTURE

This Offer is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid-up capital is more than ₹ 10 crores and up to ₹ 25 crores (rupees twenty crores) shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an issue, please refer to the chapters titled “*Terms of the Offer*” and “*Offer Procedure*” beginning on pages 300 and 315 of this Draft Red Herring Prospectus.

The Initial Public Offer of up-to 70,46,400 Equity shares of ₹ 10/- each at an Offer Price of ₹ [●] /- per Equity share, including a premium of ₹ [●] /- per equity share aggregating to ₹ [●] lakhs comprising a Fresh Issue of 66,74,400 Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] Lakhs and the Offer for Sale of upto 3,72,000 Equity Shares of face value of ₹ 10 each by Promoter Selling Shareholder.

**Subject to finalization of the Basis of Allotment*

The Offer comprises a reservation of up to [●] Equity Shares of face value of ₹ 10 each (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] Lakhs for subscription by the designated Market Maker (“Market Maker Reservation Portion”) and a Net Offer to public of [●] Equity Shares of ₹ [●] /- each is hereinafter referred to as the Net Offer. The Offer and the Net Offer will constitute [●] % and [●] % respectively of the post issue paid up Equity Share Capital of our Company. The Offer is being made through the Book Building Process.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process in compliance with Regulation 252 of the SEBI ICDR Regulations:

Particulars of the Offer ⁽²⁾	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Investors	Individual Bidders / Investors
Number of Equity Shares available for allotment / allocation *	Upto [●] Equity Shares of face value of ₹10/- each	Not more than [●] Equity Shares face value of ₹10/- each	Not less than [●] Equity Shares face value of ₹10/- each.	Not less than [●] Equity Shares face value of ₹10/- each
Percentage of Offer Size available for allotment / allocation	[●]% of the Offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion.	Not less than 15% of the Net Offer, provided that the unsubscribed portion in either the subcategories as mentioned above could be allocated to bidders in the other sub-category of Non-Institutional Bidders subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with	Not less than 35% of the Net Offer

		The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹10 lakhs	
Basis of Allotment⁽³⁾	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares) may be allocated on a	Subject to the availability of shares in noninstitutional investors' category, the allotment of equity shares to each non institutional category shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares.	Proportionate basis subject to minimum allotment of [●] Equity Shares.

		<p>discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price.</p> <p>However, effective November 30, 2025, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025, of the 40% Anchor Investor Portion, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% for life insurance companies registered with the Insurance Regulatory and Development Authority of India under the provisions of</p>		
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		<p>the Insurance Act, 1938 and pension funds registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013, subject to valid Bids being received from domestic Mutual Funds, life insurance companies and pension funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Fun</p>		
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Application exceeds ₹200,000.	For NIBs applying under one-third of the Non-Institutional Portion (with bid size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs) such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid size exceeds two	[●]Such number of Equity Shares in two lots so that the Bid Amount exceeds ₹200,000

			lots. For NIBs applying under two thirds of the Non Institutional Portion (with bid size of more than ₹10.00 lakhs) such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹10.00 lakhs	
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the Anchor Investor portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in two lots so that the Bid Amount exceeds ₹200,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Terms of Payment	<p>In case of all other bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> <p>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁴⁾</p>			
Mode of Bid	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process via Banks or by using UPI ID for payment

* Subject to finalization of basis of allotment.

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

(1) Our Company and Selling Shareholders may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. Forty per cent of the anchor investor portion, within the limits specified in sub-paragraph (b), shall be reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per

cent for life insurance companies and pension funds: Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post Offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

(3) Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “**Offer Procedure - Bids by FPIs**” on pages 315 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall not be less than minimum application size applied by such individual investors and allotment to Non- Institutional Investors shall be more than two lots, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For further details, see chapter titled “*Terms of the offer*” on Page 300.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the BSE by issuing a press release and also by indicating the change on the websites of the BRLM.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the BSE may be taken as the final data for the purpose of Allotment.

JURISDICTION

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/ authorities at Surendranagar, Gujarat.

OFFER PROCEDURE

All Bidders should read the 'General Information Document for Investing in Public Offers' prepared and Offered in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the SEBI UPI Circulars (the "General Information Document") which highlights the key rules, processes and procedures applicable to public offers 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 Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. 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 Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum application Form); (vii) Designated Date; (viii) disposal of bid cum applications; (ix) submission of Bid cum application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an bid cum application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious bid cum applications; (xii) mode of making refunds; (xiii) price discovery and allocation; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2019, and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along with the process and timeline of T+6 days ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019. Pursuant to its circular SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 05, 2022, the SEBI has increased the UPI limit from ₹ 2,00,000 to ₹ 5,00,000 for all the individual investors applying in public offers.

With effect from July 01, 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 UPI Bidders 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 timeline of T+6 days was mandated for a period of three months or launch of five main board public offers, whichever is later ("UPI Phase II"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for bid cum applications by UPI Bidders ("UPI Phase III"), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 and made effective on a voluntary basis for all offers opening on or after September 01, 2023 and on a mandatory basis for all offers opening on or after December 01, 2023.

The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification offered 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, introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, which came into force with effect from May 01, 2021, except as amended pursuant to the circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023. The SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023) and rescinded these circulars to the extent relevant for RTAs. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus.

Furthermore, pursuant to SEBI master circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 ("SEBI RTA Master Circular") and circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to circular (SEBI/HO/CFD/DIL2/P/CIR/P/2022/45) dated April 5, 2022, all individual bidders in initial public offerings whose Bid sizes are up to ₹500,000 shall use the UPI

Mechanism for submitting their bids. Additionally, pursuant to circular (SEBI/HO/CFD/DIL2/P/CIR/2022/75) dated May 30, 2022, bid cum applications made using the ASBA facility in initial public offerings shall be processed only after bid cum application monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any offers arising out of public issuance process. In terms of regulation 23(4), 23(5) and regulation 271 of SEBI (Offer of Capital and Disclosure Requirements) Regulations, 2018, in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, the timelines, processes and compensation policy shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and Book Running Lead Manager shall continue to coordinate with intermediaries involved in the said process.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this Section and is 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 this Draft Red Herring Prospectus.

Further, Our Company and the Book Running Lead Manager are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for Bid in this Offer.

BOOK BUILDING PROCEDURE

This Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253(1) and (2) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which Forty per cent of the anchor investor portion, within the limits specified in sub-paragraph (b), shall be reserved as under - (i) 33.33 per cent for domestic mutual funds; and (ii) 6.67 per cent for life insurance companies and pension funds:

Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic mutual funds.. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (other than Anchor Investors) shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion (other than Anchor Investors) shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders, wherein 1/3rd of the NII portion shall be reserved for applicants with bid cum application size of more than two lots and up to such lots equivalent to not more than ₹ 10 lakhs and 2/3rd of the NII portion shall be reserved for applicants with bid cum application size of more than ₹ 10 lakhs and not less than 35% of the Offer shall be available for allocation to Individual Investors who applies for minimum bid cum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer 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 Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Bidders should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for Individual Investors Bidding in their Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Offer, subject to applicable laws.

Bidder must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021, read with CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023, read with subsequent circulars offered in relation thereto.

AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Bid cum application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the Offer as mentioned in the Bid cum application form. The bid cum application forms may also be downloaded from the website of BSE SME i.e., (www.bseindia.com.) Applicants shall only use the specified Bid cum application Form for the purpose of making Bid cum application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit Bid cum application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Bid cum application Form. Applicants shall only use the specified Bid cum application Form for the purpose of making Bid cum application in terms of this Draft Red Herring Prospectus. The Bid cum application Form shall contain space for indicating number of specified securities subscribed for in demat form.

Phased implementation of Unified Payments Interface

SEBI has offered UPI Circulars in relation to streamlining the process of public offer of, among others, equity shares. Pursuant to the SEBI UPI Circulars, UPI 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 Bids by UPI Bidders through designated intermediaries with the objective to reduce the time duration from public offer 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 SEBI UPI Circular have introduced the UPI Mechanism in three phases in the following manner:

- **Phase I:** This phase was applicable from January 01, 2019 until March 31, 2019 or floating of five main board public offers, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Individual Investors had the option to submit the ASBA Form with any of the designated intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing continue to be six Working Days.
- **Phase II:** This phase has become applicable from July 01, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, decided to continue Phase II of UPI with ASBA until implementation of UPI Phase III.
- **Phase III:** This phase has become applicable on a voluntary basis for all offers opening on or after September 01, 2023 and on a mandatory basis for all offers opening on or after December 01, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 ("T+3 Notification"). In this phase, the time duration from public offer closure to listing has been reduced from Six working days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification offered by the SEBI from time to time, including any circular, clarification or notification which may be offered by SEBI. This Offer will be made under UPI Phase III of the UPI Circular.

Pursuant to the SEBI UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for bid cum applications that have been made through the UPI Mechanism. The requirements of the SEBI UPI Circular 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 bid cum applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not 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 in this regard, the relevant SCSB as well as the post – offer BRLM will be required to compensate the concerned investor.

All SCSBs issuing the facility of making bid cum applications in public offers shall also provide the facility to make bid cum 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 Mechanism.

The processing fees for bid cum applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an bid cum application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021. NPCI vide circular reference no.

NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹2 lakhs to ₹5 lakhs for UPI based ASBA in initial public offerings.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the BRLM.

BID CUM APPLICATION FORM

Copies of the Bid cum application Form (other than for Anchor Investors) and the Abridged Prospectus will be available at the offices of the BRLM, the Designated Intermediaries at relevant Bidding Centres, and at the Registered Office of our Company. The electronic copy of the Bid cum application Form will also be available for download on the website of the BSE SME (www.bseindia.com), at least one day prior to the Bid/Offer Opening Date. Copies of the Anchor Investor Bid cum application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. All ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected.

UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the cum application Form. Bid cum application Forms that do not contain the UPI ID are liable to be rejected. Bid cum applications made by the UPI Bidder using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile bid cum applications using the UPI handles as provided on the website of SEBI. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

Further, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum application Forms) and Bid cum application Forms not bearing such specified stamp may be liable for rejection.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSBs or sponsor banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Since the Offer is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) Individual Investors (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- (iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Bid cum application Form will be available at the offices of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum application Form for various categories is as follows:

Category	Colour of Bid cum application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Individual Investors and Eligible NRIs applying on a non-repatriation basis ^	White

Non-Residents including FPIs, eligible NRIs, FIIs, FVCIs, registered bilateral and multilateral institutions etc. applying on a repatriation basis [^]	Blue
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**Excluding electronic Bid cum application Form.*

[^]*Electronic Bid cum application Form and the abridged prospectus will be made available for download on the website of the BSE SME (www.bseindia.com). Bid cum application Forms for Anchor Investors shall be available at the offices of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid cum application Form submitted by Individual Investors (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid cum application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for bid cum applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid cum application Form, respective intermediary shall capture and upload the relevant bid cum application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid cum application Form for making Bid cum application in terms of the Red Herring Prospectus.

The Bid cum application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid cum application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique bid cum application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid cum application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Bid cum application.

An Investor, intending to subscribe to this Offer, shall submit a completed Bid cum application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Offer and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Individual investors submitting bid cum application with any of the entities at (2) to (5) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid cum application Form.

The aforesaid intermediary shall, at the time of receipt of bid cum application, give an acknowledgement to investor, by giving the counter foil or specifying the bid cum application number to the investor, as a proof of having accepted the Bid cum application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Bid cum applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the bid cum application money specified.
For bid cum applications submitted investors by to intermediaries other than SCSBs:	After accepting the Bid cum application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid cum application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
For bid cum applications submitted investors by to intermediaries other	After accepting the Bid cum application Form, respective intermediary shall capture and upload the relevant bid cum application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share bid cum application details including the UPI ID with sponsor bank on a continuous

than SCSBs with use of UPI for payment:	basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/ her mobile bid cum application, associated with UPI ID linked bank account.
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Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/ Client ID or Pan ID (Either DP ID/ Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid cum application Form to Bid cum application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For Individual Investors using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile bid cum applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date ("Cut- Off Time"). Accordingly, Individual Investors should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate Individual Investors (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability.

WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint bid cum application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Bid cum applications belonging to an account for the benefit of minor (under guardianship);
- b. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the bid cum application is being made in the name of the HUF in the Bid cum application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bid cum applications by HUFs would be considered at par with those from individuals;
- c. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d. Mutual Funds registered with SEBI;
- e. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- f. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;

- h. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;
- j. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k. Foreign Venture Capital Investors registered with the SEBI;
- l. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p. Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r. Multilateral and bilateral development financial institution;
- s. Eligible QFIs;
- t. Insurance funds set up and managed by army, navy or air force of the Union of India;
- u. Insurance funds set up and managed by the Department of Posts, India;
- v. Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

BID CUM APPLICATIONS TO BE MADE BY:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid cum application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM BID CUM APPLICATION SIZE

1. For Individual Investors

The Bid cum application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid cum application Price payable by the Applicant is above ₹ 2,00,000. In case of revision of Bid cum applications, the Individual Investors who applies for minimum bid cum application size have to ensure that the Bid cum application Price is greater than ₹ 2,00,000, as the bid cum application price payable by the Individual Investors shall be above ₹ 2,00,000.

2. For Other than Individual Investors (Non-Institutional Applicants and QIBs):

The Bid cum application must be for a minimum of such number of Equity Shares that the bid size exceeds two (02) lakhs and in multiples of [●] Equity Shares thereafter. A bid cum application cannot be submitted for more than the Net Offer Size. However, the maximum Bid cum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing

SEBI Regulations, a QIB Bidder cannot withdraw its Bid cum application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Bid cum application.

In case of revision in Bid cum applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid cum application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Bid cum application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national daily newspaper, all editions of Hindi national newspaper, and Gujarati edition of Regional newspaper [●], where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a. The Bid/ Offer Period shall be for a minimum of three working days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe extended, if required, by an additional one working day, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Gujarat edition of Regional newspaper [●], where the registered office of the company is situated, each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b. During the Bid/ Offer Period, Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c. Each Bid cum application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d. The Bidder/ Applicant cannot Bid through another Bid cum application Form after Bids through one Bid cum application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Build up of the Book and Revision of Bids”.
- e. The BRLM/ the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum application Form.
- f. The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g. Upon receipt of the Bid cum application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in

the ASBA Account, as mentioned in the Bid cum application Form, prior to uploading such Bids with the Stock Exchange.

- h. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- i. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- j. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum bid cum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company and Selling Shareholder may, in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Individual Investors may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Individual Investors, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Individual Investors shall submit the Bid cum application Form along with a cheque/ demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other Bidders.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

OPTIONS TO SUBSCRIBE IN THE OFFER

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single bid cum application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

INFORMATION FOR THE BIDDERS

1. Our Company and the Book Running Lead Manager shall declare the Bid/Offer Opening Date and Bid/Offer Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/Offer Opening Date.
3. Copies of the Bid cum application Form along with Abridge Prospectus and copies of the Red Herring Prospectus/ Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid cum application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid cum application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their bid cum applications.
6. Bid cum application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid cum application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid cum application Form can be submitted either in physical or electronic mode, to the SCSBs with who the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants/ Investors has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid cum application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid cum application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Bid cum applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Bid cum application Amount specified in the Bid cum application Form, before entering the ASBA bid cum application into the electronic system.
9. Except for bid cum applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of bid cum application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid cum application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid cum application Form is liable to be rejected.

BIDS BY HUFs

Bids by 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/Bid cum 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/Bid cum applications by HUFs will be considered at par with Bids/Bid cum applications from individuals.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum application Form. Failing this, our Company, in consultation with the Book Running Lead

Manager, 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 has been made. 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 NRIs

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum application Form meant for Non-Residents (Blue 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 SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants offered 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 Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such bid cum application. For details of restrictions on investment by NRIs, please refer to the chapter titled "Restrictions on Foreign Ownership of Indian Securities" beginning on page 348.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

Investment by NRI or OCI on non-repatriation basis:

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Offer of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by an NRI or OCI on non-repatriation basis - will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

BIDS BY FPIs

In terms of the SEBI FPI Regulations, the 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 the post-Offer Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company. With effect from April 01, 2020, the aggregate limit by FPIs shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration offered under the SEBI FPI Regulations is required to be attached to the Bid cum application Form, failing which our Company, in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum application Form for Non-Residents (Blue in colour).

A 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.

To ensure compliance with the applicable limits, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Offer shall:

- i) use the PAN offered 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 Offer to ensure there is no breach of the investment limit, within the timelines for offer procedure, as prescribed by SEBI from time to time.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Offer of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may offer, 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 offered overseas by an FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are offered only by persons registered as Category I FPIs, (ii) such offshore derivative instruments are offered only to persons eligible for registration as Category I FPIs, (iii) such offshore derivative instruments are offered 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 instrument is made by, or on behalf of it subject to, among others, the following conditions:

- a) each offshore derivative instruments are transferred to persons subject to fulfilment of 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:

- FPIs which utilise the multi-investment manager (“MIM”) structure.
- Offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments.
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration.

- 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.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs.
- Government and Government related investors registered as Category I FPIs.
- 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 SEBI-REGISTERED AIFs, VCFs AND FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Offer, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration offered 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 offered by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 01, 2014, 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 bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is

engaged in non- financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid-up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 01, 2014, as amended (i) a bank's investment in the capital instruments offered by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 195.

BIDS BY SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars offered by the SEBI dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making bid cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making bid cum application in public offers and clear demarcated funds should be available in such account for such bid cum applications.

BIDS BY SYSTEMICALLY IMPORTANT NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration offered by RBI, (ii) the last audited financial statements on a standalone/ consolidated basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars offered by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration offered by IRDAI must be attached to the Bid cum application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) Equity Shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars offered by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

BIDS BY ANCHOR INVESTORS

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum bid cum application size of 200.00 lakhs
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to ₹ 200 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than ₹ 200 Lakhs but up to ₹ 2500 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹ 100 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than ₹ 2500 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is

lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
12. . Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE OFFER

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

OFFER PROCEDURE FOR BID CUM APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid cum application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid cum application Form, please refer the above-mentioned SEBI link.

TERMS OF PAYMENT

The entire Offer price of ₹ [●] per share is payable on bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Bid cum application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

PAYMENT MECHANISM

The Bidders shall specify the bank account number in their Bid cum application Form and the SCSBs shall block an amount equivalent to the Bid cum application Amount in the bank account specified in the Bid Cum application Form. The SCSB shall keep the Bid cum application Amount in the relevant bank account blocked until withdrawal/ rejection of the Bid cum application or receipt of instructions from the Registrar to unblock the Bid cum application Amount. However, Non- Individual Applicants/ Investors shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum application Form or for unsuccessful Bid cum application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the bid cum application money in the relevant bank account within one day of receipt of such instruction. The Bid cum application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Bid cum application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Bid cum application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Offer of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Bid cum application Supported by Blocked Amount (ASBA) process for bid cum application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Offer have to use UPI as a payment mechanism with Bid cum application Supported by Blocked Amount for making bid cum application.

PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of: a. In case of resident Anchor Investors: — “[●]”
- b) In case of Non-Resident Anchor Investors: — “[●]”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

ELECTRONIC REGISTRATION OF BID CUM APPLICATIONS

1. The Designated Intermediaries will register the bid cum applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the bid cum application details already uploaded before 1.00 p.m. of next Working Day from the Bid/Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - k. the bid cum applications accepted by them;
 - ii. the bid cum applications uploaded by them;
 - iii. the bid cum applications accepted but not uploaded by them; or
 - iv. With respect to bid cum applications by Bidders, bid cum applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cu Bid cum application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Bid cum application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to:
 - i. The bid cum applications accepted by any Designated Intermediaries;
 - ii. The bid cum applications uploaded by any Designated Intermediaries; or
 - iii. The bid cum applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will Offer an electronic facility for registering bid cum applications for the Offer. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Bid/Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of bid cum applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Bid/Offer Closing Date, the Designated Intermediaries shall upload the bid cum applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to bid cum applications by Bidders, at the time of registering such bid cum applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum application Forms to Designated Branches of the SCSBs for blocking of funds:

S.no.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Bid cum application no.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

* Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

7. With respect to bid cum applications by Bidders, at the time of registering such bid cum applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
 - Name of the Bidder;
 - IPO Name;
 - Bid cum application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Bid cum application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid cum application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of bid cum application, give an acknowledgment to the investor, by giving the counter foil or specifying the bid cum application number to the investor, as a proof of having accepted the Bid cum application Form in physical as well as electronic mode. The registration of the Bid cum application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Individual Investors and Individual Investors, bid cum applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject bid cum applications, except on technical grounds.
12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Bid/Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic bid cum application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such bid cum applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for bid cum applications.

BUILD OF THE BOOK

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Offer Period.

WITHDRAWAL OF BIDS

- a. Individual Investors can withdraw their Bids until Bid/ Offer Closing Date. In case an individual investor wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b. The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

PUBLIC DISCOVERY AND ALLOCATION

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price.
- b. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Offeror and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Offeror, Bidders may refer to the Red Herring Prospectus.

- e. In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

Illustration of the Book Building and Price Discovery Process:

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1000	23	1500	50.00%
1500	22	3000	100.00%
2000	21	5000	166.67%
2500	20	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Offer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Offer, in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an Individual Investor bidding using the UPI Mechanism in the Bid cum application Form and if you are an Individual Investor using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum application Form;
5. Ensure that your Bid cum application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum application Forms;

11. Individual Investors bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for Individual Investors using the UPI Mechanism) to make an bid cum application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum application Form, as the case may be, at the time of submission of the Bid. In case of Individual Investors submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other bid cum applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the bid cum application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. Individual Investors who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the Individual Investors ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
25. Individual Investors shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual Investor may be deemed to have verified the attachment containing the bid cum application details of the

- Individual Investor in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid cum application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum application Form (Individual Investors bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in); and
 27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Bid cum application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Bid cum application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
5. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
6. Do not submit the Bid for an amount more than funds available in your ASBA account.
7. Do not submit Bids on plain paper or on incomplete or illegible Bid cum application Forms or on Bid cum application Forms in a colour prescribed for another category of a Bidder;
8. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
9. If you are an Individual Investor and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
11. Do not Bid on a Bid cum application Form that does not have the stamp of the relevant Designated Intermediary;
12. Do not submit the General Index Register (GIR) number instead of the PAN;
13. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
17. Do not submit a Bid using UPI ID, if you are not an Individual Investor;
18. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
19. Do not Bid for Equity Shares in excess of what is specified for each category;
20. Do not fill up the Bid cum application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

21. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Individual Investors can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
22. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
23. If you are an Individual Investor 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;
24. Do not Bid if you are an OCB; and
25. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date.
26. Individual Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected.

The Bid cum application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Offer or post-Offer related offers regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please refer to the sections titled “General Information” and “Our Management” beginning on pages 70 and 236 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please refer to the section titled “General Information” beginning on page 70

GROUND FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by Individual Investors using the UPI Mechanism through an SCSBs and/or using a mobile bid cum application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by Individual Investors 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);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. 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;
10. GIR number furnished instead of PAN;
11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
12. Bids accompanied by stock invest, money order, postal order or cash; and
13. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by Individual Investors uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Offer or post Offer related offers regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled “General Information” beginning on page 70.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking.

The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public offer to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being offer closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA bid cum application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public offers opening on or after September 1, 2023 and on mandatory basis for public offers opening on or after December 01, 2023. Our Company may choose to close this Offer within three (03) working days, in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public offers as mentioned in SEBI circulars dated November 01, 2018, June 28, 2019, November 08, 2019, March 30, 2020, March 16, 2021, June 02, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC BID CUM APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a. The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- b. Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Offer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c. In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Offer, Bidders may refer to the Red Herring Prospectus.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Offeror is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

FLOW OF EVENTS FROM THE CLOSURE OF BIDDING PERIOD (T DAY) TILL ALLOTMENT:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.

- RTA identifies cases with mismatch of account number as per bid file/Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the bid cum applications with third party account for rejection.
- Third party confirmation of bid cum applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM/Company for their review/comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- Instruction is given by RTA in their Software System to reverse category wise all the bid cum application numbers in the ascending order and generate the bucket/batch as per the allotment ratio. For example, if the bid cum application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th bid cum application in each of the lot of the category and these bid cum applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the over subscription times.
- In categories where there is under-subscription, the Registrar will do full allotment for all valid bid cum applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non-allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

BASIS OF ALLOTMENT

a. For Individual Investors

Bids received from the Individual Applicants/ Investors at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Applicants/ Investors will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Individual Applicants/ Investors who have Bid in the Offer at a price that is equal to or greater than the Offer Price.

If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Individual Applicants/ Investors to the extent of their valid Bids. If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Individual Investors shall be available for allotment to Non-Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.

The allocation in the non-institutional investors 'category shall be as follows:

- (a) one third of the portion available to non-institutional investors shall be reserved for applicants with bid cum application size of more than two lots and up to such lots equivalent to not more than ₹ 10 lakhs;
- (b) two third of the portion available to non-institutional investors shall be reserved for applicants with bid cum application size of more than ₹ 10 lakhs:

Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.”

For the method of proportionate Basis of Allotment refer below.

c. Allotment to Anchor Investor (If Applicable)

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Offeror, in consultation with the BRLM, subject to compliance with the following requirements:

- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crore per such Anchor Investor; and
 - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

d. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

- i) In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii) In the second instance, allotment to all QIBs shall be determined as follows:
 - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.

- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.

- Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

iii) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Offeror may finalise the Basis of Allotment in consultation with the SME platform of BSE. The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

a. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

b. The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

c. For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted [●] equity shares; and
- The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

d. If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

e. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in the Red Herring Prospectus.

Individual Investor means an investor who applies for minimum bid cum application size of two lots which shall be above ₹ 2,00,000. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with BSE SME.

The Executive Director / Managing Director of BSE SME - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Offer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer. The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.
3. Offer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Bid/Offer Closing date. The Offer

also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account.

Designated Date:

On the Designated date, the SCsBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 2 working days of the Bid/ Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

Instructions for Completing the Bid cum application Form

The Bid cum applications should be submitted on the prescribed Bid cum application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid cum application Form. Bid cum applications not so made are liable to be rejected. Bid cum applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid cum application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid cum application Forms in public offers using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE SME i.e. www.bseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of bid cum applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid cum application Forms in Public Offer with effect from January 01, 2016. The List of RTA and DPs centres for collecting the bid cum application shall be disclosed is available on the website of BSE SME i.e. www.bseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum application Form is mandatory and bid cum applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid cum application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid cum application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid cum application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

Submission of Bid cum application Form

All Bid cum application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of bid cum application, give an acknowledgement to investor, by giving the counter foil or specifying the bid cum application number to the investor, as a proof of having accepted the Bid cum application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Bid cum applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid cum application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum

application Form, name and address of the Designated Intermediary where the Bid cum application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre- offer or post offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Bid cum application and Bid cum application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Bid/Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- i) Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Bid/Offer Closing Date;
- ii) Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (two) working days of the Bid/Offer Closing Date, would be ensured; and
- iii) If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such bid cum application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 has reduced the time taken for listing of specified securities after the closure of public offer to 3 working days (T+3 days) as against the requirement of 6 working days (T+6 days); 'T' being offer closing date. The provisions of this circular is applicable, on voluntary basis for public offers opening on or after September 01, 2023 and on mandatory basis for public offers opening on or after December 01, 2023.

BASIS OF ALLOTMENT

Allotment will be made in consultation BSE SME (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For bid cum applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - I) Each successful applicant shall be allotted [●] equity shares; and
 - II) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Offer, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Offer size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the BSE SME - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Offer. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Equity Shares in Dematerialised Form with NSDL/CDSL

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Offer before filing of this Draft Red Herring Prospectus:

- i) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Offer on August 08, 2024.
- ii) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Offer on January 23, 2024.
- iii) The Company's Equity shares bear an ISIN No. INE0T0Y01017.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid cum application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Bid cum application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Bid cum application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Bid cum application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

RIGHT TO REJECT BID CUM APPLICATIONS

In case of QIB Bidders, the Company in consultation with the BRLM may reject Bid cum applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Individual Bidders who bids for above ₹ 2.00 Lakhs, the Company has a right to reject Bid cum application Forms based on technical grounds.

PRE OFFER ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Issue and Price Band advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre- Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation

250 of SEBI (ICDR) Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

Further, in terms of regulation 270 of SEBI ICDR, 2018 as amended The Book Running Lead Manager(s) shall ensure that advertisement giving details relating to subscription, basis of allotment, number, value and percentage of all applications including ASBA, number, value and percentage of successful allottees for all applications including ASBA, date of completion of dispatch of refund orders, as applicable, or instructions to self-certified syndicate banks by the Registrar, date of credit of specified securities and date of filing of listing application, etc. is released within ten days from the date of completion of the various activities in the same newspapers in which the public announcement as mentioned above is published i.e. one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language daily newspaper with wide circulation at the place where registered office of the issuer is situated.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a. Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of the Red Herring Prospectus.
- b. After signing the Underwriting Agreement, an updated Red Herring Prospectus/Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

1. makes or abets making of a bid cum application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
2. makes or abets making of multiple bids cum applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
3. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10 Lakhs 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 ₹ 10 Lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 Lakhs or with both.

COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Counsels may ensure that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 3 (three) Working Days of the Offer Closing Date. The Registrar to the Offer may give instruction for credit of equity shares to the applicant's beneficiary account maintained with DPs, and dispatch the Allotment Advice within 2 (two) Working Days of the Offer Closing Date.

UNDERTAKING BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three

Working Days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;

- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/ unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further offer of the Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Offer, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would offer a public notice in the newspapers in which the pre Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchange promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an offer of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the Stock Exchange.

UNDERTAKING BY THE SELLING SHAREHOLDER

The Selling Shareholder undertakes that:

- the Equity Shares being sold by it pursuant to the Offer have been held by them for a period of at least one year prior to the date of filing this Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form;
- they shall provide all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of their respective portion of Offered Shares pursuant to the Offer;
- they are the legal and beneficial owner of the Equity Shares which are offered by them pursuant to the Offer for Sale and are free and clear of any pre-emptive rights, liens, charges, pledges, or transfer restrictions;
- that they shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLM in redressal of such investor grievances that pertain to the extent of their respective portion of Offered Shares pursuant to the Offer;
- they shall deposit their respective portions of Offered Shares in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;
- they are not debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI;
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until final approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received; and
- the filing of this Draft Red Herring Prospectus does not absolve the Selling Shareholder from any liabilities to the extent of the statements specifically made or confirmed by themselves in respect of themselves and of their respective Offered Shares, under Section 34 or Section 36 of Companies Act, 2013.

UTILIZATION OF OFFER PROCEEDS

Our Company and the Selling Shareholder specifically confirms that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Details of all monies utilized out of the Fresh Offer shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

Details of all unutilized monies out of the Fresh Offer, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.

Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received; and

RESTRICTION 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 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. Foreign investment is allowed up to 100% under automatic route in our Company.

The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on 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 (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. 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.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. Please refer to the chapter titled “Offer Procedure” beginning on page 315

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (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 SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Please refer to the chapter titled “Offer Procedure” beginning on page 315.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt Rules. 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 in writing about such approval along with a copy thereof within the Bid/ Offer Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered 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.

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 modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them

DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

**THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION**

**OF
MILAN GINNING PRESSING LIMITED**

*** The Company has Adopted new set of Articles of Association by passing Special Resolution in General Meeting dated 29th February, 2024.**

**** The Name clause of the company has been changed due to Conversion of company from Private Limited to Public Limited by Passing Special Resolution in it General Meeting dated 12th April, 2024**

****The Company has adopted new set of Articles of Association by passing Special Resolution in General Meeting dated 21st January, 2025.**

This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of the MILAN GINNING PRESSING LIMITED (the “Company”) held on 21st January, 2025.

These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

The regulations contained in Table ‘F’ in the first schedule of the Companies Act, 2013 as amended from time to time, in so far as they are applicable to a public limited company, will apply to the Company save in so far as they are not inconsistent with any of the provisions contained in these Articles Any exemptions or privileges whereby provisions of any section of the Companies Act, 2013 or rules made thereunder is/are not applicable to a private limited company as may be notified from time to time (including without limitations, relaxations/exemptions to private companies vide notification No. G.S.R. 464(E) dated 5th June, 2015 and notification No. G.S.R. 583(E) dated 13th June 2017), then to that extent these Articles are deemed to have such exemptions and privileges and, such exempted section or sections or rules shall not apply to the Company.

PART A

Interpretation

1. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subjects or context
 - a. “**Articles**” means the articles of association of the Company as originally framed or as altered from time to time or applied in pursuance of any previous company law or of the Act
 - b. “**the Act**” means the Companies Act, 2013, as amended, modified, supplemented or re-enacted from time to time together with the rules, circulars and notifications thereunder, as amended, modified, supplemented or re-enacted from time to time;
 - c. “**the seal**” means the common seal of the Company; and

- d. **“Company”** means **MILAN GINNING PRESSING LIMITED**.
- e. **“Depository”** means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.
- f. **“Electronic Mode”** means carrying out electronically based, whether main server is installed in India or not, including, but not limited to:
- i business to business and business to consumer transactions, data interchange and other digital supply transactions;
 - ii offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India;
 - iii financial settlements, web based marketing, advisory and transactional services, database services and products, supply chain management;
 - iv online services such as telemarketing, telecommuting, telemedicine, education and information research; and all related data communication services;
 - v facsimile telecommunication when directed to the facsimile number or electronic mail directed to electronic mail address, using any electronic communication mechanism that the message so sent, received or forwarded is storable and retrievable;
 - vi posting of an electronic message board or network that the Company or the officer has designated for such communications, and which transmission shall be validly delivered upon the posting;
 - vii other means of electronic communication, in respect of which the Company or the officer has put in place reasonable systems to verify that the sender is the person purporting to send the transmission; and
 - viii video conferencing, audio- visual mode, net conferencing and/or any other electronic communication facility.
- g. **“Member”** or **“Shareholder”** means member in pursuance of Section 2(55) of the Act.
2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

Share capital and variation of rights

- II 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transmission, sub-division, consolidation or renewal of any of its shares as the case may be or within such other period as the conditions of issue shall be provided,-
- a. one certificate for all his shares without payment of any charges; or
 - b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the signature of any two directors and shall specify the shares to which it relates and the amount paid - up thereon:

(iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. A person subscribing to the securities (including shares) offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository, in which event the rights and obligations of the parties concerned, and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time, or any statutory modification thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other applicable laws. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.
4. The Company shall also maintain a register and index of beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in dematerialized form in any medium as may be permitted by law including in any form of electronic medium.
5. Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, rematerialize its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the regulations framed thereunder, if any.
6. All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.
7. Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.
8. The Company shall cause to be kept a register and index of Members with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of Members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a branch Register of Members, of Members resident in that state or country.
9. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every Certificate under the Article shall be issued without payment

of fees if the Directors so decide, or on payment of such fees (not exceeding ₹2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

10. Except as required by law, no person shall be recognized 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 recognize (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.
11. (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. Or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
12. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating 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.
13. 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.
14. Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being 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 and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without

the sanction of the company in the General Meeting.

15. 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.
16. (1) Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered:
 - (a) to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions:
 - i the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed under Section 62 of the Companies Act, 2013 and rules made thereunder and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined
 - ii unless the articles of the Company otherwise provide, the aforesaid 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 and the notice referred above shall contain a statement of this right; and
 - iii after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company; or
 - (b) to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and Rules thereunder; or
 - (c) to any persons, if it is authorized by a special resolution passed by the Company in a General Meeting, whether or not those persons include the persons referred to above, either for cash or for consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed in the Act and rules made thereunder.

The notice referred above shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue.

(2) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares in the Company.

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debenture or the raising of loan by a special resolution passed by the Company in general meeting.

(3) Notwithstanding anything contained in this Article, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

In determining the terms and conditions of conversion in terms of the above provision, the Government shall have due regard to the financial position of the company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

Where the Government has, by an order made in terms of the above provision, directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the Tribunal in terms of the above provision or where such appeal has been dismissed, the memorandum of such company shall, stand altered and the authorized share capital of such company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

(4) 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.

17. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Lien

18. (i) The Company shall have a first and paramount lien-
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

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 Article.

(ii) 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.

19. 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 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.

20. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
21. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
22. The fully paid-up shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares.

Calls on shares

23. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
24. 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.
25. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
26. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
27. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

28. 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.

29. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

Transfer of shares

30. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(ii) The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share. 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.

31. The Board may, subject to the right of appeal conferred by section 58 decline to register--

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the Company has a lien.

32. The Board may decline to recognize any instrument of transfer unless-

- (i) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (ii) 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
- (iii) the instrument of transfer is in respect of only one class of shares.

33. 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.

34. The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the Exchange;

35. Shares or other securities of any Member shall be freely transferable, provided that any contract or arrangement between two or more persons in respect of transfer of securities shall be enforceable as a contract.
36. In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.
37. Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register –

(a) any transfer of shares on which the company has a lien.

That registration of transfer shall however 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;

Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the rights to, any shares or interest of a member in or debentures of the Company.

Transmission of shares

38. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

(ii) Nothing in Article 26(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.

39. (i) Any person becoming entitled to a share in consequence of the death or insolvency of member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-(a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

40. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall

deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

41. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

42. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

43. The notice aforesaid shall-

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

44. 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.

45. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

46. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

47. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration,

shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

48. 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

49. 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.

50. Subject to the provisions of section 61, the Company may, by ordinary resolution,--

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

51. Where shares are converted into stock,--

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) Such of the Articles 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.

52. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,--
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

Capitalisation of profits

53. (i) The Company in general meeting may, upon the recommendation of the Board, resolve-
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in Article 41(ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article (iii), either in or towards—
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (c) partly in the way specified in sub-Article 41(ii)(a) and partly in that specified in sub - Article 41(ii)(b);
 - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
 - (e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
54. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall--
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
 - (b) Generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorize 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 capitalization, 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 capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

55. 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

56. All general meetings other than annual general meeting shall be called extraordinary general meeting.
57. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

58. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
59. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
60. 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.
61. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

62. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

63. Subject to any rights or restrictions for the time being attached to any class or classes of shares,-

- (a) via electronically; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

64. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
65. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
66. 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 electronically or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
67. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
68. 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.
69. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

70. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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.
71. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
72. 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

73. **Director**

(A) The First Director of the company were:

1. Husenali Yusufali Narsinh
2. Yusufali Khushalbai Narsinh

(B) The Present Director of the company are:

1. Mohmmadhasnein Husenali Narsinh
2. Minajbanu Husenali Narsinh
3. Husenali Yusufali Narsinh
4. Priyank Shirishbhai Shah
5. Khushi Giriraj Laddha

74. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
 - (b) in connection with the business of the Company.
75. The Board may pay all expenses incurred in getting up and registering the Company.
76. The Company may exercise the powers conferred on it by section 88 with regard to the keeping of 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.
77. 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.
78. 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.
79. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

80. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
81. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
82. 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.
83. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
84. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
85. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
86. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
87. 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.
88. 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.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

89. Subject to the provisions of the Act,--

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may 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;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

90. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

91. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the Company shall not be affixed to any instrument except by the authority of resolution of the Board or of a committee of the Board authorized 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.

[Explanation.- : For the purposes of this sub-paragraph it is hereby clarified that on and from the commencement of the Companies (Amendment) Act, 2015 (21 of 2015), i.e. with effect from the 29th May, 2015, company may not be required to have the seal by virtue of registration under the Act and if a company does not have the seal, the provisions of this subparagraph shall not be applicable.]

Dividends and Reserve

92. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

93. 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.

94. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

95. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof

the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

96. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

97. (i) Any dividend, interest or other monies payable in cash in respect of shares 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.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it assent.

98. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

99. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

100. No dividend shall bear interest against the Company accounts.

101. (i) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank subject to the applicable provisions of the Act and the Rules made thereunder.

(ii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer

(iii) No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws.

(iv) The Company shall, within a period of ninety days of making any transfer of an amount under sub-section (1) to the unpaid dividend account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

(v) If any default is made in transferring the total amount referred to in sub-section (1) or any part thereof to the unpaid dividend account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve percent per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them

Accounts

102. (i) 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.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

103. Statutory Registers

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.

The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

104. Foreign Registers

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, *mutatis mutandis*, as is applicable to the register of members.

Winding up

105. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

106. Every officer of the Company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION XIV – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Survey No. 555/P Nr. Chorania 440, KV Watt Sub Station, National Highway 8, Utadi, Limbdi, Surendranagar – 36421, Gujarat, India from date of this Draft Red Herring Prospectus to Bid/Offer Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS TO THE OFFER

1. Offer Agreement dated March 28, 2026 between our Company, the Promoter Selling Shareholders and the Book Running Lead Manager.
2. Agreement dated March 27, 2026 between our Company, the Promoter Selling Shareholders and the Registrar to the Offer.
3. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.
4. Share Escrow Agreement dated [●] entered into among our Company, the Selling Shareholders and the Share Escrow Agent.
5. Underwriting Agreement dated [●] between our Company, the Promoter Selling Shareholders and the Underwriter.
6. Market Making Agreement dated [●] between our Company, the Promoter Selling Shareholders and the Book Running Lead Manager and the Market Maker.
7. Syndicate Agreement dated [●] between our Company, the Promoter Selling Shareholders, the Book Running Lead Manager, the Syndicate Member and the Registrar to the Offer.
8. Public Offer Account Agreement dated [●] among our Company, the Promoter Selling Shareholders the Book Running Lead Manager, the Public Offer Bank/ Banker to Offer and the Registrar to the Offer.
9. Tripartite Agreement dated August 28, 2024, among NSDL, our Company, and the Registrar to the Offer.
10. Tripartite Agreement dated January 23, 2024, among CDSL, our Company and the Registrar to the Offer.

MATERIAL DOCUMENTS TO THE OFFER

1. Certificate of Incorporation dated April 25, 1995 issued by Registrar of Companies, Gujarat, Dadra & Nagar Haveli.
2. Fresh certificate of incorporation dated June 21, 2024 was issued by the Registrar of Companies, Central Processing Centre pursuant to conversion into public company.
3. Our Memorandum and Articles of Association, as amended from time to time.
4. Resolution of the Board of Directors dated March 06, 2026 authorising the Offer.
5. Resolution of the shareholders dated March 09, 2026 under section 62(1)(c) of the Companies Act, 2013 authorising the Offer.
6. Resolution of the Board of Directors of our Company dated March 31, 2026 taking on record and approving this Draft Red Herring Prospectus.
7. Auditor's Report dated January 30, 2026 on the Restated Standalone Financial Information and March 12, 2026 on the Consolidated Financial Information of our Company included in this Draft Red Herring Prospectus.
8. The Statement of Possible Tax Benefits dated March 28, 2026 from our Statutory Auditors included in this Draft Red Herring Prospectus.
9. Consents of Promoters, Directors, Promoter Selling Shareholders, Promoter Group, SMP, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory & Peer Review Auditor, Bankers to our Company, Chartered Engineer, Infomerics Analytics and Research Private Limited (Industry Report Provider), Banker to the Offer, the Book Running Lead Manager, the Underwriter, the Market Maker, Syndicate Member, Registrar to the Offer, Legal Advisor and Monitoring Agency to act in their respective capacities.
10. Copies of Annual Report for FY 2024-25, 2023-24 and 2022-23.
11. Copy of approval from BSE vide letter dated [●] to use the name of BSE in the Offer Document for listing of Equity Shares on SME Platform of BSE.

12. Due Diligence Certificate dated [●] from the Book Running Lead Manager.
13. NOC from secured lenders i.e. SBI dated March 11, 2026.
14. Certificates issued by Abhishek Kumar and Associates, Chartered Accountants on certifying the Offer Expenses, Working Capital, Net Worth, Cost of Acquisition, Other Financial Information, Financial Indebtedness, Capitalisation Statement and Key Performance Indicators.
15. Chartered Engineer Certificate on installed capacity dated January 02, 2026 from Prashant Dashputre, Independent Chartered Engineer as an expert defined under Section 2(38) of the Companies Act, 2013.
16. Site Visit Report of our Company dated March 28, 2026, issued by the Book Running Lead Manager.
17. Secretarial Due Diligence Report dated March 13, 2026 issued by Practising Company Secretary M/s Barange and Associates
18. PCS Search Report dated December 17, 2025 issued by Practising Company Secretary, Murtuza Mandorwala & Associates

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 other parties, with the approval of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes

DECLARATIONS

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI 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 SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS, CFO AND CS OF OUR COMPANY

Name	Designation	Signature
Mohmmadhasnein Husenali Narsinh (DIN: 00082026)	Chairman and Managing Director	Sd/-
Husenali Yusufali Narsinh (DIN: 001002874)	Whole Time Director	
Minajbanu Husenali Narsinh (DIN: 00084661)	Non-Executive Director	
Khushi Giriraj Laddha (DIN: 10597406)	Independent director	
Priyank Shirishbhai Shah (DIN: 06967625)	Independent director	
Shah Yashesh Vijaykumar	Company Secretary & Compliance Officer	
Devendra Kumar Yadav	Chief Financial Officer	

Place: Limbdi, Gujarat

Date of filing of DRHP: March 31, 2026